

Ref: SEC/FILING/BSENSE/19-20/68A/B

Date: May 31, 2019

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 511218

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor, Plot no. C/1, G- Block,
Bandra-Kurla Complex,
Mumbai – 400 051.
NSE Symbol: SRTRANSFIN

Dear Sir/Madam,

Sub: Annual General Meeting- Annual Report 2018-19

The 40th Annual General Meeting (AGM) of the Company will be held on June 27, 2019 at 10.30 A.M. Narada Gana Sabha (Main Hall), No. 314, TTK Road, Alwarpet, Chennai - 600 018.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19 which is being despatched / sent to the members by the permitted mode(s).

The Annual Report containing the Notice is also uploaded on the Company's website <https://www.stfc.in/annual-reports.aspx>.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

for **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**



VIVEK ACHWAL
COMPANY SECRETARY

Encl: a/a

Shriram Transport Finance Company Limited

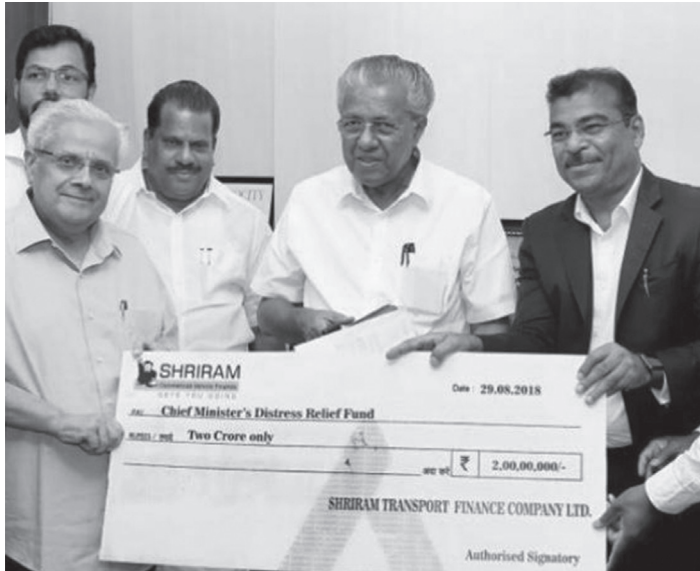
Corporate Office: Wockhardt Towers, Level – 3, West Wing, C-2, G-Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051. Tel: +91 22 4095 9595 | Fax: +91 22 4095 9597.

Registered Office: Mookambika Complex, 3rd Floor, No.4, Lady Desika Road, Mylapore, Chennai – 600 004, Tamil Nadu, India. Tel: +91 44 2499 0356 | Fax: +91 44 2499 3272.

Website: www.stfc.in | Corporate Identity Number (CIN) – L65191TN1979PLC007874.



A WINNING RELATIONSHIP



As a part of CSR initiative, the Company contributed Rs. 2 crore to Chief Minister's Distress Relief Fund. Seen in the photograph are Mr. S. Lakshminarayanan, Chairman,(Left) and Mr. Umesh Revankar, Managing Director & CEO (Right), handing over the cheque to Mr. Pinarayi Vijayan, Hon'ble Chief Minister of Kerala (Centre).

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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

Directors

Mrs. Kishori Udeshi (Independent)

Mr. S. Sridhar (Independent)

Mr. Pradeep Kumar Panja (Independent)

(w.e.f. October 25, 2018)

Mr. S. M. Bafna (Independent)

(upto March 31, 2019)

Mr. Amitabh Chaudhry (Independent)

(upto October 25, 2018)

Mr. Puneet Bhatia

Mr. D. V. Ravi

Mr. Gerrit Lodewyk Van Heerde

(upto May 08, 2019)

Mr. Ignatius Michael Viljoen

(w.e.f. May 14, 2019)

EXECUTIVE DIRECTOR & CFO

Mr. Parag Sharma

COMPANY SECRETARY

Mr. Vivek Achwal

AUDITORS

M/s. Haribhakti & Co., LLP, Chartered Accountants

M/s. Pijush Gupta & 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 No. : +91 44 281 408
01/02/03, Fax: +91 44 2814 2479

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R Kamani Marg,
Ballard Estate, Mumbai - 400 001.

Mr. Jatin Bhat

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

itsl@idbitrustee.com

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg,
Dadar West, Mumbai- 400 028.

Ms. Krishna Kumari

Tel No. : +91 22 6230 0451, Fax: +91 22 6230 0700

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 - 400 021.

Mr. Umesh Salvi

Tel No. : +91 22 - 49220555, Fax: +91 22 49220505

umesh.salvi@ctltrustee.com

REGISTERED OFFICE

Mookambika Complex, 3rd Floor, No. 4,

Lady Desika Road, Mylapore, Chennai - 600 004.

Tel No. : +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.

Tel No. : +91 22 4095 9595, Fax: +91 22 4095 9597

LISTED AT

National Stock Exchange of India Limited

BSE Limited

LIST OF INSTITUTIONS

- Small Industries Development Bank of India (SIDBI)
- National Bank for Agriculture and Rural Development (NABARD)
- J P Morgan Securities India Private Limited
- Citicorp Finance (India) Limited
- Micro Units Development and Refinance Agency Bank (MUDRA)
- Life Insurance Corporation of India

LIST OF BANKS

Abu Dhabi Commercial Bank

Allahabad Bank

Andhra Bank

Axis Bank Limited

Bank of America N.A.

Bank of Baroda

Bank of India

Bank of Maharashtra

MUFG Bank

Barclays Bank PLC

Canara Bank

Central Bank of India

Citibank N.A.

DBS Bank Limited

Dena Bank (merged with Bank of
Baroda)

Deutsche Bank AG

Doha Bank

Emirates NBD Bank PJSC

FirstRand Bank Limited

HDFC Bank Limited

The Hongkong and Shanghai Banking

Corporation Limited

ICICI Bank Limited

IDBI Bank Limited

IDFC First Bank Limited

Indian Bank

Indian Overseas Bank

IndusInd Bank Limited

Karnataka Bank Limited

Kotak Mahindra Bank Limited

Mizuho Bank Limited

Oriental Bank of Commerce

Punjab & Sind Bank

Punjab National Bank

Qatar National Bank Q.P.S.C

RBL Bank Limited

Shinhan Bank

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 Zoroastrian Co-operative Bank
Limited

UCO Bank

Union Bank of India

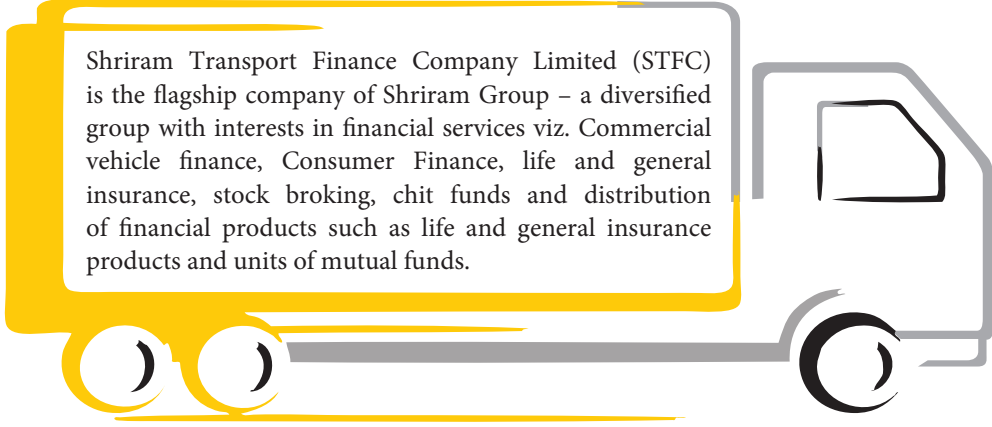
United Bank Of India

United Overseas Bank

Vijaya Bank (merged with Bank of
Baroda)

Woori Bank

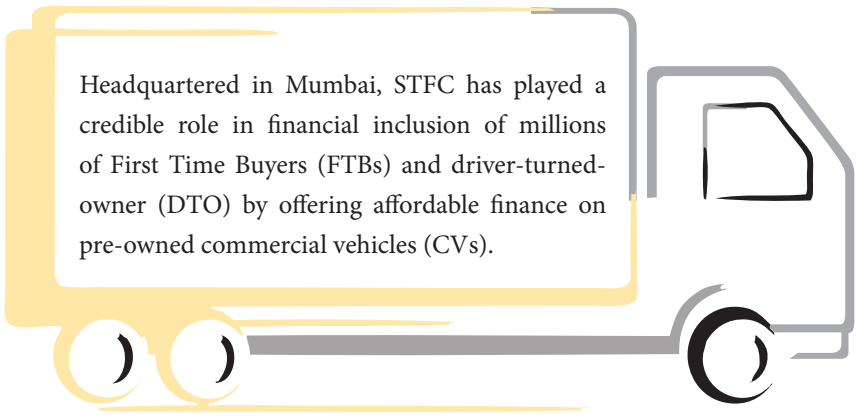
Yes Bank Limited



Shriram Transport Finance Company Limited (STFC) is the flagship company of Shriram Group – a diversified group with interests in financial services viz. Commercial vehicle finance, Consumer Finance, life and general insurance, stock broking, chit funds and distribution of financial products such as life and general insurance products and units of mutual funds.

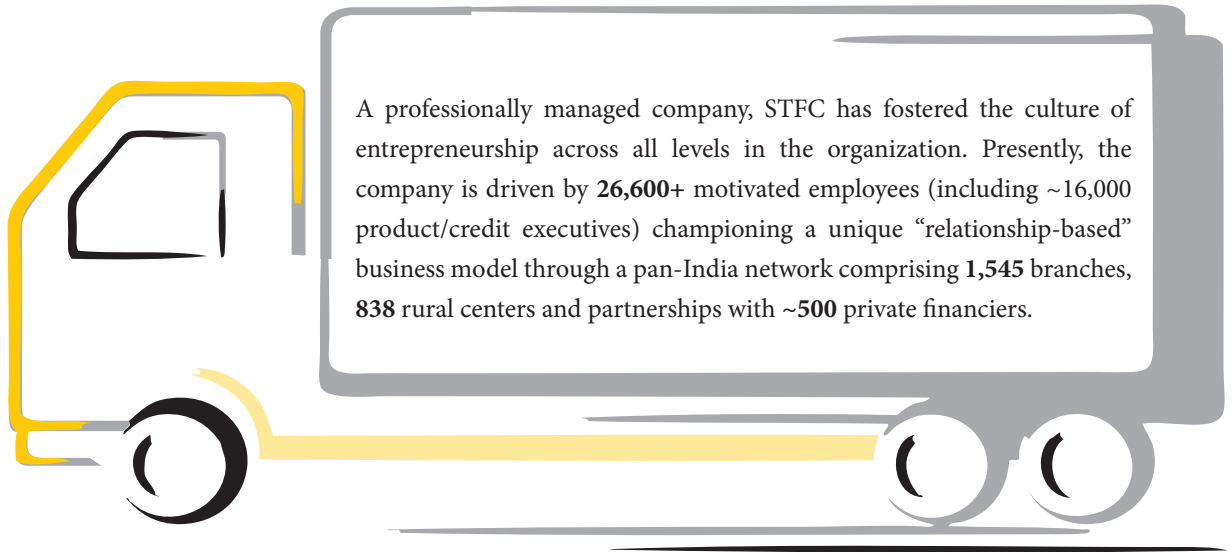


Established in 1979, STFC is an asset financing Non-Banking Finance Company.*

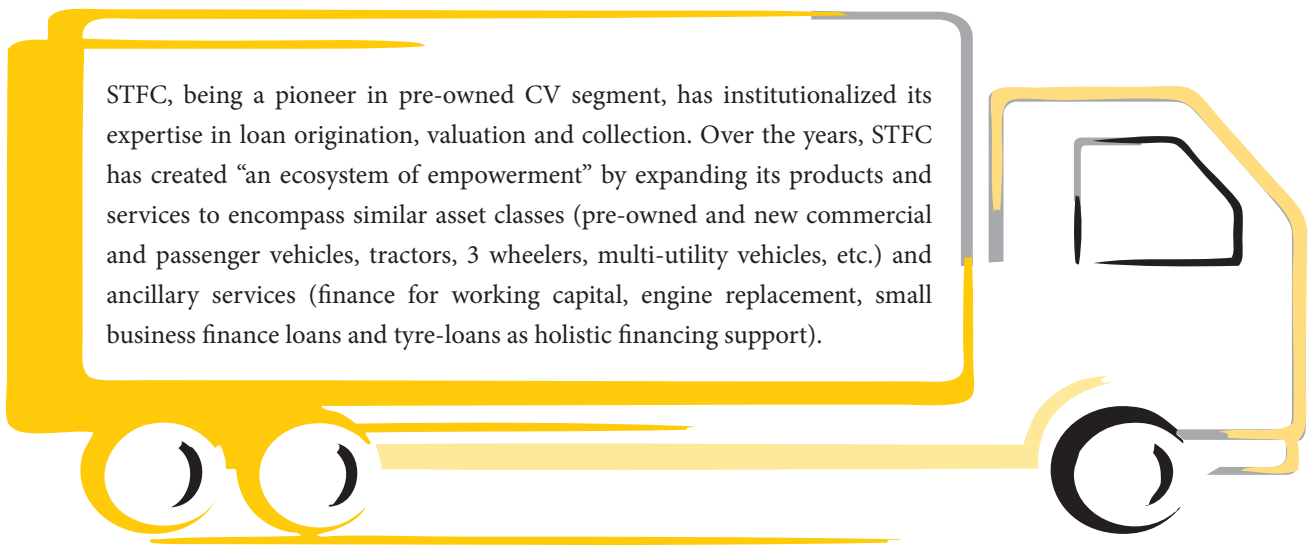


Headquartered in Mumbai, STFC has played a credible role in financial inclusion of millions of First Time Buyers (FTBs) and driver-turned-owner (DTO) by offering affordable finance on pre-owned commercial vehicles (CVs).

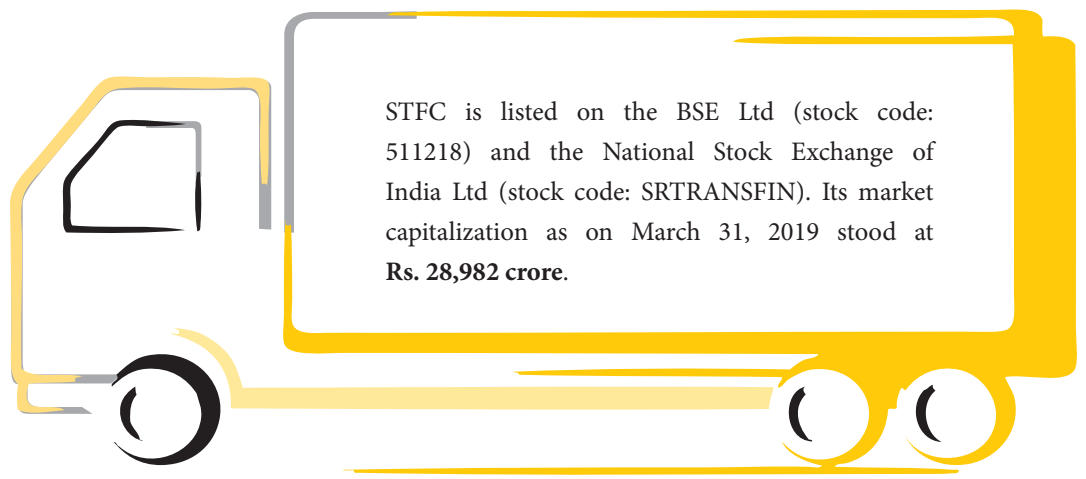
*RBI has merged Asset Financing Companies, Loan Companies and Investment companies in to a new category “NBFC - Investment and Credit Company” vide its circular no. DNBR (PD) CC. No. 097/03.10.001/2018-19 dated February 28, 2019



A professionally managed company, STFC has fostered the culture of entrepreneurship across all levels in the organization. Presently, the company is driven by **26,600+** motivated employees (including ~16,000 product/credit executives) championing a unique “relationship-based” business model through a pan-India network comprising **1,545** branches, **838** 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, small business finance loans and tyre-loans as holistic financing support).



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, 2019 stood at **Rs. 28,982 crore.**

STANDALONE BASIS

Assets under management **Rs. 104,482** crore



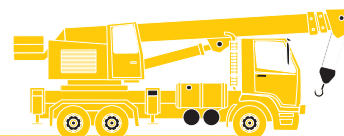
Securitisation done for the year 2018-19 **Rs. 15,123** crore



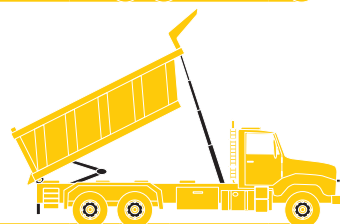
Total income for the year 2018-19 **Rs. 15,546** crore



The profit after tax stands at **Rs. 2,564** crore



Net interest income for the year 2018-19 **Rs. 7,808** crore



The earning per share stands at **Rs. 113.01**

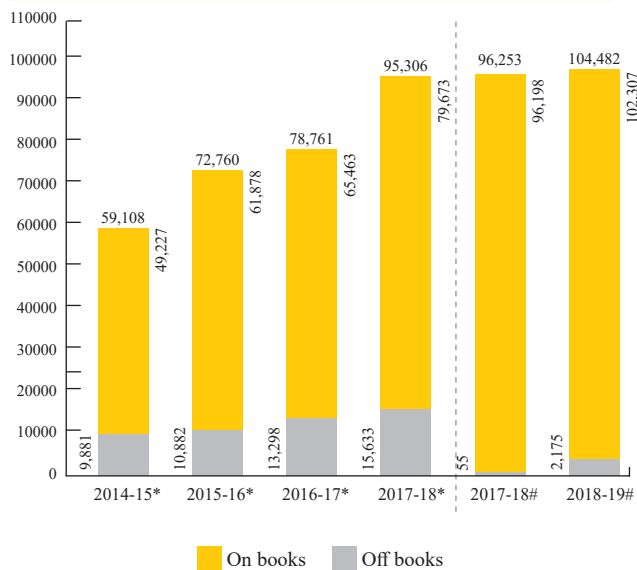


Note - Above Figures are as per Ind AS

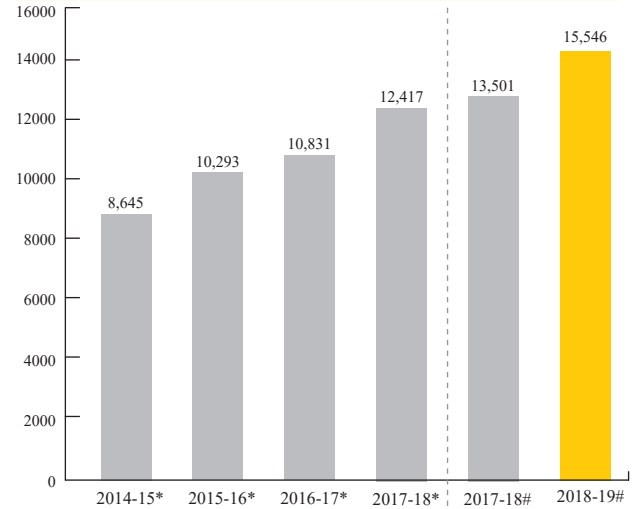
ANNUAL

PERFORMANCE TRENDS STANDALONE BASIS

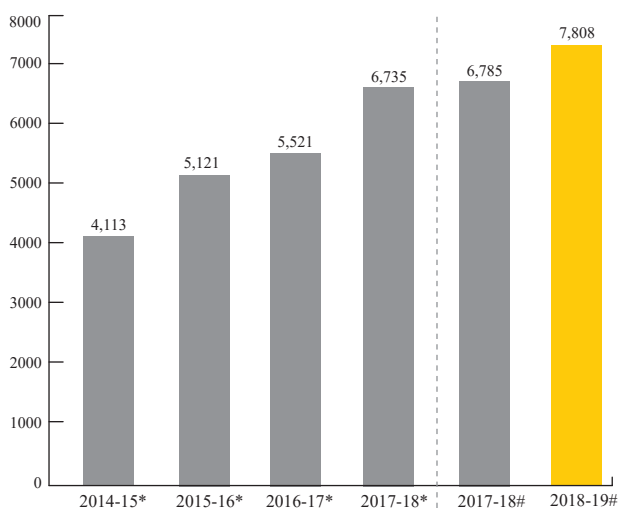
ASSETS UNDER MANAGEMENT (Rs. crore)



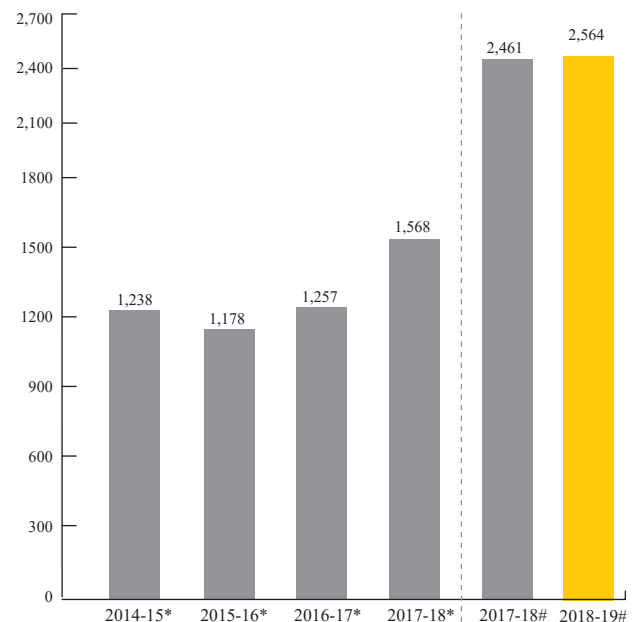
TOTAL INCOME (Rs. crore)



NET INTEREST INCOME (Rs. crore)



NET PROFIT (Rs. crore)

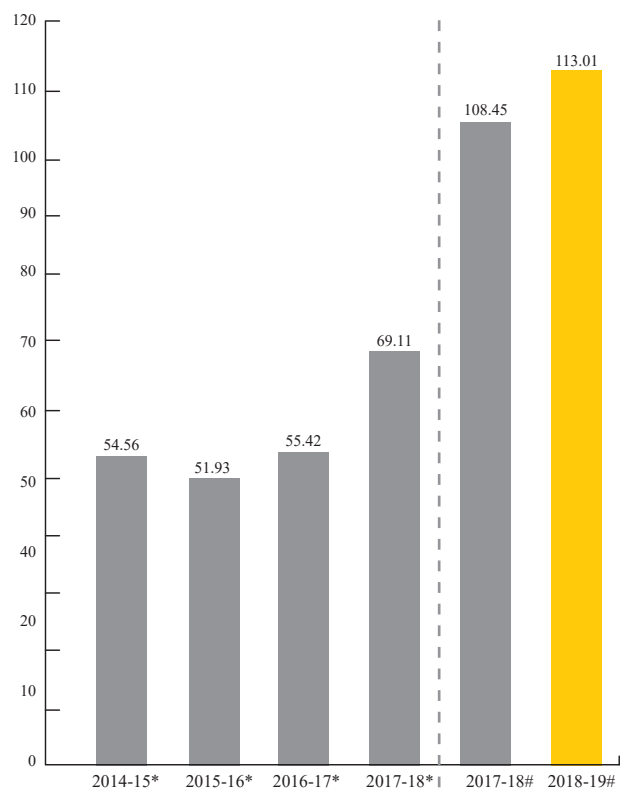


* Figures as per IGAAP. # Figures as per Ind AS.

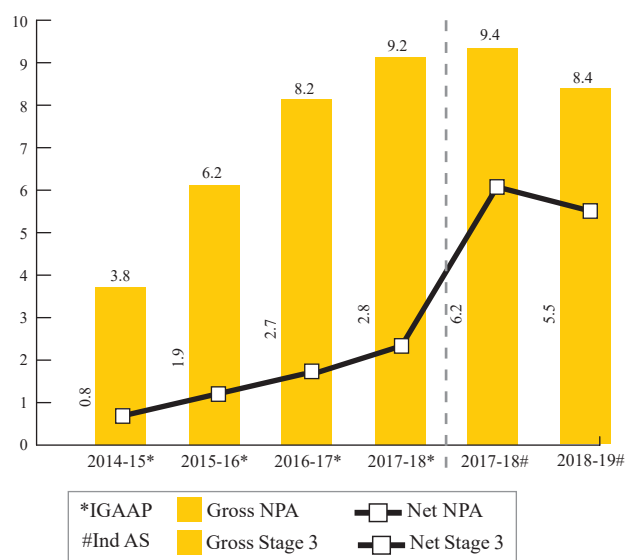
Off books Assets Under Management (AUM) includes Securitisation, Direct Assignment (DA) and Portfolio Management Services (PMS)

Off books AUM includes DA and PMS

EPS (BASIC) (Rs.)

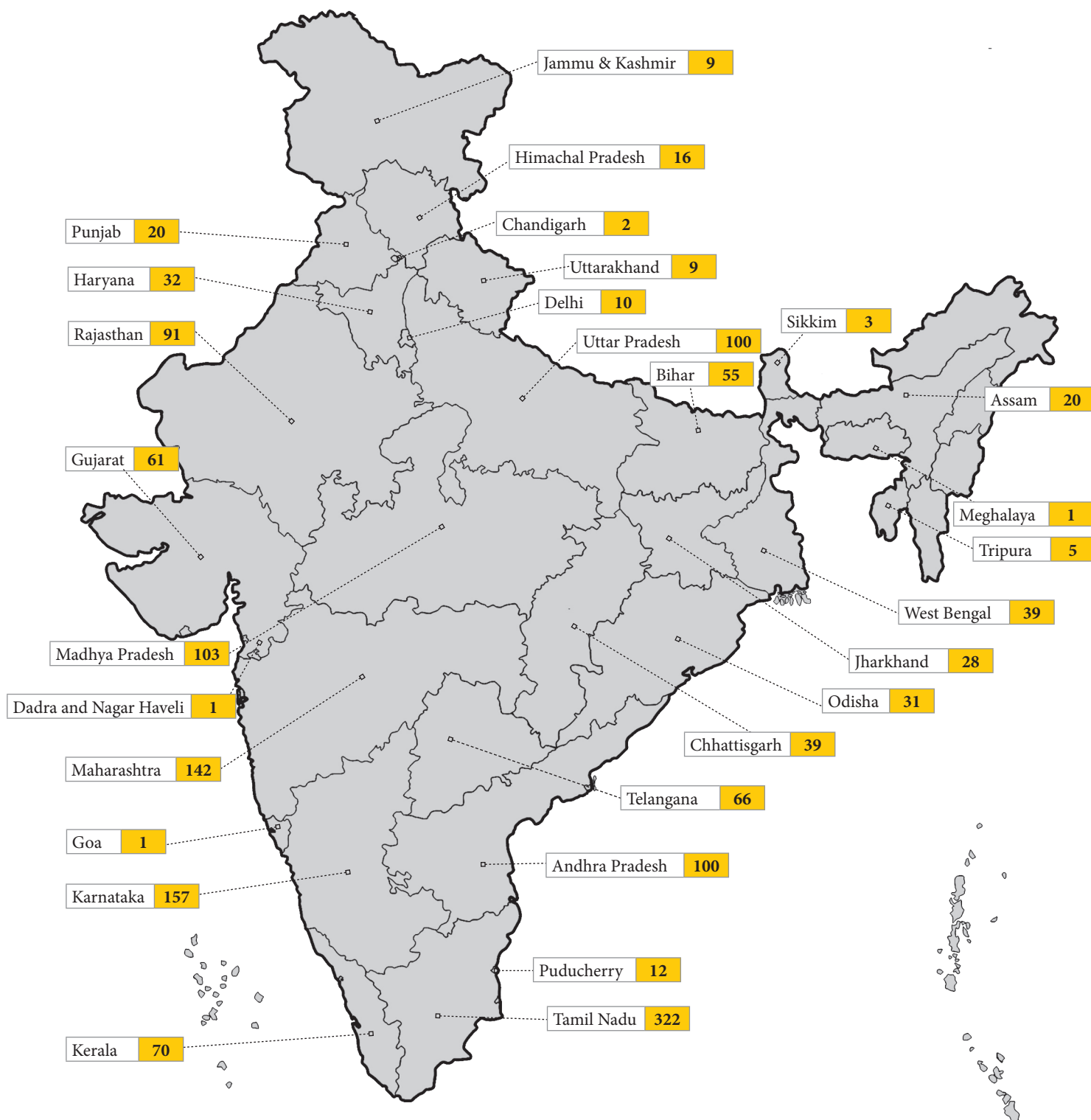


NPA/STAGE 3 (%)



* Figures as per IGAAP. # Figures as per Ind AS.

BRANCH NETWORK AS ON MARCH 31, 2019 : 1,545 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 gathered momentum since January, 2018, both in advanced and emerging market economies. In the middle of the year, the global growth became uneven with rising trade tensions. The economic activity of emerging market economies had decelerated in the middle of the year on account of weak domestic demand, rising trade tensions, elevated oil prices, tightening of financial conditions, etc. In the later half of the year, global economic activity showed increasing signs of weakness on rising trade tensions.

Brent Crude oil prices made a year high of \$86 per barrel in the beginning of October 2018, but started falling thereafter due to concerns of slowing global demand, raising of oil production by major oil producing members of Organization of the Petroleum Exporting Countries (OPEC) and increase in oil production by USA. However, crude oil prices rebounded since the beginning of January 2019, as members of OPEC and other oil producing countries started cutting the crude output. Also fighting in Libya and falling Venezuelan and Iranian exports has raised concerns over tightening global supply.

INDIAN ECONOMIC OVERVIEW

The Indian economy began the year with 8.10% year-on-year growth in Gross Domestic Product (GDP) in January-March 2018, driven by higher growth in manufacturing, the farm sector and construction. It surpassed China's GDP growth rate of 6.80% in the January-March 2018 quarter, confirming India as the fastest growing major economy. The economy grew at 8% in April-June 2018 quarter on strong performance by manufacturing and consumer spending but slowed to 7% in July-September 2018 quarter on slower consumer spending and farm growth. The economy further slowed down to 6.60% in October-December 2018 quarter on weaker consumer demand and lower government spending.

Consumer Price Index (CPI) inflation rose to a near two-year high levels of 4.92% in June 2018, driven by surging oil and food prices, but fell to 19 month low levels of 1.97% in January 2019 due to a fall in food prices and smaller increases in fuel costs. In the sixth bi-monthly monetary policy of February 2019, CPI inflation was projected at 2.80% for Q4:2018-19.

RBI increased repo rate by 25 basis points each in its June, 2018 and August, 2018 bi-monthly policy meetings. However, it cut repo

rate by 25 basis points each, in February, 2019 and April, 2019 bi-monthly policy meetings to spur growth.

The government has exceeded the disinvestment target for the second year in a row in financial year 2018-19. Disinvestment through the Exchange Traded Fund (ETF) route proved to be a best route for the government.

The second advance estimates for 2018-19 released by the Central Statistics Office (CSO) in February 2019 revised India's real GDP growth downwards to 7.0% from 7.2% in the first advance estimates. Domestic economic activity decelerated for the third consecutive quarter in Q3:2018-19 due to a slowdown in consumption, both public and private. However, gross fixed capital formation (GFCF) growth remained in double digits for the fifth consecutive quarter in Q3, with the GFCF to GDP ratio rising to 33.10% in Q3:2018-19 against 31.80% in Q3:2017-18, supported primarily by the government's thrust on the road sector and affordable housing.

On the supply side, the second advance estimates of the CSO placed the growth of real gross value added (GVA) lower at 6.80% in 2018-19 as compared with 6.90% in 2017-18. GVA growth slowed down to 6.30% in Q3 due to a deceleration in agriculture output from the record level achieved in the previous year. Industrial GVA growth remained unchanged in Q3, with manufacturing GVA growth slowing somewhat. Services GVA growth also remained unchanged in Q3; while growth in construction activity accelerated, there was some loss of momentum in public administration, defence and other services.

The net FDI inflows were strong in April-January 2018-19. Foreign portfolio investors turned net buyers in the domestic capital market in Q4: 2018-19. India's foreign exchange reserves were at US\$ 412.9 billion on March 31, 2019.

The Rupee made a lifetime low at Rs. 74 per dollar in October, 2018 due to rise in crude oil prices, fund outflows and concerns over fiscal deficit, but started recovering since the beginning of March, 2019 on inflow of foreign funds into domestic equity market. However, the rupee closed at an over six-week low of 70.25 per dollar on April 25, 2019 due to rising crude oil prices and selling in local equities.

The fiscal deficit in the first eleven months of the financial year 2018-19 was Rs. 8.51 trillion, widening from Rs. 7.16 trillion in the comparable year-earlier period. The fiscal deficit for the period from April 2018-February, 2019 was 134.2% of the government's estimate for the financial year 2018-19.

The government's total revenue of Rs. 12.66 trillion upto February, 2019 was 73.2% of the estimated revenue for the financial year 2018-19, out of which the net tax income was Rs. 10.94 trillion and non-tax revenue was Rs. 1.72 trillion, which were below the estimates for the financial year 2018-19.

The revenue expenditure was at Rs. 19.15 trillion in the first 11 months of the financial year 2018-19, 89.4% of the budgeted

expenditure. The capital expenditure stood at Rs. 2.74 trillion during the said period, 86.6% of budget for the capital expenditure.

While announcing the interim budget for the fiscal year 2018-19, the government had revised its targeted fiscal deficit at 3.40% of GDP for FY 19 which has been met.

FINANCIAL SERVICES SECTOR

India's financial services sector comprises of commercial banks/co-operative banks, non-banking financial companies, insurance companies, pension / mutual funds and other various entities. Scheduled Commercial Banks' credit growth on a year-on-year (y-o-y) basis improved across bank groups between March and September 2018, largely driven by the private sector banks (from 21.30% in March 2018 to 22.5% in September 2018). Private sector banks' deposit growth continued to be robust at 18.40%. The performance of the Public Sector Banks (PSBs) has witnessed an overall improvement with credit growth increasing from 5.90% in March 2018 to 9.10% in September 2018 and deposit growth increasing from 3.20% to 5.00% in the same period.

While, Non-Prompt Corrective Action (NPCA) PSBs' credit growth improved from 9.10% in March 2018 to 13.60% in September 2018 and deposits increased from 6.10% to 7.90% in the same period, the PCA-PSBs registered negative growth in both credit and deposits.

In order to develop and deepen the corporate bonds market, SEBI has recently issued a circular on fund raising by issuance of debt securities mandating the large corporates to raise 25% of their incremental borrowings from the financial year 2019-20 onwards through corporate bond market. This will address concentration risk in the banking system.

NBFC SECTOR

As of 27th March, 2019 there were approximately 10,000 NBFCs registered with Reserve Bank of India (RBI), of which 89 deposit accepting NBFC. The primary activities of NBFCs are providing consumer credit, including automobile finance, home finance and consumer durable products finance, wholesale finance products such as bills discounting for small and medium companies and infrastructure finance, and fee based services such as investment banking and underwriting. NBFCs have carved niche business areas for them within the financial sector space and are also popular for providing customized products. For instance, your Company providing finance for re-possessed vehicles at the doorstep of the customer. NBFCs bring the much needed diversity to the financial sector. NBFCs play an important role to promote financial inclusion agenda of the government by catering to the financial needs of people belonging to weaker section of the society.

The crisis faced by a large prominent financial institution of the country in September led to drying-up bank lending, thereby forcing NBFCs to scout for alternate sources of funding.

In February 2019, Reserve Bank of India (RBI) had eased risk weight norms to increase credit flow to NBFCs.

The banks are now required to assign differential risk-weights to their exposures to NBFCs based on ratings assigned by credit rating agencies, as against the existing practice of a uniform risk weight of 100%.

The move is aimed at not only freeing up capital for banks for further lending but also slash borrowing costs for well-rated NBFCs, which have been grappling with a systemic liquidity crisis triggered by a series of defaults by a large prominent financial institution and its subsidiaries.

In order to provide NBFCs with greater operational flexibility, the RBI has merged the categories of NBFCs classified as asset finance companies, investment companies and loan companies into a new category called NBFC - Investment and Credit Company ("NBFC-ICC").

FINANCIAL AND OPERATIONAL PERFORMANCE (as per Ind AS)

(Rs. in Crore)

Sr. No.	Particulars	2018-19	2017-18
1	Total Income (including exceptional items)	15,545.70	13,501.39
2	Net Interest Income	7,807.54	6,785.24
3	Capital Adequacy Ratio	20.27%	17.38%
4	Assets Under Management	104,482.28	96,252.98
5	Securitization done during the year	15,123.06	12,467.16

During the F.Y. 2018-19, the Company's assets under management (AUM) crossed Rs. one lac crore. The Stage 3 Assets was 8.37% in F.Y. 2018-19 as compared to 9.39% in F.Y. 2017-18. The Stage 3 Assets net of Stage 3 Provision was 5.49% in F.Y. 2018-19 as compared to 6.19% in F.Y. 2017-18.

There are no significant changes in key financial ratios of the Company for F.Y. 2018-19 as compared to F.Y. 2017-18. The return on net worth was 16.22% as on March 31, 2019 as against 18.16% as on March 31, 2018 due to increase in Retained earnings and reduction in exceptional item included in profit for the year ended March 31, 2018.

COMMERCIAL AND PASSENGER VEHICLE INDUSTRY

The industry produced a total 30,915,420 vehicles including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycles in April-March 2019 as against 29,094,447 in April-March 2018, registering a growth of 6.26% over the same period last year.

The sale of passenger vehicles grew by 2.70% in April-March 2019 over the same period last year. Within the passenger vehicles, the sales of passenger cars, utility vehicle and vans grew by 2.05%, 2.08% and 13.10% respectively in April-March 2019 over the same period last year.

The overall commercial vehicles segment registered a growth of 17.55% in April- March 2019 as compared to the same period last year. The sale of Medium & Heavy Commercial Vehicles (M&HCVs) increased by 14.66% and the sale of Light Commercial Vehicles grew by 19.46% in April-March 2019 over the same period last year. Three-Wheelers sales increased by 10.27% in April-March 2019 over the same period last year. Within the Three-Wheelers, passenger carrier sales registered a growth of 10.62% and goods carrier grew by 8.75% in April-March 2019 over April-March 2018. Two-Wheelers sales registered a growth at 4.86% in April-March 2019 over April-March 2018. Within the Two-Wheelers segment, scooters sales declined marginally by 0.27%, whereas

the sale of Motorcycles and Mopeds grew by 7.76% and 2.41% respectively in April-March 2019 over April-March 2018.

PRE-OWNED COMMERCIAL VEHICLES

The pre-owned commercial vehicles segment has been the focus area for the Company ever since its inception. The pre-owned commercial vehicles are affordable to aspiring owner-cum-drivers who are small road transport operators with limited banking habits and credit history for verification of creditworthiness. The pre-owned commercial vehicles financing industry in India is dominated by private financiers in the unorganized sector. The Company intends to continue to strategically expand our marketing and customer network by entering into partnerships and co-financing arrangements with private financiers across India involved in commercial vehicle financing. As the market for commercial vehicle financing, especially pre-owned commercial vehicle financing, is fragmented, the Company believe our credit evaluation techniques, relationship-based approach, extensive branch network and strong valuation skills make our business model unique and sustainable as compared to other financiers. The Company believes that our business model is easily scalable at local levels throughout India. The Company has an established track record of developing and training

recruits on our internally developed valuation techniques, substantial customer knowledge and relationship culture the Company have developed over the past four decades. The Company believes this is a key strength which enables us to provide finance to pre-owned commercial vehicle operators at favourable interest rates and repayment terms as compared to private financiers in the unorganised sector. The Company has been engaged in the initiative to corporatize the pre-owned CV financing business. We have established its leadership in the segment and created sustainable competitive advantage through deep understanding of the borrower profile and their credit behavior.

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 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. The Company's Internal Auditor performed regular reviews of business processes to assess the effectiveness of internal controls. Internal Audits were carried out to review the adequacy of the internal control systems, compliance with policies and procedures.

Human Resources

There was a net addition of 2811 employees during the year 2018-19 and total strength of employees as on March 31, 2019 was 26,630. The average age of the employees is about 29 years. For further details please refer to the Business Responsibility Report.

SWOT ANALYSIS

Strengths

- Pioneer in the pre-owned commercial vehicles financing sector
- Asset Financing Company in India with Pan-India presence with 1,545 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

- Consistent 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,
- 2.03 million customers across India

Weakness

- Business and growth directly linked with the GDP growth of the country
- Company's Customers-SRTOs and FTUs are more vulnerable to negative effects of economic downturn

Opportunities

- Growth in the commercial vehicles, passenger vehicles and tractors market
- Meeting working capital needs of persons in commercial vehicles eco-system
- Partnerships with private financiers for enhancement of reach without significant investments
- Penetration into rural markets for financing cargo light commercial vehicles
- On boarding customers on technology platform
- Higher budgetary allocation by the Government to give boost to infrastructure sector involving construction of roads, new airports, ports etc. creating huge demand for Commercial Vehicle
- Cross selling of insurance products, invoice discounting etc.

Threats

- Competition from captive finance companies and small banks
- Ad-hoc policies on phasing out of older vehicles
- Inadequate availability of bank finance and upsurge in borrowing cost
- External risks associated with liquidity stress, political uncertainties, fiscal slippage concerns, etc.

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 consisting majority of 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 and 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. In order to mitigate liquidity risks we have diversified the source of fund raising and widened the borrowing options to exploit opportunities and appetite in the international market for bonds of reputed Indian companies. We issued U.S. Dollar senior secured notes in the international market, which are fully hedged. We have adopted prudent fund management practices. The 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, among others, 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.

In order to mitigate cash management risk associated with collection of loan installments, we have initiated steps to on boarding our customers on technology platform. This is a challenge and a long term process as historically substantial part of our loan recovery is in the form of cash due to peculiar profile and business pattern of our customers. Our loan installment collection process is efficient and secured 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. We have taken Directors and Officers insurance policy cover to mitigate legal risks.

FUTURE STRATEGY

The Board has determined the following medium-term and long-term strategies to achieve its corporate goals over a period of next 3-5 years:

-  To broad base the branch network through enlarging the Company's reach to new geographies.
-  To focus on digital initiatives and customer awareness
-  Effective use and implementation of data analytics in the process of loan disbursement and loan recovery process
-  Further strengthening the leadership position in financing vehicles

-  Further enhancing quality of loan portfolio
-  Maintaining customer loyalty through winning relationship and customer satisfaction

OUTLOOK

According to the initial monsoon forecast of Indian Metrological Department (IMD), India is expected to get near normal monsoon rains in the year 2019. IMD will issue its second stage monsoon forecast in the first week of June. The country is expected to have well distributed rainfall during this year's monsoon season, which will be beneficial to farmers during the Kharif season.

The inflation path during 2019-20 is likely to be shaped by several factors such as food and non-food inflation, international crude oil price, monsoon etc. Taking into consideration these factors and assuming a normal monsoon in 2019, RBI has revised downwards its estimates CPI inflation to 2.40% in Q4:2018-19, 2.90-3.0% in H1:2019-20 and 3.50-3.80% in H2:2019-20.

The World Bank report states that India's GDP growth would accelerate moderately to 7.50% in FY 2019-20, driven by continued investment strengthening, export performance and resilient consumption. RBI has projected India's GDP growth for 2019-20 at 6.8%-7.1% in H-1 2019-20 and at 7.3% -7.4% in H2 2019-20.

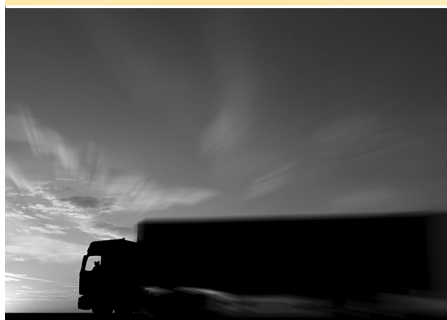
The Society of Indian Automobile Manufacturers (SIAM) has forecast a single digit growth for overall vehicles sales in FY 2019-20. According to SIAM, passenger vehicle sales are projected to grow between 3-5% and commercial vehicle at 10-12%. The two-wheeler segment is expected to grow between 5-7% and three wheeler segment is pegged to grow between 7-9%. Driving this growth will be overall infrastructure and pre-buying of BS-IV vehicles in FY 2019-20 before BS-VI implementation and several launches in the current fiscal year.

The Company will continue focusing on financing of pre-owned commercial and passenger vehicles, further strengthening its presence, reach and penetration into rural and urban centres through large network of branches and rural centres. The Company's business model offers multiple financing opportunities.

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



To the Members,

Your Directors have pleasure in presenting their Fortieth Annual Report and the Audited Statements of Accounts for the financial year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

Your Company has adopted Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2018 and the effective date of such transition is April 01, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI'). The financial statements have been prepared in accordance with the format prescribed for a Non-Banking Financial Company (NBFC) in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022 (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India. The financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated Ind AS.

Particulars	(Rs. in lacs)	
	2018-19	2017-18
Profit Before Depreciation And Taxation	382,124.77	383,793.63
Less: Depreciation, amortisation and impairment	4,297.27	3,613.40
Profit Before Tax	377,827.50	380,180.23
Less: Tax expense	121,428.83	134,126.21
Profit for the year	256,398.67	246,054.02
Add: Balance brought forward from previous year	682,981.38	523,027.40
Balance available for appropriation	939,380.05	769,081.42
Appropriations		
General reserve	25,700.00	15,700.00
Statutory reserve	51,400.00	31,400.00
Debenture redemption reserve	25,147.25	9,206.55
Dividend on equity shares of Rs. 10/- each	24,957.10	24,957.10
Tax on dividend	5,130.01	4,836.39
Balance carried to Balance Sheet	807,045.69	682,981.38

DIVIDEND

Your Directors at their meeting held on October 25, 2018 declared interim dividend of Rs. 5.00/- per equity share (i.e. 50%) for the financial year 2018-19. The interim dividend was paid on November 16, 2018 and involved a cash outflow of Rs. 13,675.97 lacs including tax on dividend.

Your Directors have recommended higher final dividend of Rs. 7/- per equity share (i.e. 70%) for the financial year 2018-19 as against final dividend of Rs. 6/- per equity share (i.e.60%) for the financial year 2017-18. The final dividend distribution will involve in a cash outflow of Rs. 19,146.34 lacs including tax on dividend.

Thus, the total dividend (including interim dividend paid) for the financial year 2018-19 shall be Rs.12/- per equity share (i.e. 120%) aggregating to Rs. 32,822.31 lacs including tax on dividend as against Rs. 11/- per equity share (i.e. 110%) aggregating to Rs. 29,820.39 lacs including tax on dividend for the financial year 2017-18. The Dividend

CREDIT RATING

The credit rating enjoyed by the Company as on March 31, 2019 is as follows:

Credit Rating Agency	Instrument	Ratings
CRISIL	Bank Loan Long Term	CRISIL AA+/Stable
	Bank Loan Short Term	CRISIL A1+
	Non-Convertible Debentures	CRISIL AA+/Stable
	Subordinate Debt	CRISIL AA+/Stable
	Short Term Debt	CRISIL A1+
	Fixed Deposit	CRISIL FAAA/Stable
India Ratings & Research Private Limited	Non-Convertible Debentures	IND AA+/Stable outlook
	Subordinated Debt	IND AA+/Stable outlook
	Commercial Paper	IND A1+
CARE	Non-Convertible Debentures	CARE AA+/Stable
	Subordinated Debt	CARE AA+/Stable
	Commercial Paper	CARE A1+
ICRA	Fixed Deposit	MAA+ with Stable
Standard & Poor's Ratings	Long-Term Issuer Credit Rating	BB+/Stable
	Short-Term Issuer Credit Rating	B
	Offshore Rupee Denominated Bond (Masala Bond)	BB+
	U.S. Dollar Senior Secured Notes	BB+
Fitch Ratings	Long-Term Issuer Default Rating	BB+/Stable Outlook
	Short-Term Issuer Default Rating	B
	Offshore Rupee Denominated Bond (Masala Bond)	BB+
	U.S. Dollar Senior Secured Notes	BB+

OPERATIONS & COMPANY'S PERFORMANCE

For the financial year ended March 31, 2019, your Company earned Profit Before Tax of Rs. 377,827.50 lacs as against Rs. 380,180.23 lacs in the previous financial year and the Profit

Distribution Policy forms part of the Corporate Governance Report and is also available on the website of the Company at <https://www.stfc.in/pdf/Dividend-Distribution-Policy-2017.pdf>.

TRANSFER TO RESERVES

The amounts proposed to be transferred to General Reserve, Statutory Reserve and 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, 2019, stood at 20.27% 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%.

Mobilization of funds from following sources/instruments was as under:

		(Rs. in lacs)	
Sr. No.	Particulars	2018-19	2017-18
1	Non-Convertible Debentures – Institutional - Secured	91,500.00	973,340.00
2	Subordinated Debts – Institutional	236,000.00	142,900.00
3	Term Loans from Banks – Secured	1,350,730.00	2,140,325.00
4	Term Loans from Financial Institutions/ corporates – Secured	156,900.00	185,000.00
5	Commercial Papers	2,482,000.00	1,401,900.00
6	Fixed Deposit	495,609.67	302,106.45
7	Masala Bonds	-	116,000.00
8	Inter Corporate Deposits	5,000.00	18,770.00
9	Non-Convertible Debentures Institution- Unsecured	50,000.00	-
10	Non-Convertible Debentures Public Issue- Secured	479,262.94	-
11	External Commercial Borrowings (Loan)	240,233.00	-
12	U.S. Dollar Senior Secured Notes	284,990.00	-

The total Assets Under Management had increased from Rs. 9,625,298.47 lacs to Rs. 10,448,228.38 lacs. During 2018-19, the Company securitised its assets worth Rs. 1,512,305.83 lacs (accounting for 14.47% of the total assets under management as on March 31, 2019) as against Rs. 1,246,716.07 lacs during 2017-18. 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. 1,939,755.62 lacs as on March 31, 2019.

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 market penetration, the Company opened 332 new Branches and other offices. With this the total number of Branch and other offices across India has now increased to 1,545.

ISSUE OF SECURITIES

Share Capital

The paid up Equity Share Capital of the Company stood at Rs. 22,688.27 lacs (226,882,736 shares of Rs. 10/- each) as on March 31, 2019. There was no change in the paid up Equity Share Capital in the Financial Year 2018-19.

An ordinary resolution is proposed in the Notice of the ensuing 40th Annual General Meeting for cancellation of 48,000 forfeited shares from Issued and Subscribed Share Capital of the Company as set out item 5 of the Notice of the ensuing 40th Annual General Meeting of the Company.

Public Issue of Non-convertible Debentures

During the year under review, the Company through Shelf Prospectus dated June 22, 2018 offered 5,00,00,000 Secured Redeemable Non-Convertible Debentures (NCDs)

of face value of Rs. 1,000 each to the Public for an amount aggregating upto Rs. 5,00,000 lacs pursuant to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended. The Company under the Shelf Prospectus and three Tranche Prospectuses issued and allotted 4,79,26,294 NCDs aggregating to Rs. 479,262.94 lacs. Utilisation of funds raised were as per the objects of the Public Issue of NCDs. The said NCDs are listed on the National Stock Exchange of India Limited and BSE Limited.

Issue of U.S. Dollar Senior Secured Notes

The Company had established INR 50,000 Million Medium Term Note Programme (MTN Programme) in the financial year 2017-18 for issue of rupee denominated bonds (Masala bonds) with an objective of diversifying the borrowing portfolio of the Company and to open new market/avenue for borrowing. The Company had raised Rs. 116,000 lacs under the MTN Programme.

During the year 2018-19, the Company issued 5.70 percent Senior Secured Notes Due 2022 aggregating to USD 400 Million under the MTN Programme. The issue of Senior Secured Notes evinced encouraging response from high quality real money investors from the international market including institutional investors from Singapore, Hongkong and London. The order book for initial price guidance was in excess of USD 1 billion with oversubscription of >2.5x. The funds raised through the issue of Senior Secured Notes have been utilized for onward lending and other activities as permitted by the ECB Directions.

Having regard to the opportunities and appetite for the bonds of the reputed Indian companies in the international market, the Company updated, up sized and converted the MTN Programme into USD 2 billion Global Medium Term Note

Programme (GMTN Programme). On April 24, 2019, the Company issued 5.950 percent Senior Secured Notes due 2022 aggregating to USD 500 Million to the Qualified Institutional Buyers (QIBs) under the Rule 144A of the U.S. Securities Act 1933 and to the eligible investors outside United States under Regulation S of the U.S. Securities Act 1933. The said Senior Secured Notes are listed on the Singapore Exchange Securities Trading Limited. All Senior Secured Notes issued under the above programmes are fully hedged and would not involve any foreign exchange risk to the Company.

FIXED DEPOSITS

As on March 31, 2019, there were 14,223 fixed deposits aggregating to Rs. 17,339.65 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 9,764 deposits amounting to Rs. 10,342.04 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

Cessation of Directorships

Due to other work commitments, Mr. Amitabh Chaudhry (DIN 00531120), independent director and Mr. Gerrit Lodewyk Van Heerde (DIN 06870337), Non-Executive Non-Independent Director of the Company resigned from the directorship of the Company with effect from October 26, 2018 and May 9, 2019 respectively. The tenure of Mr. S.M. Bafna (DIN 00162546), independent director of the company expired on March 31, 2019. He had expressed his willingness not to seek re-appointment as an independent director of the Company. The Board of Directors have placed on record its appreciation of the invaluable services rendered by the said directors.

Appointment of Directors

The Board of Directors appointed (i) Mr. Pradeep Kumar Panja (DIN 03614568) as an Additional Director in the category of independent director of the Company with effect from October 25, 2018 for a period of five consecutive years up to October 24, 2023 and (ii) Mr. Ignatius Michael Viljoen as a Director of the Company in the category of non-executive non-independent director in a casual vacancy caused by the resignation of Mr. Gerrit Lodewyk Van Heerde (DIN 06870337), non-executive non-independent director of the Company, subject to approval of members at the ensuing 40th Annual General Meeting (AGM).

Re-appointment of Directors

Mrs. Kishori Udeshi (DIN 01344073), independent director of the Company was re-appointed for a second term of five years commencing from April 1, 2019 to March 31, 2024 by the members of the Company by way of passing of Special Resolution through Postal Ballot on December 05, 2018.

The Board of Directors re-appointed (i) Mr. S. Lakshminarayanan (DIN 02808698) and Mr. S. Sridhar (DIN 00004272) as independent directors of the Company for a second term of five years with effect from January 24, 2020 and October 20, 2019 respectively and (ii) Mr. Umesh Revankar (DIN 00141189) as Managing Director & CEO of the Company for a further period of five years with effect from October 26, 2019, subject to approval of members at the ensuing 40th AGM.

Retirement of director by rotation

Mr. D. V. Ravi (DIN 00171603), non-executive non-independent director of the Company will retire by rotation at the ensuing 40th AGM and being eligible, offers himself for re-appointment.

All the above appointments/re-appointments by the Board of Directors are based on the recommendation of the Nomination and Remuneration Committee. The resolutions for aforementioned appointment/re-appointments and for payment of remuneration to Managing Director & CEO together with requisite disclosures are set out in the Notice of the ensuing 40th AGM. The Board recommends all the resolutions for your approval.

Declaration by Independent Directors

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

Policies on appointment of Directors and Remuneration

Your Company recognizes the importance and benefits of having the diverse Board to enhance quality of its performance and has adopted a Policy on Board Diversity formulated by the Nomination and Remuneration Committee. The Company's Remuneration Policy has laid down a framework for remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel. These Policies are available on the Company's website at the

weblink:<https://www.stfc.in/pdf/Policy-on-Board-Diversity.pdf> and <https://www.stfc.in/pdf/STFC-Remuneration-Policy-Final.pdf>.

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. The Company has also formulated policy on Succession Planning for Directors and Key Managerial Personnel for continuity and smooth functioning of the Company.

Number of Meetings of the Board

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

Performance evaluation of directors at Board and independent directors' meetings

Pursuant to the provisions of the Act and 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 for the financial year 2018-19. 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, attendance of directors, their contribution in enhancing the Board's overall effectiveness, etc. The Board has expressed their satisfaction with the evaluation process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the management agreed on various action points to be implemented in subsequent meetings. The observations included those relating to further improvement in participation and deliberations at the meetings and conduct of the meetings, circulation of board presentations and its content.

The independent directors met on January 28, 2019 without the presence of other directors or members of Management. All the independent directors were present at the meeting. In the meeting, the independent directors reviewed performance of non-independent directors, the Board as a whole and Chairman. They assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

KEY MANAGERIAL PERSONNEL

There was no change (appointment/resignation) in the key managerial personnel namely, Managing Director & CEO, the Chief Financial Officer and the Company Secretary of the Company during the financial year.

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 Indian accounting standards have been followed along with proper explanation relating to material departures;
- b) That such accounting policies as mentioned in note 6 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, 2019 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 CSR Report for the Financial Year 2018-19 is annexed to this report as **Annexure-I**. The composition of CSR Committee and the details of the ongoing CSR projects/programs/activities are included in the CSR report/section. The CSR policy is uploaded on the Company's website at the web link:<http://stfc.in/pdf/Corporate-Social-Responsibility-Policy.pdf>.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Act, the

extract of the annual return in form MGT-9 is annexed as **Annexure – II**. The same is also available on the website of the company at the web link: <https://www.stfc.in/annual-reports.aspx>

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

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

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

- The Company has no activity involving conservation of energy or technology absorption.
- The Company does not have any Foreign Exchange Earnings.
- Outgo under Foreign Exchange – Rs. 6,836.66 lacs.

Loans, guarantee or investments in securities

The loan made, guarantee given or security provided in the ordinary course of business by a 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 investments of the Company refer to Note 15 of the financial statements.

Contracts or Arrangements with Related Parties

All the related party transactions were entered in ordinary course of business on an arm's length basis. Hence, no disclosure in Form AOC-2 is necessary and the same does not form part of this report. For details of the transactions with related party entered in ordinary course of business on an arm's length basis refer to the Note 51 to the financial statements.

As required under the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, policy on materiality of related party transactions and dealing with related party transactions 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>.

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. 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 paid to independent directors.

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 the Management Discussion and Analysis 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: www.stfc.in.

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

There were no entity(ies) which became or ceased to be subsidiaries, joint ventures or associate companies of the Company during the financial year ended March 31, 2019. Shriram Automall India Limited (SAMIL), Associate of the Company provides fee-based facilitation services for the sale of pre-owned commercial and passenger vehicles, agricultural and construction equipment, dealer's stock of pre-owned two wheelers, etc. repossessed by banks and financing companies. SAMIL has 81 Automalls located across the Country. For the year ended March 31, 2019, SAMIL's total revenue from operations was Rs. 16,040.74 lacs as against Rs. 10,795.20 lacs in the previous year 2017-18 and the Net Profit of Rs. 2,623.47 lacs as against net profit of Rs. 2,054.64 lacs in the previous year 2017-18.

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 comprised of following directors namely, Mr. S. Sridhar – Chairman, Mrs. Kishori Udeshi, Mr. S. M. Bafna (upto January 28, 2019), Mr. Pradeep Kumar Panja (w.e.f January 29, 2019) and Mr. Puneet Bhatia.

OTHER DISCLOSURES

- 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.
- No equity shares were issued with differential rights as to dividend, voting or otherwise.
- No equity shares (including sweat equity shares) were issued to employees of your company, under any scheme.
- The company has not resorted to any buy back of its equity shares during the year under review.
- There was no change in the nature of business of the Company.
- There was no fraud reported by the Auditors of the Company under the Section 143(12) of Act to the Audit Committee.
- Your Company has constituted IT Strategy committee and the committee has approved IT Strategy policy and documents to mitigate the Company's exposure towards IT risks. The detailed terms of reference of the IT Strategy committee are given in the Corporate Governance Report forming part of the Annual Report.
- The Company has a policy for prevention of Sexual Harassment for Women at Workplace. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('the said Act'). During the year under review, there were no

cases filed under the said Act.

- 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.
- The Company has obtained a certificate from the statutory auditor certifying that the Company has complied with the requirements of the Regulation 9 of the Master Direction – Foreign Investment in India with regard to downstream investments.
- The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, Annual General Meetings and Dividend.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129 read with Rule 5 to the Companies (Accounts) Rules, 2014, Statement containing salient features of the financial statement of associate company (Form AOC-1) and a statement on consolidated financial position of the Company with that of the SAMIL, an associate of the Company is attached to the Annual Report. The consolidated financial statements attached to this Annual Report are prepared in compliance with the applicable Indian Accounting Standards and Listing Regulations. The annual report and the annual accounts of SAMIL and the related detailed information shall be made available to members of the Company seeking such information. The annual accounts of the SAMIL shall also be kept for inspection by members at the Registered Office of the Company and of the SAMIL. The annual accounts of SAMIL shall be available on the website of the Company viz. <https://www.stfc.in/annual-reports.aspx>. The Company shall furnish hard copy of details of accounts of the SAMIL to the member on demand.

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 is annexed to this report as **Annexure-III**.

AUDITORS

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 103523W/W100048) and M/s Pijush Gupta & Co. Chartered Accountants, Gurugram (Firm Registration No. 309015E) had been appointed as joint Auditors of the Company at the 38th AGM held on June 29, 2017 to hold office from the conclusion of the 38th AGM until the conclusion of the 43rd AGM of the Company. The Companies (Amendment) Act, 2017 has waived the requirement for ratification of the appointment of auditor by the shareholders at every Annual General Meeting with effect from May 07, 2018. Hence, the approval of the members is not being sought for the re-appointment of the joint Auditors in line with the resolution passed for their appointment at the 38th AGM held on June 29, 2017. The joint Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of the Company. They have also confirmed that they hold a valid peer review certificate as prescribed under Listing Regulations. Approval of the members is being sought for fixation of remuneration of joint Auditors of the Company for the financial year 2019-20. The Auditors' Report to the members for the year under review does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT

Secretarial Audit Report pursuant to the provisions of Section 204 of the Act for the financial year 2018-19 issued by Mr. P. Sriram, Practising Company Secretary (Certificate of Practice No. 3310) (Membership No. FCS 4862) is annexed to this report as **Annexure-IV**. The report does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE

Pursuant to Schedule V to 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, 2019 as submitted to the Board of Directors at their meeting held on May 08, 2019 ;
- 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-V**.

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 all the Stakeholders including Shareholders, Depositors, Debenture holders and Debt holders.

For and on behalf of the Board of Directors

S. Lakshminarayanan

Mumbai
May 08, 2019

Chairman
(DIN: 02808698)

REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2018-19

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 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 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('the Rules'). The Company's CSR policy is available on website of the company www.stfc.in.

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	Managing Director & CEO
Mr. S. Lakshminarayanan	Non Executive-Independent Director
Mrs. Kishori Udeshi	Non Executive-Independent Director
Mr. Amitabh Chaudhary (upto October 25, 2018)	Non Executive-Independent Director
Mr. Puneet Bhatia	Non Executive-Non-Independent Director
Mr. Pradeep Kumar Panja (w.e.f. October 26, 2018)	Non Executive-Independent Director

3. Average net profit of the company for last three financial years:- Rs. 197,542.13 lacs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 3,950.84 lacs
5. Details of CSR spent during the financial year 2018-19.
 - (a) Total amount spent in the financial year:- Rs. 4,005.50 lacs
 - (b) Amount unspent, if any:- Nil
 - (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	1300.00	1249.50	1249.50	Implementing Agency
2	Chennai Mathematical Institute	Education	Chennai	0.00	500.00	500.00	Direct
3	Annai Charitable Trust	Education	Chennai	0.00	25.00	25.00	Direct
4	Single Teacher Schools	Education	Thiruvallur, Arakkonam and Kanchipuram Districts	0.00	100.00	100.00	Direct
5	Corpus Donation	Higher Education	Across India	0.00	800.00	800.00	Implementing Agency
6	Truckers Transformation Abhiyan	Creating awareness about health hazards, road safety and financial literacy among truckers community	Across India	0.00	99.12	99.12	Implementing Agency
7	Swachh Bharat Abhiyan	Sanitation	New Delhi	0.00	25.00	25.00	Direct
8	Drivers' training	Training and skill development	Chennai, Kanchipuram, Dewaas, Amarwara, Bhuj, Dwaraka, Kolkatta, Silchar, Osmanabad, Ratnagiri, Behrampur and Madurai	600.00	233.19	233.19	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*
9	Mobile Medical Unit & Health Clinic	Preventive Health Care	Mumbai, Pune, Nashik, Aurangabad, Nagpur, Vapi, Jaipur, Chennai, Bangalore, Anantpur, Rajahmundry, Nellore, Vijayawada, Bhubaneswar, Vishakapatnam, Kolkatta, Ranchi, Silchar, and Ghaziabad.	1100.00	643.01	643.01	Implementing Agency
10	Safe Drinking Water	Preventive Health Care	-	50.00	0.00	0.00	Not Applicable
11	Chief Minister's Distress Relief Fund - Kerala flood	Eradicating hunger	Kerala	0.00	200.00	200.00	Direct
12	Supply of food to flood affected people at Kerala	Eradicating hunger	Kerala	0.00	22.92	22.92	Direct
13	South India Club for Art & Culture	Promotion & development of traditional arts	-	600.00	0.00	0.00	Not Applicable
14	SVMC Kumbabhishekam Fund	Protection of tradition and culture	Prayagraj	0.00	15.00	15.00	Direct
15	Miscellaneous CSR activities	Education, Eradicating hunger etc.	Telangana, Assam, Madurai etc.	300.00	33.02	33.02	Direct
	Total			3950.00	3945.76	3945.76	
	Overhead expenses				59.74	59.74	
	Grand Total			3,950.00	4,005.50	4,005.50	

*Shriram Foundation, Collective Good Foundation, Terna Public Charitable Trust, Pan IIT Alumni Reach for India Foundation, Piramal Swasthya Management and Research Institute were implementing agencies involved in the above projects.

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

Not Applicable since the Company has spent Rs. 4,005.50 lacs during the financial year 2018- 19 as against the prescribed CSR expenditure of Rs. 3,950.84 lacs as per item 4 of this report.

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)

Mumbai
May 08, 2019

THE DETAILS OF SOME OF THE ONGOING CSR PROJECTS / PROGRAMS / ACTIVITIES ARE AS UNDER

I. Securing good health and well-being through mobile medical units (MMUs)–A Good Health Ecosystem building Platform for transport fraternity:

Guided by the National Health Mission's (NHM) vision of ensuring that all people in the country can access quality and affordable health services, "MMU/Clinic" provide free-of-cost medical check-ups, Lab tests and medicines to truckers community, that remain largely isolated from mainstream healthcare eco-systems. Currently, the program is live across 23 locations with 25 units in 13 states. It aims at improving the accessibility to primary healthcare for the weaker sections of the society. Currently, the outreach of the program is 3,25,815 beneficiaries.

Key focus of the Company funded for MMUs/Clinic :

- Free primary healthcare services.
- Screening, diagnosis, treatment and referral for non-communicable, communicable diseases, and minor ailments.
- Awareness, education and counselling on healthy practices, lifestyle modifications, non-communicable disease management etc.
- A unique model of Tobacco Cessation Counselling and referrals program for trucking community.
- Multi stakeholder partnership–Transport associations, government and Non – Government agency.

A total of 7,559 health camps, emphasizing on awareness, education and counseling were conducted. 142,962 laboratory tests were also conducted, with maximum concentration in the state of Andhra Pradesh. Tests were done with the objective of initiating timely diagnosis and treatment for communicable/non-communicable diseases and minor ailments.

The Company has crossed the benchmark of reaching out to 3 lac plus beneficiary with an average of more than 81% trucking community.

II. Enhancing futures through better opportunities for quality education.

SDG 4 – quality education – aims to ensure inclusive and quality education for all and to promote lifelong learning. Target 4.2 of this global goal specifically states the need to increase support for scholarships available in developing countries. The Company has been making specific contributions towards the achievement of this global goal by extending scholarships to enable and augment formal education and learning for children and youth from the families of transport fraternity.

Key focus on the Company's scholarship initiative:

- Given to students studying between standards 8 and 12 (secondary and higher secondary education)
- Follows merit-based selection criteria. Students should have obtained minimum 60% marks in the previous academic year
- Students are identified and scholarships are sourced through state/district level transport associations and various other stake holders.

Project outreach

Geographic outreach	Number of scholars
Pan-India (2016 – 2017)	12,509
Pan-India (2017 – 2018)	20,672
Pan-India (2018 – 2019)	39,516

The Company's scholarship project has been proactively working towards providing increased opportunities to students from disadvantaged groups for improved and holistic education. 72,697 students from multiple regions of the country were directly supported for education at the secondary and higher secondary level till date. Merit-based selection of students combined with the involvement of transport associations as a critical stakeholder in identification of students and for disbursement of scholarship amount strengthens the credibility of this initiative.

III. Augmenting livelihoods through vocational and skill trainings

Currently with one of the highest youth population in the world, India faces its greatest opportunity as well as challenge. It is slated to become the world's youngest nation by 2022. This demographic dividend not only provides a huge reservoir of manpower, but also draws focus towards making this talent pool employable.

Skill development is seen as an essential catalyst to transform India's demographic dividend into a demographic advantage. The Government of India, under its 'Skill India' mission, has initiated a number of schemes to achieve this end. Since inception the Government has emphasised that this vision cannot be achieved without multi-stakeholder collaboration, the corporate sector/business marked as a critical contributor.

The Company has contributed towards this national goal by extending trainings for the skilling, re-skilling and up-skilling of drivers.

Key focus of the Company's driver training project :

- Training is given to new drivers
- Includes training in light motor vehicles (LMVs) and heavy motor vehicles (HMs)
- Jobs/placement linkages, primarily in the commercial transport industry, are provided to trained drivers

Driver trainings in both LMVs and HMs were conducted across the length and breadth of the country. 4899 candidates were trained, with 72 percent of them getting placed in the logistics industry which in turn is larger goal of filling the skill gap of the logistics industry. By providing skilling as well as re-skilling and up-skilling opportunities in the driving industry, the Company is contributing towards upgrading the status and social attraction of what are considered low-quality and bottom of the pyramid jobs. Furthermore, by extending training in driving HMs, it is an attempt in the direction of transforming the largely inefficient and hazardous nature of truck driving.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

[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)
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3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

	As per Attachment(II)
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4. SHARE HOLDING 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)
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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)
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ANNEXURE - II

(Contd.)

DIRECTORS' REPORT

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	97.75%

ATTACHMENT (II)

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address 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	Associate Company	44.56%	2(6)

ATTACHMENT (III)

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

a) Category-wise Share Holding

Category of Shareholders		No. of shares held at the beginning of the year (01/04/2018)				No. of shares held at the end of the year (31/03/2019)				% 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	0	0	0	0	0
	b Central Government	0	0	0	0	0	0	0	0	0
	c State Governments	0	0	0	0	0	0	0	0	0
	d Bodies Corporate	59,173,023	0	59,173,023	26.08	59,173,023	0	59,173,023	26.08	0
	e Banks / FIs	0	0	0	0	0	0	0	0	0
	f Any other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total A(1)	59,173,023	0	59,173,023	26.08	59,173,023	0	59,173,023	26.08	0
	2 Foreign									
	a NRI - Individuals	0	0	0	0	0	0	0	0	0
	b Other - Individuals	0	0	0	0	0	0	0	0	0
	c Bodies Corporate	0	0	0	0	0	0	0	0	0
	d Banks / FIs	0	0	0	0	0	0	0	0	0
	e Any other (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total A(2)	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoter (A)= (A) (1) +(A)(2)	59,173,023	0	59,173,023	26.08	59,173,023	0	59,173,023	26.08	0.00
B	Public Shareholding									
	1 Institutions									
	a Mutual Funds	8,250,559	28,245	8,278,804	3.65	7,865,154	28,195	7,893,349	3.48	(0.17)
	b Financial Institutions / Banks	801,608	210	801,818	0.35	931,932	210	932,142	0.41	0.06
	c Central Government	0	0	0	0	0	0	0	0	0

Category of Shareholders			No. of shares held at the beginning of the year (01/04/2018)				No. of shares held at the end of the year (31/03/2019)				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d	State Governments	0	0	0	0	0	0	0	0	0	
e	Venture capital Funds	0	0	0	0	0	0	0	0	0	
f	Insurance Companies	0	0	0	0	0	0	0	0	0	
g	FII's	8,078	0	8,078	0.00	5,632	0	5,632	0.00	(0.00)	
h	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	
i	Any other (Specify) Foreign Portfolio Investor category 1 and 2	112,255,012	0	112,255,012	49.48	115,573,094	0	115,573,094	50.94	1.46	
	Alternate Investment Fund	34,006	0	34,006	0.01	0	0	0	0	(0.01)	
Sub Total B(1)		121,349,263	28,455	121,377,718	53.50	124,375,812	28,405	124,404,217	54.83	1.33	
2	Non-Institutions										
a	Bodies Corporate										
(i)	Indian	26,836,378	27,446	26,863,824	11.84	25,097,529	24,446	25,121,975	11.07	(0.77)	
(ii)	Overseas	0	0	0	0	0	0	0	0	0	
b	Individuals										
(i)	Individual Shareholders holding Nominal Share Capital upto Rs.1 Lakh	6,957,871	3,388,322	10,346,193	4.56	7,416,065	2,740,742	10,156,807	4.48	(0.08)	
(ii)	Individual Shareholders holding Nominal Share Capital in excess of Rs.1 Lakh	3,226,096	39,187	3,265,283	1.44	2,772,164	23,550	2,795,714	1.23	(0.21)	
c	Any other - Clearing Members	646,506	0	646,506	0.28	854,344	0	854,344	0.38	0.09	
	-Trusts	310,273	0	310,273	0.14	349,352	0	349,352	0.15	0.01	
	-NRI	288,826	5,550	294,376	0.13	331,986	4,500	336,486	0.15	0.02	
	- Limited Liability Partnership	38,464	0	38,464	0.02	61,831	0	61,831	0.03	0.01	
	- Foreign Portfolio Investor Category 3	3,623,854	0	3,623,854	1.60	2,311,978	0	2,311,978	1.02	(0.58)	
	- NBFC	1,836	0	1,836	0.00	307,909	0	307,909	0.14	0.14	
	- Unclaimed Securities Suspense A/c	102,351	0	102,351	0.05	88,570	0	88,570	0.04	(0.01)	
	- IEPF Authority	838,085	0	838,085	0.37	920,530	0	920,530	0.41	0.04	
	- Foreign National	950	0	950	0.00	0	0	0	0	(0.00)	
Sub Total B(2)		42,871,490	3,460,505	46,331,995	20.42	40,512,258	2,793,238	43,305,496	19.09	(1.33)	
Total Public Shareholding (B)= (B) (1)+(B)(2)		164,220,753	3,488,960	167,709,713	73.92	164,888,070	2,821,643	167,709,713	73.92	0	
C	Shares held by Custodians for GDRs and ADRs	0	0	0	0	0	0	0	0	0	
Grand Total (A) + (B) + (C)		223,393,776	3,488,960	226,882,736	100.00	224,061,093	2,821,643	226,882,736	100.00	0	

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) Pvt 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. Shriram Overseas Investments Private Limited 8. Bharat Investments Pte. Limited, Singapore 9. Shriram City Union Finance Limited 10. Shriram Fortune Solutions Limited 11. Shriram Wealth Advisors Limited 12. Shriram Insight Share Brokers Limited 13. Shriram Financial Products Solutions (Chennai) Private Limited 14. Shriram Housing Finance Limited 15. Insight Commodities and Futures Private Limited 16. Shrikleha Business Consultancy Private Limited 17. Shriram Seva Sankalp Foundation 18. SGI Philippines General Insurance Co Inc. 19. Shriram Value Services Limited* 20. Novac Technology Solutions Private Limited** 21. Techfactory Services Private Limited**
- II. The Persons Acting in Concert (PAC), as defined in the SAST Regulations 2011 for the purpose of Regulation 10 of SAST Regulations, 2011: (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. Qudsia Gandhi (Trustee of SMF), (vii) Mr. Mani Sridhar (Trustee of SMF) and (viii) Sanlam Life Insurance Limited.

ANNEXURE - II

(Contd.)

DIRECTORS' REPORT

III. All the entities/persons mentioned in Note No. I and Note No. II are PACs for more than three years, except the entity at Sr. No. (19), (20) & (21) in Note No. I 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. (viii) in Note No. II.

* became subsidiary of Shriram Capital w.e.f. 28.02.2019.

**Novac Technology Solutions Private Limited and Techfactory Services Private Limited became step-down subsidiary of Shriram Capital Limited through Shriram Value Services Limited w.e.f.28.02.2019

ATTACHMENT (IV)

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

b) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on April 01, 2018)			Shareholding at the end of the year (as on March 31, 2019)			% change in share holding during the year (April 01, 2018 to March 31, 2019)
		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	59173023	26.08	N.A	59173023	26.08	N.A	0.00
Total		59173023	26.08	N.A	59173023	26.08	N.A	0.00

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)

Sr. No.	Particular	Shareholding at the beginning (April 01, 2018)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Share holding during the year (April 01, 2018 to March 31, 2019)	
		No. of shares	% of total shares of the company				No. of shares	% of total Shares of the company
1	Shriram Capital Limited	No change in the Promoters' Shareholding during the Financial year 2018-19(i.e. April 01, 2018 to March 31, 2019).						

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):

Sr. No.	Name of Shareholder's	Shareholding at the beginning of the Year (as on April 01, 2018)		Changes during the year		Cumulative Shareholding during the year (March 31, 2019)	
		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	PIRAMAL ENTERPRISES LIMITED						
	Opening Balance as on 01/04/2018	22,600,000	9.96	0	0		
	Closing Balance as on 31/03/2019					22,600,000	9.96
2	SANLAM LIFE INSURANCE LIMITED						
	Opening Balance as on 01/04/2018	6,757,267	2.98				
	Closing Balance as on 31/03/2019					6,757,267	2.98
3	SOCIETE GENERALE						
	Opening Balance as on 01/04/2018	4,853,973	2.14				
	06/04/2018	0	0	(40,276)	(0.02)	4,813,697	2.12
	13/04/2018	0	0	(60,967)	(0.03)	4,752,730	2.10
	20/04/2018	0	0	(10,687)	(0.01)	4,742,043	2.09
	27/04/2018	0	0	(6,242)	(0.00)	4,735,801	2.09
	04/05/2018	0	0	104,412	0.05	4,840,213	2.13
	11/05/2018	0	0	192,046	0.09	5,032,259	2.22
	18/05/2018	0	0	164,413	0.07	5,196,672	2.29
	25/05/2018	0	0	63,575	0.03	5,260,247	2.32
	01/06/2018	0	0	(11,990)	(0.01)	5,248,257	2.31
	08/06/2018	0	0	(126,438)	(0.06)	5,121,819	2.26
	15/06/2018	0	0	(72,074)	(0.03)	5,049,745	2.23
	22/06/2018	0	0	(72,059)	(0.03)	4,977,686	2.19
	29/06/2018	0	0	(66,000)	(0.03)	4,911,686	2.17
	06/07/2018	0	0	(1,609,456)	(0.71)	3,302,230	1.46
	13/07/2018	0	0	(6,790)	(0.00)	3,295,440	1.45

Sr. No.	Name of Shareholder's	Shareholding at the beginning of the Year (as on April 01, 2018)		Changes during the year		Cumulative Shareholding during the year (March 31, 2019)	
		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
	20/07/2018	0	0	95,350	0.04	3,390,790	1.50
	27/07/2018	0	0	(149,358)	(0.07)	3,241,432	1.43
	03/08/2018	0	0	(123,895)	(0.06)	3,117,537	1.37
	10/08/2018	0	0	(29,175)	(0.01)	3,088,362	1.36
	17/08/2018	0	0	(4,196)	(0.00)	3,084,166	1.36
	24/08/2018	0	0	110,675	0.05	3,194,841	1.41
	31/08/2018	0	0	7,569	0.00	3,202,410	1.41
	07/09/2018	0	0	64,982	0.03	3,267,392	1.44
	14/09/2018	0	0	49,733	0.02	3,317,125	1.46
	21/09/2018	0	0	(88,620)	(0.04)	3,228,505	1.42
	28/09/2018	0	0	(58,533)	(0.03)	3,169,972	1.40
	05/10/2018	0	0	13,209	0.01	3,183,181	1.40
	12/10/2018	0	0	(212,159)	(0.09)	2,971,022	1.31
	19/10/2018	0	0	114,285	0.05	3,085,307	1.36
	26/10/2018	0	0	(33,264)	(0.02)	3,052,043	1.35
	02/11/2018	0	0	(8,190)	(0.00)	3,043,853	1.34
	09/11/2018	0	0	(10,923)	(0.01)	3,032,930	1.34
	16/11/2018	0	0	2,272	0.00	3,035,202	1.34
	23/11/2018	0	0	(2,007)	(0.00)	3,033,195	1.34
	30/11/2018	0	0	20,787	0.01	3,053,982	1.35
	07/12/2018	0	0	(40,644)	(0.02)	3,013,338	1.33
	14/12/2018	0	0	(9,830)	(0.00)	3,003,508	1.32
	21/12/2018	0	0	196,760	0.09	3,200,268	1.41
	28/12/2018	0	0	1,562	0.00	3,201,830	1.41
	31/12/2018	0	0	673	0.00	3,202,503	1.41
	11/01/2019	0	0	17,192	0.01	3,219,695	1.42
	18/01/2019	0	0	29,179	0.01	3,248,874	1.43
	25/01/2019	0	0	131,684	0.06	3,380,558	1.49
	01/02/2019	0	0	16,035	0.01	3,396,593	1.50
	08/02/2019	0	0	(262,162)	(0.12)	3,134,431	1.38
	15/02/2019	0	0	(7,638)	(0.00)	3,126,793	1.38
	22/02/2019	0	0	(5,113)	(0.00)	3,121,680	1.38
	01/03/2019	0	0	(7,012)	(0.00)	3,114,668	1.37
	08/03/2019	0	0	(1,546)	(0.00)	3,113,122	1.37
	15/03/2019	0	0	(15,213)	(0.01)	3,097,909	1.37
	22/03/2019	0	0	8,688	0.00	3,106,597	1.37
	29/03/2019	0	0	509,366	0.23	3,615,963	1.59
	Closing Balance as on 31/03/2019					3,615,963	1.59
4	SBI Mutual Fund (Under different sub accounts)						
	Opening Balance as on 01/04/2018	3,992,645	1.76				
	06/04/2018	0	0	92	0.00	3,992,737	1.76
	20/04/2018	0	0	15,000	0.01	4,007,737	1.77
	04/05/2018	0	0	(22,000)	(0.01)	3,985,737	1.76
	11/05/2018	0	0	(51,535)	(0.02)	3,934,202	1.73
	18/05/2018	0	0	132	0.00	3,934,334	1.73
	25/05/2018	0	0	(18,300)	(0.01)	3,916,034	1.73
	01/06/2018	0	0	(7,289)	(0.00)	3,908,745	1.72
	08/06/2018	0	0	14,000	0.01	3,922,745	1.73
	15/06/2018	0	0	13,000	0.01	3,935,745	1.74
	22/06/2018	0	0	(84,437)	(0.04)	3,851,308	1.70
	29/06/2018	0	0	31	0.00	3,851,339	1.70
	06/07/2018	0	0	40,000	0.02	3,891,339	1.72
	13/07/2018	0	0	397,637	0.18	4,288,976	1.89
	20/07/2018	0	0	609,578	0.27	4,898,554	2.16
	27/07/2018	0	0	33,000	0.02	4,931,554	2.17
	03/08/2018	0	0	(119,998)	(0.05)	4,811,556	2.12
	10/08/2018	0	0	63	0.00	4,811,619	2.12

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Sr. No.	Name of Shareholder's	Shareholding at the beginning of the Year (as on April 01, 2018)		Changes during the year		Cumulative Shareholding during the year (March 31, 2019)	
		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
	24/08/2018	0	0	81,605	0.04	4,893,224	2.16
	31/08/2018	0	0	(200,068)	(0.09)	4,693,156	2.07
	07/09/2018	0	0	(1,065,673)	(0.47)	3,627,483	1.60
	14/09/2018	0	0	(383,663)	(0.17)	3,243,820	1.43
	21/09/2018	0	0	122	0.00	3,243,942	1.43
	28/09/2018	0	0	(648,257)	(0.29)	2,595,685	1.14
	05/10/2018	0	0	154	0.00	2,595,839	1.14
	12/10/2018	0	0	(176,395)	(0.08)	2,419,444	1.07
	19/10/2018	0	0	66	0.00	2,419,510	1.07
	26/10/2018	0	0	124	0.00	2,419,634	1.07
	02/11/2018	0	0	4,199	0.00	2,423,833	1.07
	09/11/2018	0	0	3	0.00	2,423,836	1.07
	16/11/2018	0	0	(14)	0.00	2,423,822	1.07
	30/11/2018	0	0	(825)	0.00	2,422,997	1.07
	14/12/2018	0	0	(588)	0.00	2,422,409	1.07
	28/12/2018	0	0	(4)	0.00	2,422,405	1.07
	04/01/2019	0	0	496	0.00	2,422,901	1.07
	18/01/2019	0	0	123	0.00	2,423,024	1.07
	01/02/2019	0	0	62	0.00	2,423,086	1.07
	08/02/2019	0	0	14,263	0.01	2,437,349	1.07
	15/02/2019	0	0	4,111	0.00	2,441,460	1.08
	22/02/2019	0	0	130	0.00	2,441,590	1.08
	01/03/2019	0	0	2,745	0.00	2,444,335	1.08
	08/03/2019	0	0	623	0.00	2,444,958	1.08
	15/03/2019	0	0	2,368	0.00	2,447,326	1.08
	22/03/2019	0	0	(133,223)	(0.06)	2,314,103	1.02
	29/03/2019	0	0	(3,474)	(0.00)	2,310,629	1.02
	Closing Balance as on 31/03/2019					2,310,629	1.02
5	ABU DHABI INVESTMENT AUTHORITY (Under different sub accounts)						
	Opening Balance as on 01/04/2018	3,949,264	1.74				
	06/04/2018	0	0	(5,823)	(0.00)	3,943,441	1.74
	20/04/2018	0	0	(96,900)	(0.04)	3,846,541	1.70
	27/04/2018	0	0	(223,100)	(0.10)	3,623,441	1.60
	11/05/2018	0	0	(1,219)	(0.00)	3,622,222	1.60
	01/06/2018	0	0	(10,791)	(0.01)	3,611,431	1.59
	29/06/2018	0	0	124,805	0.06	3,736,236	1.65
	06/07/2018	0	0	31,201	0.01	3,767,437	1.66
	27/07/2018	0	0	(250,000)	(0.11)	3,517,437	1.55
	03/08/2018	0	0	354,163	0.16	3,871,600	1.71
	10/08/2018	0	0	92,140	0.04	3,963,740	1.75
	17/08/2018	0	0	72,930	0.03	4,036,670	1.78
	24/08/2018	0	0	10,209	0.01	4,046,879	1.78
	31/08/2018	0	0	9,859	0.00	4,056,738	1.79
	19/10/2018	0	0	48,278	0.02	4,105,016	1.81
	26/10/2018	0	0	269,039	0.12	4,374,055	1.93
	16/11/2018	0	0	3,027	0.00	4,377,082	1.93
	30/11/2018	0	0	(182,744)	(0.08)	4,194,338	1.85
	07/12/2018	0	0	(57,256)	(0.03)	4,137,082	1.82
	28/12/2018	0	0	(95,000)	(0.04)	4,042,082	1.78
	18/01/2019	0	0	(231,916)	(0.10)	3,810,166	1.68
	25/01/2019	0	0	(48,084)	(0.02)	3,762,082	1.66
	01/02/2019	0	0	(156,774)	(0.07)	3,605,308	1.59
	08/02/2019	0	0	(63,226)	(0.03)	3,542,082	1.56
	15/02/2019	0	0	(140,000)	(0.06)	3,402,082	1.50
	22/02/2019	0	0	95,000	0.04	3,497,082	1.54
	29/03/2019	0	0	(126,564)	(0.06)	3,370,518	1.49

Sr. No.	Name of Shareholder's	Shareholding at the beginning of the Year (as on April 01, 2018)		Changes during the year		Cumulative Shareholding during the year (March 31, 2019)	
		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
	Closing Balance as on 31/03/2019					3,370,518	1.49
6	NEW WORLD FUND INC						
	Opening Balance as on 01/04/2018	3,540,000	1.56				
	13/04/2018	0	0	(297,000)	(0.13)	3,243,000	1.43
	20/07/2018	0	0	1,050,000	0.46	4,293,000	1.89
	31/08/2018	0	0	(548,172)	(0.24)	3,744,828	1.65
	07/09/2018	0	0	(494,828)	(0.22)	3,250,000	1.43
	01/03/2019	0	0	332,864	0.15	3,582,864	1.58
	08/03/2019	0	0	414,438	0.18	3,997,302	1.76
	29/03/2019	0	0	291,848	0.13	4,289,150	1.89
	Closing Balance as on 31/03/2019					4,289,150	1.89
7	OPPENHEIMER INTERNATIONAL SMALL-MID COMPANY FUND						
	Opening Balance as on 01/04/2018	3,074,062	1.36				
	05/10/2018	0	0	(1,784,782)	(0.79)	1,289,280	0.57
	12/10/2018	0	0	(1,289,280)	(0.57)	0	0.00
	Closing Balance as on 31/03/2019					0	0.00
8	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS						
	Opening Balance as on 01/04/2018	2,907,825	1.28				
	04/05/2018	0	0	(5,580)	(0.00)	2,902,245	1.28
	11/05/2018	0	0	(5,301)	(0.00)	2,896,944	1.28
	01/06/2018	0	0	(4,185)	(0.00)	2,892,759	1.28
	15/06/2018	0	0	(4,185)	(0.00)	2,888,574	1.27
	22/06/2018	0	0	(59,268)	(0.03)	2,829,306	1.25
	29/06/2018	0	0	(69,834)	(0.03)	2,759,472	1.22
	06/07/2018	0	0	(6,993)	(0.00)	2,752,479	1.21
	13/07/2018	0	0	(93,254)	(0.04)	2,659,225	1.17
	16/11/2018	0	0	4,230	0.00	2,663,455	1.17
	23/11/2018	0	0	10,998	0.01	2,674,453	1.18
	07/12/2018	0	0	5,358	0.00	2,679,811	1.18
	21/12/2018	0	0	15,228	0.01	2,695,039	1.19
	28/12/2018	0	0	(62,779)	(0.03)	2,632,260	1.16
	01/02/2019	0	0	15,718	0.01	2,647,978	1.17
	08/02/2019	0	0	50,135	0.02	2,698,113	1.19
	29/03/2019	0	0	6,233	0.00	2,704,346	1.19
	Closing Balance as on 31/03/2019					2,704,346	1.19
9	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL						
	Opening Balance as on 01/04/2018	2,736,930	1.21				
	06/04/2018	0	0	(158,425)	(0.07)	2,578,505	1.14
	04/05/2018	0	0	56,083	0.03	2,634,588	1.16
	22/06/2018	0	0	71,855	0.03	2,706,443	1.19
	29/06/2018	0	0	11,490	0.01	2,717,933	1.20
	13/07/2018	0	0	(759)	0.00	2,717,174	1.20
	27/07/2018	0	0	(33,786)	(0.02)	2,683,388	1.18
	24/08/2018	0	0	46,998	0.02	2,730,386	1.20
	07/09/2018	0	0	113,201	0.05	2,843,587	1.25
	21/09/2018	0	0	98,788	0.04	2,942,375	1.30
	05/10/2018	0	0	2,867	0.00	2,945,242	1.30
	01/02/2019	0	0	(618,890)	(0.27)	2,326,352	1.03
	15/03/2019	0	0	39,168	0.02	2,365,520	1.04
	Closing Balance as on 31/03/2019					2,365,520	1.04
10	GOVERNMENT OF SINGAPORE						
	Opening Balance as on 01/04/2018	2,318,914	1.02				
	06/04/2018	0	0	1,677	0.00	2,320,591	1.02
	20/04/2018	0	0	(22,836)	(0.01)	2,297,755	1.01
	27/04/2018	0	0	(869)	0.00	2,296,886	1.01
	04/05/2018	0	0	(1,522)	(0.00)	2,295,364	1.01
	11/05/2018	0	0	5,003	0.00	2,300,367	1.01

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		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
	18/05/2018	0	0	(107,236)	(0.05)	2,193,131	0.97
	25/05/2018	0	0	(894)	0.00	2,192,237	0.97
	01/06/2018	0	0	41,551	0.02	2,233,788	0.99
	08/06/2018	0	0	83,286	0.04	2,317,074	1.02
	15/06/2018	0	0	65,594	0.03	2,382,668	1.05
	22/06/2018	0	0	12,636	0.01	2,395,304	1.06
	29/06/2018	0	0	(132,136)	(0.06)	2,263,168	1.00
	20/07/2018	0	0	(154,392)	(0.07)	2,108,776	0.93
	27/07/2018	0	0	(1,156)	(0.00)	2,107,620	0.93
	03/08/2018	0	0	(1,493)	(0.00)	2,106,127	0.93
	10/08/2018	0	0	(17,821)	(0.01)	2,088,306	0.92
	24/08/2018	0	0	37,894	0.02	2,126,200	0.94
	31/08/2018	0	0	82,845	0.04	2,209,045	0.97
	07/09/2018	0	0	52,552	0.02	2,261,597	1.00
	14/09/2018	0	0	52,514	0.02	2,314,111	1.02
	21/09/2018	0	0	30,279	0.01	2,344,390	1.03
	12/10/2018	0	0	(2,434)	(0.00)	2,341,956	1.03
	19/10/2018	0	0	7,735	0.00	2,349,691	1.04
	02/11/2018	0	0	4,976	0.00	2,354,667	1.04
	16/11/2018	0	0	(5,003)	(0.00)	2,349,664	1.04
	23/11/2018	0	0	17,361	0.01	2,367,025	1.04
	30/11/2018	0	0	85,462	0.04	2,452,487	1.08
	07/12/2018	0	0	(6,380)	(0.00)	2,446,107	1.08
	14/12/2018	0	0	(40)	0.00	2,446,067	1.08
	21/12/2018	0	0	148,317	0.07	2,594,384	1.14
	28/12/2018	0	0	(1,262)	(0.00)	2,593,122	1.14
	04/01/2019	0	0	14,802	0.01	2,607,924	1.15
	25/01/2019	0	0	(8,120)	(0.00)	2,599,804	1.15
	01/02/2019	0	0	(127,314)	(0.06)	2,472,490	1.09
	08/02/2019	0	0	21,234	0.01	2,493,724	1.10
	22/02/2019	0	0	4,752	0.00	2,498,476	1.10
	01/03/2019	0	0	(68,798)	(0.03)	2,429,678	1.07
	08/03/2019	0	0	(48,091)	(0.02)	2,381,587	1.05
	15/03/2019	0	0	299,515	0.13	2,681,102	1.18
	22/03/2019	0	0	236,772	0.10	2,917,874	1.29
	Closing Balance as on 31/03/2019					2,917,874	1.29
11	GOVERNMENT PENSION FUND GLOBAL						
	Opening Balance as on 01/04/2018	561,117	0.25				
	20/04/2018	0	0	52,548	0.02	613,665	0.27
	27/04/2018	0	0	29,473	0.01	643,138	0.28
	28/09/2018	0	0	639,699	0.28	1,282,837	0.57
	05/10/2018	0	0	756,135	0.33	2,038,972	0.90
	12/10/2018	0	0	713,571	0.32	2,752,543	1.21
	02/11/2018	0	0	146,336	0.06	2,898,879	1.28
	14/12/2018	0	0	38,558	0.02	2,937,437	1.30
	11/01/2019	0	0	121,521	0.05	3,058,958	1.35
	18/01/2019	0	0	59,464	0.03	3,118,422	1.37
	25/01/2019	0	0	123,540	0.05	3,241,962	1.43
	01/02/2019	0	0	233,961	0.10	3,475,923	1.53
	08/02/2019	0	0	161,316	0.07	3,637,239	1.60
	15/02/2019	0	0	191,088	0.08	3,828,327	1.69
	01/03/2019	0	0	54,100	0.02	3,882,427	1.71
	08/03/2019	0	0	81,285	0.04	3,963,712	1.75
	15/03/2019	0	0	2,466	0.00	3,966,178	1.75
	22/03/2019	0	0	7,526	0.00	3,973,704	1.75
	29/03/2019	0	0	119,488	0.05	4,093,192	1.80

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		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
	Closing Balance as on 31/03/2019					4,093,192	1.80
12	SMALLCAP WORLD FUND, INC						
	Opening Balance as on 01/04/2018	2,245,000	0.99				
	27/07/2018	0	0	272,442	0.12	2,517,442	1.11
	03/08/2018	0	0	124,491	0.06	2,641,933	1.16
	10/08/2018	0	0	57,576	0.03	2,699,509	1.19
	17/08/2018	0	0	31,491	0.01	2,731,000	1.20
	08/02/2019	0	0	351,454	0.16	3,082,454	1.36
	22/02/2019	0	0	60,956	0.03	3,143,410	1.39
	08/03/2019	0	0	56,359	0.03	3,199,769	1.41
	22/03/2019	0	0	(29,214)	(0.01)	3,170,555	1.40
	29/03/2019	0	0	8,505	0.00	3,179,060	1.40
	Closing Balance as on 31/03/2019					3,179,060	1.40
13	GENERATION IM FUND PLC-GENERATION IM ASIA FUND						
	Opening Balance as on 01/04/2018	1,032,703	0.46				
	06/04/2018	0	0	69,462	0.03	1,102,165	0.49
	04/05/2018	0	0	(157,677)	(0.07)	944,488	0.42
	11/05/2018	0	0	(95,376)	(0.04)	849,112	0.37
	06/07/2018	0	0	34,061	0.02	883,173	0.39
	13/07/2018	0	0	285,920	0.13	1,169,093	0.52
	27/07/2018	0	0	186,869	0.08	1,355,962	0.60
	03/08/2018	0	0	5,494	0.00	1,361,456	0.60
	14/09/2018	0	0	144,149	0.06	1,505,605	0.66
	21/09/2018	0	0	305,474	0.14	1,811,079	0.80
	28/09/2018	0	0	176,039	0.08	1,987,118	0.88
	05/10/2018	0	0	155,747	0.07	2,142,865	0.94
	12/10/2018	0	0	344,812	0.15	2,487,677	1.10
	19/10/2018	0	0	74,721	0.03	2,562,398	1.13
	26/10/2018	0	0	4,769	0.00	2,567,167	1.13
	14/12/2018	0	0	56,703	0.03	2,623,870	1.16
	04/01/2019	0	0	79,133	0.04	2,703,003	1.19
	01/02/2019	0	0	177,257	0.08	2,880,260	1.27
	08/02/2019	0	0	169,339	0.08	3,049,599	1.34
	15/03/2019	0	0	(149,000)	(0.07)	2,900,599	1.28
	Closing Balance as on 31/03/2019					2,900,599	1.28

ATTACHMENT (VII)

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

e) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year (April 01, 2018)		Changes during the year		Cumulative Shareholding during the year (March 31, 2019)	
		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	(*)Mr. Sumatiprasad Mishrilal Bafna						
	PAN :AABPB5180H						
	Opening Balance as on April 01, 2018	1200	0.001	0	0		
	Closing Balance as on March 31, 2019	0	0	0	0	1,200	0.001
2	Mr. Parag Sharma						
	PAN :ABDPS9129C						
	Opening Balance as on April 01, 2018	41,000	0.02	0	0		
	Closing Balance as on March 31, 2019	0	0	0	0	41,000	0.02

Note- * Mr. S. M. Bafna ceased to be Director of the Company from April 01, 2019.

ANNEXURE - II

(Contd.)

DIRECTORS' REPORT

ATTACHMENT (VIII)

5. INDEBTENDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on March 31, 2019

Particulars	(Rs. in lacs)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,290,153.82	909,502.96	801,766.05	8,001,422.83
ii) Interest due but not paid(unclaimed)	1,343.83	861.45	3,024.08	5,229.37
iii) Interest accrued but not due	115,007.97	41,530.36	55,123.53	211,661.86
Total (i+ii+iii)	6,406,505.62	951,894.77	859,913.66	8,218,314.06
Change in Indebtedness during the financial year				
• Addition	4,094,866.13	2,777,057.39	500,897.61	7,372,821.13
• Reduction	3,758,437.47	2,709,914.15	326,728.34	6,795,079.96
Net Change	336,428.66	67,143.24	174,169.27	577,741.17
Indebtedness at the end of the financial year				
i) Principal Amount	6,607,643.30	979,786.46	972,147.50	8,559,577.25
ii) Interest due but not paid(unclaimed)	692.09	1,349.02	2,574.44	4,615.56
iii) Interest accrued but not due	134,598.89	37,902.53	59,361.00	231,862.42
Total (i+ii+iii)	6,742,934.28	1,019,038.01	1,034,082.93	8,796,055.23

Note - 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 (in Rs.)
		*Umesh Revankar Managing Director and CEO		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		5,010,270	5,01,0270
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		683,898	683,898
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0
2	Stock Option		0	0
3	Sweat Equity		0	0
4	Commission		0	0
	- as % of profit		0	0
	- others, specify...		0	0
5	Others, please specify			
	PF Contribution		547,116	547,116
	NPS Contribution		455,928	455,928
	Total (A)		6,697,212	6,697,212

Note-

*The Ceiling on remuneration of Managing Director and CEO as per Section 197 of the Companies Act, 2013 (the Act) is Rs. 1,889,394,250 i.e. 5% of the net profit computed as per Section 198 of the Act. Save and except the Managing Director no Whole-time Director or Manager is appointed.

ATTACHMENT (X)

b) Remuneration to Other Directors:

Sr. No.	Particulars of Remuneration	Particulars of Remuneration			Total Amount (in Rs.)
		Fee for attending board committee meetings	Commission	Others, please specify	
1	Independent Directors				
	Mr. S Lakshminarayanan	440,000	750,000	Nil	1,190,000
	Mr. S M Bafna	365,000	750,000	Nil	1,115,000
	Mrs. Kishori Udeshi	465,000	750,000	Nil	1,215,000
	Mr. Amitabh Chaudhry (upto October 25, 2018)	275,000	427,400	Nil	702,400
	Mr. Sridhar Srinivasan	440,000	750,000	Nil	1,190,000
	Mr. Pradeep Kumar Panja (w.e.f. October 25, 2018)	165,000	322,600	Nil	487,600
	Total (1)	2,150,000	3,750,000	Nil	5,900,000

Sr. No.	Particulars of Remuneration	Particulars of Remuneration			Total Amount (in Rs.)
		Fee for attending board committee meetings	Commission	Others, please specify	
2	Other Non-Executive Directors				
	Mr. D V Ravi	Nil	Nil	Nil	Nil
	Mr. Puneet Bhatia	Nil	Nil	Nil	Nil
	Mr. Gerrit Lodewyk Van Heerde	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	2,150,000	3,750,000	Nil	5,900,000

Note-

The ceiling on remuneration to Directors other than Managing Director, Whole-time Directors and/or Manager is Rs. 377,878,850 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
		Company Secretary	Executive Director & 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	4387,974	532,9271	9,717,245
	(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	144,000	288,000	432,000
	NPS Contribution	120,000	240,000	360,000
	Total	4,651,974	5,857,271	10,509,245

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

For and on behalf of the Board of Directors

S. Lakshminarayanan

Chairman

(DIN: 02808698)

Mumbai
May 08, 2019

ANNEXURE - III

DIRECTORS' REPORT

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 2018-19:-

Name of Independent Directors	Category	*Remuneration for FY 2017-18 (Rs. in lacs)	*Remuneration for FY 2018-19 (Rs. in lacs)	% Increase in Remuneration in FY 2018-19	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	7.50	7.50	-	2.58x
Mr. S.M .Bafna	Non- Executive	7.50	7.50	-	2.58x
Mr. Amitabh Chaudhry (1st April 2018 to 25th October 2018)	Non- Executive	7.50	4.27	@Not Applicable	@Not Applicable
Mrs. Kishori Udeshi	Non- Executive	7.50	7.50	-	2.58x
Mr. S.Sridhar	Non- Executive	7.50	7.50	-	2.58x
Mr. Pradeep Kumar Panja (25th October 2018 to 31st March 2019)	Non- Executive	-	3.23	@Not Applicable	@Not Applicable

*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.

@ Mr. Pradeep Kumar Panja did not receive any remuneration in the financial year 2017-18. Further Mr. Amitabh Chaudhry held the office from 1st April 2018 to 25th October 2018, as such the details of percentage increase in their remuneration in financial year 2018-19 are not given. Further, for these reasons the ratio of their remuneration to the Median remuneration of employees is not given.

(b) The percentage increase in remuneration of Chief Executive Officer , Chief Financial Officer and Company Secretary in the Financial year 2018-19:-

Name of Key Managerial Personnel	Category	Remuneration for FY 2017-18 (Rs. in lacs)	Remuneration for FY 2018-19 (Rs. in lacs)	% Increase in Remuneration in FY 2018-19	Ratio of Remuneration of each Director to Median Remuneration of Employees
*Mr. Umesh Revankar	Managing Director & CEO	59.25	62.93	6.20	21.67
Mr. Parag Sharma	Executive Director & Chief Financial Officer	49.95	57.50	15.12	Not Applicable
Mr. Vivek Achwal	Company Secretary	38.45	45.13	17.38	Not Applicable

* (The above figures do not include retirement benefits.)

- I. In the Financial year 2018-19, there was an increase of 3.39% in the median remuneration of the employees
- II. There were 26630 permanent employees on the payroll of Company as on March 31, 2019.
- III. For employees other than Managerial Personnel who were in employment for whole of the Financial Year 2017-18 and Financial Year 2018-19, the average increase was 27.75%. The average increase for Managerial Personnel was 16.31%. 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.
- IV. 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.

For and on behalf of the Board of Directors
S. Lakshminarayanan

Chairman

(DIN: 02808698)

Mumbai

May 08, 2019

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

FINANCIAL YEAR ENDED MARCH 31, 2019

[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: 600 004

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 31st March, 2019, 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 31st March, 2019 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;
 - g) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.
- 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.
- 10) Master Direction - Information Technology Framework for the NBFC Sector
- 11) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.
- 12) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

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.

ANNEXURE - IV

(Contd.)

DIRECTORS' REPORT

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 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 and unsecured 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) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Public issue of Secured Redeemable Non-convertible Debentures pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the "debt regulations") read with the Companies Act, 2013 and the rules made thereunder.
- (v) Buy back of Non convertible Debentures issued through Private Placement
- (vi) Major decisions taken by the members in pursuance to section 149 of the Companies Act, 2013 and Regulation 16(1)(b) and 17(1A) of SEBI (listing obligations and disclosure requirements) Regulations, 2015

Chennai
May 08, 2019

P. Sriram
P. Sriram & Associates
FCS No. 4862/C P 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.

Chennai
May 08, 2019

P. Sriram
P. Sriram & Associates
FCS No. 4862/C P No: 3310

Pijush Gupta & Co.
Chartered Accountants
GF – 17 Augusta Point,
Golf Course Road,
Sector – 53
Gurugram – 122002.

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Members

Shriram Transport Finance Company Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated June 28, 2018.
2. We have examined the compliance of conditions of Corporate Governance by Shriram Transport Finance Company Limited ('the Company'), for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the

Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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 issued by ICAI.

Opinion

8. Based on our examination, as above, and to the best of our information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2019.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

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

Sangeeta Gupta
Partner
Membership No.:064225
UDIN 19064225AAAAAJ6730

Mumbai
May 08, 2019

Report on Corporate Governance



The Report for the financial year ended March 31, 2019 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.

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 (“The Board”) 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 information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration. The yearly calendar of the meetings is finalized before the beginning of the year. Additional meetings are held when necessary. The Directors are also provided the facility of video /tele conferencing to enable them to participate effectively in the Meeting(s), as and when required.

During the year under review, five meetings of the Board of Directors were held on April 27, 2018, June 15, 2018, July 26, 2018, October 25, 2018 and January 28, 2019. The necessary quorum was present for all the meetings.

The maximum gap between any two meetings was not more than one hundred and twenty days. As mandated by proviso

under Regulation 17A(1) of the Listing Regulations as of March 31, 2019, 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 across all listed 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), number of Memberships/

Chairmanships of Directors in other Boards and Committees of Board, Category of directorship and names of listed entities where person is a director are as follows:

COMPOSITION OF BOARD

The Company's policy is to maintain an optimum combination of Executive and Non-Executive 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 during the F.Y. 2019	Whether attended the last AGM held on July 26, 2018	Total no. of Directorships	Member-ships in Audit / Stakeholders Relationship Committee	Chairman-ships in Audit / Stakeholders Relationship Committee	Category of directorship and Names of listed entities where person is a director.
Mr. S Lakshminarayanan Chairman Non-Executive Independent Director, DIN: 02808698	5	Yes	3	1	1	NIL
Mr. Umesh Revankar Executive, Managing Director & CEO, DIN: 00141189	5	Yes	5	2	0	NIL
*Mr. S M Bafna Non-Executive Independent Director , DIN: 00162546	3	Yes	1	0	0	NIL
Mr. Puneet Bhatia Non-Executive Non-Independent Director, DIN: 00143973	2	No	6	2	0	Non-Executive Non-Independent Director 1. Havells India Limited
**Mr. Amitabh Chaudhry Non-Executive Independent Director, (upto October 25,2018) DIN: 00531120	3	Yes	Not Applicable			
Mrs. Kishori Jayendra Udeshi Non-Executive Independent Director, DIN: 01344073	4	Yes	7	4	0	Non-Executive Independent Director 1. Haldyn Glass Limited. 2. Thomas Cook (India) Limited. 3. ION Exchange (India) Limited. 4. Elantas Beck India Limited.

Name of the Director and Category of Directorship	No. of Board Meetings attended during the F.Y. 2019	Whether attended the last AGM held on July 26, 2018	Total no. of Directorships	Member-ships in Audit / Stakeholders Relationship Committee	Chairman-ships in Audit / Stakeholders Relationship Committee	Category of directorship and Names of listed entities where person is a director.
Mr. Gerrit Lodewyk Van Heerde , Non-Executive Non-Independent Director , DIN: 06870337	5	Yes	1	0	0	Non-Executive Non-Independent Director 1. Shriram City Union Finance Limited
Mr. Sridhar Srinivasan Non-Executive Independent Director , DIN: 00004272	5	Yes	6	1	4	Non-Executive Independent Director 1. Jubilant Life Sciences Limited. 2. Strides Pharma Science Limited. 3. DCB Bank Limited. 4. Tourism Finance Corporation of India Limited
Mr. D. V. Ravi Non-Executive Non-Independent Director, DIN:00171603	3	Yes	5	2	0	Non-Executive Non-Independent Director 1. Take Solutions Limited
***Mr. Pradeep Kumar Panja Non-Executive Independent Director, (w.e.f.October 25,2018) DIN: 03614568	2	NA	7	4	4	Non-Executive Independent Director 1. Brigade Enterprises Limited. 2. Trigyn Technologies Limited. 3. Omax Auto Limited

Notes:

- 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.
- The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company.
- None of the above Directors are related inter- se.
- * Mr. S. M. Bafna ceased to be Director of the Company from April 01, 2019. Please refer Page no. 16 of Directors' Report. Mr. Bafna is holding 1200 Equity Shares of the Company. No other Non-Executive Directors hold any shares and convertible instruments in the Company.
- **Mr. Amitabh Chaudhry, Independent Director resigned from the directorship of the Company with effect from October 26, 2018.
- 6***The Board of Directors appointed Mr. Pradeep Kumar Panja as an Additional Director in the capacity of Independent Director of the Company w.e.f October 25, 2018.

Pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h) of Listing Regulations the Board of Directors has identified the following the requisite skills/expertise and competencies for the effective functioning of the Company which are currently available with the Board.

Sr. No.	Name of the Director & Designation	Core skills/expertise/competencies
1	Mr. S Lakshminarayanan Chairman, Independent Director	Member of Indian Administrative Service (retired) held various senior positions in government departments including Secretary in Ministry of Home Affairs. Wide experience in the fields of administration and public relations.
2	Mr. Umesh Revankar Managing Director & CEO	Holds a Bachelor's degree in Business Management from Mangalore University and MBA in finance. Extensive experience in the financial services business of companies in Shriram Group, expert and in-depth knowledge and specialization in commercial vehicle financing, business development.
3	Mrs. Kishori Jayendra Udeshi Non-Executive and Independent Director	Holds Master's degree in Economics from Bombay University. Retired as Deputy Governor of Reserve Bank of India. Wide experience in banking, non-banking sector, financial sector and regulatory matters.
4	Mr. Sridhar Srinivasan Non-Executive and Independent Director	Holds a degree from IIT-Delhi and Management Studies from Jamnalal Bajaj Institute. Wide and rich experience as Banker for more than four decades in Commercial and Development Banking. Worked in one of the reputed nationalized public sector bank as Chairman and Managing Director.
5	Mr. Pradeep Kumar Panja Non-Executive and Independent Director (w.e.f. October 25, 2018)	Holds Master's Degree in Science (Statistics) from the University of Madras. Rich experience in various areas of banking including corporate and international banking, treasury management, information technology, strategic planning, business development, risk management.
6	Mr. Puneet Bhatia Non-Executive and Non-Independent Director	Holds a Bachelor's degree in Commerce and MBA from IIM – Calcutta. Wide experience in the field of finance and worked with one of the first private equity firm to invest in Asia as Managing Director and Country Head.
7	Mr. D. V. Ravi Non-Executive and Non-Independent Director	Holds a Bachelor's degree in Commerce from University of Bangalore and Post-graduate degree in Management from the Institute of Rural Management, Anand. Wide experience in the areas of corporate strategy and services, corporate finance, IT and process activities of Shriram Group.
8	Mr. Ignatius Michael Viljoen Non-Executive and Non- Independent Director (w.e.f. May 14, 2019)	Holds a Master's degree in Economics with distinction from the University of the Free State, South Africa. Experience in credit risk and credit portfolio management across the various entities owned by the Sanlam Group outside of the Republic of South Africa.

The brief profiles of Directors are also available on the website of the Company <http://www.stfc.in/investors.aspx>

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

Mr. Amitabh Chaudhry, Independent Director resigned from the directorship of the Company with effect from October 26, 2018 due to requirement and necessary condition for his appointment to India's one of the largest private sector Bank. The Board of Directors had appreciated of his invaluable services rendered to the Company.

MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors met on January 28, 2019 without the presence of Executive Directors or members of management. The meeting was attended by all the Independent Directors. In the meeting, the Independent Directors reviewed performance of Non-Independent Directors, Board as a whole, Chairman and every Independent Directors. The Directors were evaluated on parameters such as functioning of the Board, frequency of meetings of the board and committees of directors, level of participation of directors at the board and committee meetings, independence of judgments, performance of duties and obligations by directors, implementation of good corporate governance, safeguarding the interest of all other stakeholders. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. The minutes of Independent Directors meeting were tabled at the meetings of Nomination and Remuneration Committee.

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. In addition, the Company also updates on continuous basis to the Independent Directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment through the Board/Committee meetings and separate familiarisation programme(s). During the Financial Year 2018-19 the Company had conducted 6 programmes / meetings and the time spent by Independent Directors was in the range of 5-7 hours. The cumulative programmes / meetings conducted till date were 26 and the time spent by Independent Directors was in the range of 22-24 hours. Pursuant to Regulation 46 of Listing Regulations the details of Familiarization Programme is uploaded on the Company's website at the web link: <https://www.stfc.in/pdf/Familiarisation-Programme-2019-STFC.pdf>

POLICY FOR PROHIBITION OF INSIDER TRADING

Vide notification No.EBI/LAD-NRO/GN/2018/59 Securities and Exchange Board of India (SEBI) has notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from April 01, 2019. The Company has accordingly amended its Prohibition of Insider Trading Code and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Company in its Board meeting held on January 28, 2019 has taken necessary initiative to implement the same. The Code also provides for pre-clearance of transactions by designated 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:

- Overseeing the financial reporting process.
- To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements. To recommend appointment, re-appointment of auditors, fixing of their remuneration and approval of payment to auditors for any other services rendered by them.
- Reviewing, with the management, the Financial Statements before submission to the Board.
- Reviewing the adequacy of internal audit function.
- 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.
- 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.
- To discuss with the management, the senior internal audit executives and the auditor/s the Company's major risk exposures, guidelines and policies.
- To review the functioning of the Whistle Blower Mechanism.
- 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.
- Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- 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.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- 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. The Committee also invites the representatives of strategic shareholder to attend the Audit Committee Meeting.

During the year under review, four meetings were held on April 27, 2018, July 25, 2018, October 25, 2018 and January 28, 2019. 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	4
Mrs. Kishori Udeshi	Member	4
Mr. S. M. Bafna (upto January 28, 2019)	Member	3
Mr. Puneet Bhatia	Member	2
Mr. Pradeep Kumar Panja (w.e.f. January 29, 2019)	Member	-

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, is uploaded on the Company's web site at the weblink <https://www.stfc.in/pdf/STFC-Remuneration-Policy-Final-New.pdf>.

During the year, the Committee met twice on April 20, 2018 and October 25, 2018. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. S. M. Bafna	Chairman	2
Mr. S. Lakshminarayanan	Member	2
Mr. Amitabh Chaudhry (upto October 25,2018)	Member	2
Mr. Puneet Bhatia	Member	1
Mr. Pradeep Kumar Panja (w.e.f. October 26, 2018)	Member	-

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The criteria for performance evaluation of Independent Directors provide certain parameters like commitment to the commitment to the Company's vision, level of participation at Board/Committee Meeting, level of engagement and contribution, Independence of judgment, understanding duties, responsibilities, qualifications, disqualifications &

liabilities as an independent director, up-to-date knowledge / information pertaining to business of the Company in which the Company is engaged in, implementation of good corporate governance practices, enhancing long term shareholders' value, professional approach, providing guidance and counsel to senior management in strategic matters and rendering independent and unbiased opinion at the meetings etc., which is in compliance with applicable laws, regulations and guidelines.

REMUNERATION OF INDEPENDENT DIRECTORS

The Company is being benefited from the expertise, advice 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. Independent Directors of the Company are paid 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 are paid to Non-Independent Directors. 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 38th Annual General Meeting held on June 29,2017 have approved payment of commission to Independent Directors for a period of five years commencing from April 01, 2017 subject to the statutory limits. The amount of commission for every financial year will be decided by the Board of Directors.

REMUNERATION OF MANAGING DIRECTOR AND CEO:

Refer Remuneration policy uploaded on the Company's website at the web link: <https://www.stfc.in/pdf/STFC-Remuneration-Policy-Final-New.pdf>.

The details of sitting fees/remuneration paid to the Directors during the year 2018- 19 are as under:

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (Rs.)	Salary, Perquisites & ESOS (Rs.)	Commission (to be paid) (Rs.)	Total (Rs.)
1	Mr. S. Lakshminarayanan (Chairman)	440,000	-	750,000	1,190,000
2	Mr. Umesh Revankar (Managing Director and CEO)*	-	6,697,212	-	6,697,212
3	Mr. S. M. Bafna	365,000	-	750,000	1,115,000
4	Mr. Puneet Bhatia	-	-	-	-
5	Mr. Amitabh Chaudhry (upto October 25,2018)	275,000	-	427,400	702,400
6	Mrs. Kishori Udeshi	465,000	-	750,000	1,215,000
7	Mr. Gerrit Lodewyk Van Heerde	-	-	-	-
8	Mr. Sridhar Srinivasan	440,000	-	750,000	1,190,000
9	Mr. D. V. Ravi	-	-	-	-
10	Mr. Pradeep Kumar Panja (w.e.f. October 25, 2018)	165,000	-	322,600	487,600
	Service Tax/GST on sitting fees paid to the Directors	1,062,000	-	-	1,062,000

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 of ₹5,010,270 perquisites of ₹ 683,898 and contribution to Provident Fund and NPS is ₹ 547,116 and ₹ 455,928 respectively. 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.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The “Stakeholders’ Relationship Committee” is constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013 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 twice on April 20, 2018 and July 26, 2018. 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	2
Mr. Amitabh Chaudhry (upto October 25, 2018)	Member	2
Mr. Pradeep Kumar Panja (w.e.f. October 26, 2018)	Member	-

Note: 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.

SECURITY HOLDERS COMPLAINTS:

All the complaints received from investors were attended within 30 days.

Particulars	No. of Complaints	
	Equity	NCDs
Complaints pending as on April 1, 2018	Nil	Nil
Complaints received during the period April 01,2018 to March 31,2019.	8	21
Complaints identified and reported under Regulation 13(3) of SEBI (LODR) Reg. 2015.	8	21
Complaints disposed of during the year ended March 31,2019.	7	21
Complaints unresolved as of March 31, 2019.	1(*)	Nil

(*)This pertains to a complaint of past shareholder of erstwhile Shriram Investments Limited (since merged with the Company in the year 2005) who had earlier made same complaint to the company which was attended.

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.

Terms of reference

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 twice on April 20, 2018, and February 16, 2019. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar	Chairman	2
Mr. S. Lakshminarayanan	Member	2
Mrs. Kishori Udeshi	Member	2
Mr. Puneet Bhatia	Member	-
Mr. Amitabh Chaudhry (upto October 25,2018)	Member	1
Mr. Pradeep Kumar Panja (w.e.f. October 26, 2018)	Member	1

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 shall be as follows:

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

During the year under review, the Committee met three times on July 11, 2018, November 14, 2018 and January 16, 2019. 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. S. Sunder	Member	3

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 27, 2018, August 14, 2018, October 29,

2018 and February 16, 2019. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mrs. Kishori Udeshi	Chairman	4
Mr. Umesh Revankar	Member	4
Mr. Parag Sharma	Member	4

BANKING AND FINANCE COMMITTEE

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.

Terms of reference

The terms of reference of the Banking and Finance Committee comprises of:

1. Opening, operating and closing of Bank Accounts.
2. Issuance of Non-Convertible Debentures/Subordinated Debentures on Private Placement basis.
3. Issuance of Commercial Paper.
4. Borrowing of money from Bank, Financial Institutions etc. and proving Bank Guarantee.
5. Securitization of receivables by way of sell down through PTC/ Direct Assignment.
6. Availing and giving Inter Corporate Deposit.
7. Availing Foreign Currency Term Loan, FCNR (B).
8. Investment of Surplus funds in Fixed Deposit for Short Term/ Mutual Funds etc.
9. Monitoring asset coverage of the loan and issuance of NOC and release of security.
10. Give confirmation to Bank in respect of loans availed through Acknowledgement of Debt.
11. Apply for any license/Affiliation for business purpose.
12. Entering into Service Provider Agreement for Electronic Toll collection programme.
13. To authorise official of the Company to appear on behalf of the Company before various regulatory and law enforcing authorities/government department/local administration or authority/market intermediaries under applicable laws, rules and regulations and submit documents undertaking, affidavits, papers etc.
14. To authorize official of the Company to sign various agreements in connection with purchase/sale registration of property etc.
15. Fixing Record Date for payment of monthly, half yearly and annual Interest and redemption of Debentures/Bonds/ Notes.
16. Revision in Terms and Conditions including interest rates of Fixed Deposit Scheme;
17. Availing 'Corporate Internet Banking', Payment & Collection Services, online viewing facility, E-commerce –payment gateway Merchant Account from Banks.

18. Authorization to procure Digital Signature Certificates from eMudhra Limited/NSEIT Limited.
19. Authorization to create the Login ID with CERSAI (Central Registry of Securitisation Asset Reconstruction and Security Interest of India).
20. To give approval/authorization for the matters required for day to day management of the affairs of the Company.

The Committee meets regularly to discharge its functions. During the year under review, the Committee met 76 times. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar	Chairman	73
Mr. Parag Sharma	Member	72
Mr. S. Sunder	Member	73

IT Strategy Committee

Terms of reference

The terms of reference of the IT Strategy Committee shall include:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;

GENERAL BODY MEETING

(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
2015-16	37 th 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 not open to public offer but on private placement basis, and (iv) Alteration of Articles of Association under Section 14 of the Act.
2016-17	38 th AGM	Narada Gana Sabha (Main Hall), No. 314, TTK Road, Alwarpet, Chennai - 600 018	June 29, 2017 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 and (iii) Issue of Non-Convertible Debentures under Section 42 of the Act on private placement basis.
2017-18	39 th AGM	Narada Gana Sabha (Main Hall), No. 314, TTK Road, Alwarpet, Chennai - 600 018	July 26, 2018 at 11.00 A.M	There were no Special Resolutions passed at the 39th AGM.

At the ensuing 40th AGM to be held on June 27, 2019 two special resolutions are proposed namely, (i) to re-appoint Mr. S. Lakshminarayanan (DIN 02808698) as an Independent Director of the Company for a second term of five consecutive years commencing from January 24, 2020 to January 23, 2025 and (ii) to re-appoint Mr. S. Sridhar (DIN 00004272) as an Independent Director of the Company for a second term of five consecutive years commencing from October 20, 2019 to October 19, 2024. Details of special resolutions are given in the notice of the ensuing 40th AGM.

2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls,
6. Any other role and responsibility as per the directions of RBI issued from time to time.

During the year under review, the Committee met twice on July 11, 2018 and January 8, 2019. The necessary quorum was present for all the meetings.

Composition

Name of the Member	Status	No. of Meetings Attended
Mr. S. Sridhar	Chairman	2
Mr. Umesh Revankar	Member	1
Mr. Gayadhar Behera	Member	2
Mr. Balasundar Rao	Member	2

(ii) Postal Ballot

- The Company had passed three special resolutions through postal ballot notice dated April 27, 2018 namely –

Issue of debentures on private placement basis pursuant to Section 42, Section 71 and other applicable provisions of the Companies Act, 2013, (ii) Enhancement of limits of borrowing by the Board pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and (iii) Enhancement of limits for creation of security by the Board in connection with borrowing pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013.

The Board of Directors on April 27, 2018 had appointed Mr. P. Sriram (Membership No. FCS 4862), a Practicing Company Secretary (PCS No. 3310), Chennai as the scrutinizer to scrutinize the E-voting/Postal Ballot process in a fair and transparent manner. The results were declared on June 06, 2018. The details of voting pattern of the Special Resolution passed through Postal Ballot:

- (i) Issue of debentures on private placement basis

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	147818912	146213982	98.89	1604930	1.09
Votes cast through Physical Mode	34766	34266	0.02	500	0.00
Total	147853678	146248248	98.91	1605430	1.09

Special Resolution was passed by shareholders with requisite majority.

- (ii) Enhancement of limits of borrowing by the Board

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	147818912	146213812	98.89	1605100	1.09
Votes cast through Physical Mode	34741	34491	0.02	250	0.00
Total	147853653	146248303	98.91	1605350	1.09

Special Resolution was passed by shareholders with requisite majority.

- (iii) Enhancement of limits for creation of security by the Board

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	141260353	139655253	98.84	1605100	1.14
Votes cast through Physical Mode	33566	33216	0.02	350	0.00
Total	141293919	139688469	98.86	1605450	1.14

Special Resolution was passed by shareholders with requisite majority.

- Two special resolutions were proposed for passing through postal ballot notice dated October 25, 2018 namely (i) Authorization for loans, guarantees, investments in securities, etc. under Section 186 of the Companies Act, 2013 and (ii) Re-appointment of Mrs. Kishori Udeshi (DIN 01344073) as an Independent Director of the Company for second term of 5 years w.e.f. April 01, 2019. The Board of Directors on October 25, 2018 had appointed Mr. P. Sriram (Membership No. FCS 4862), a Practicing Company Secretary (PCS No. 3310), Chennai as the scrutinizer to scrutinize the E-voting/Postal Ballot process in a fair and transparent manner. The results were declared on December 05, 2018. The details of voting pattern of the Special Resolution are as under:

- (i) Authorization for loans, guarantees, investments in securities, etc. under Section 186 of the Companies Act, 2013

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	181257951	120575614	66.41	60682337	33.42
Votes cast through Physical Mode	288920	288920	0.15	0	0
Total	181546871	120864534	66.56	60682337	33.42

As a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India, the Company does not require approval of members under Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its powers) Rules, 2014 with regard to the loans, guarantee and security given/provided to its corporate and non-corporate customers in the ordinary course of its business. However, as a matter of abundant caution, the Company had sought member's approval under Section 186 of the Companies Act, 2013 through the postal ballot notice. The proposed resolution garnered 66.56% votes in favour of the special resolution which fell short of the requisite majority of 75% for passing of special resolution.

- (ii) Re-appointment of Mrs. Kishori Udeshi (DIN 01344073) as an independent director of the Company for second term of 5 years w.e.f. April 01, 2019

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	187080143	184152127	98.28	2928016	1.56
Votes cast through Physical Mode	288920	288920	0.15	0	0.00
Total	187369063	184441047	98.43	2928016	1.56

Special Resolution was passed by shareholders with requisite majority.

- The Company is proposing to pass three special resolutions through postal ballot notice dated May 08, 2019 namely, (i) Enhancement of limits of borrowing by the Board, (ii) Enhancement of limits for creation of Security by the Board in connection with borrowing and (iii) Renewal of limit to issue debentures on private placement basis by the Board.

SHARE CAPITAL AUDIT

The Share Capital Audit as required under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/Cir- 16/2002 dated December 31, 2002, 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 reconciliation of share capital audit report thereon is submitted to the Stock Exchanges and to the Board of Directors.

CERTIFICATION BY MANAGING DIRECTOR AND CEO AND 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. Up to date financial results, press releases, quarterly investors' presentations and presentations made to institutional investors, investors/earning conference calls or to the analysts, official news releases and other general information about the Company are also available on the Company's website <https://www.stfc.in/investors.aspx>. Shareholders have been provided with an opportunity to provide their email id for receiving correspondence, financial results 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 Limited (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

40TH Annual General Meeting

Particulars	As on March 31, 2019
a. Date, Time and Venue	June 27, 2019 at 10.30 A.M. Narada Gana Sabha (Main Hall), No. 314, TTK Road, Alwarpet, Chennai - 600 018
b. Financial Year	2018-19
c. Dividend payment date for the financial year 2018-19	The final dividend will be made on or after July 04, 2019 subject to the approval of members. Interim dividend paid on November 16, 2018.
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 2019-20 to the Stock Exchanges and Depositories.
e. Stock Code	
BSE Limited	511218
National Stock Exchange of India Limited	SRTRANSFIN
Singapore Exchange Securities Trading Limited	Masala Bonds(Regulation S)-XS1549374475, XS1789364418 and XS1789617484. USD Bonds- XS1953982086 (Regulation S), US825547AA08 (Rule 144A), USY7758EEC13 (Regulation S).
Demat ISIN in NSDL & CDSL	INE721A01013

The Company's Non-Convertible Debentures (NCDs) offered for subscription to public under the Prospectus dated September 23, 2013, Shelf Prospectus & Tranche I Prospectus both dated June 24, 2014, Shelf Prospectus dated June 22, 2018 in tranches vide Tranche I Prospectus dated June 25, 2018, Tranche II Prospectus dated October 8, 2018 and Tranche III Prospectus dated December 27, 2018 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 6 - September 2013						
Secured NCDs (Series III)	INE721A07GT7	BSE - 934917 NSE - Y3	(\$\$) 10.75% p.a.	ANNUAL	24/10/2013	24/10/2020
Secured NCDs (Series VI)	INE721A07GW1	BSE - 934920 NSE - Y6	NA	(*@@@)	24/10/2013	24/10/2020
NCDs 7 - June 2014						
Secured NCDs (Series II)	INE721A07HI8	BSE - 935130 NSE - Y8	(**) (@@) (###) 10.00% p.a.	ANNUAL	15/07/2014	15/07/2019
Secured NCDs (Series III)	INE721A07HJ6	BSE - 935132 NSE - Y9	(**) (@@) (~~) 10.15% p.a.	ANNUAL	15/07/2014	15/07/2021
Secured NCDs (Series IV)	INE721A07HK4	BSE - 935134 NSE - YA	(**) (&&&) (\$\$\$) (***) 9.57% p.a.	MONTHLY	15/07/2014	15/07/2019
Secured NCDs (Series V)	INE721A07HL2	BSE - 935136 NSE - YB	(**) (&&&) (\$\$\$) (^^^)^ 9.71% p.a.	MONTHLY	15/07/2014	15/07/2021
Secured NCDs (Series VII)	INE721A07HN8	BSE - 935140 NSE - YD	NA	(@##)	15/07/2014	15/07/2019
Secured NCDs (Series VIII)	INE721A07HO6	BSE - 935142 NSE - YG	NA	(@###)	15/07/2014	15/07/2021
NCDs 8 - Tranche 1 (July 2018)						
Secured NCDs (Series I)	INE721A07NT3	BSE - 936228 NSE - YH	(**) (AI##) 8.93% p.a.	MONTHLY	12/07/2018	12/07/2023

Security Description	ISIN	Codes in Stock Exchanges	Coupon (%) p.a.	Coupon Duration and Interest Payable	Date of Allotment	Maturity Dates
Secured NCDs (Series II)	INE721A07NU1	BSE - 936230 NSE - YI	(**) (AI##) 9.03% p. a.	MONTHLY	12/07/2018	12/07/2028
Secured NCDs (Series III)	INE721A07NV9	BSE - 936232 NSE - YJ	(**) (AI##) 9.10% p. a.	ANNUAL	12/07/2018	12/07/2021
Secured NCDs (Series IV)	INE721A07NW7	BSE - 936234 NSE - YK	(**) (AI##) 9.30% p. a.	ANNUAL	12/07/2018	12/07/2023
Secured NCDs (Series V)	INE721A07NX5	BSE - 936236 NSE - YL	(**) (AI##) 9.40% p. a.	ANNUAL	12/07/2018	12/07/2028
Secured NCDs (Series VI)	INE721A07NY3	BSE - 936238 NSE - YM	NA Cumulative	(*@#)	12/07/2018	12/07/2021
Secured NCDs (Series VII)	INE721A07NZ0	BSE - 936240 NSE - YN	NA Cumulative	(*@##)	12/07/2018	12/07/2023
NCDs 8 - Tranche 2 (November 2018)						
Secured NCDs (Series I)	INE721A07OB9	BSE - 936324 NSE - YO	(**) 9.12% p. a.	MONTHLY	02/11/2018	02/11/2023
Secured NCDs (Series II)	INE721A07OC7	BSE - 936326 NSE - YP	(**) 9.30% p. a	MONTHLY	02/11/2018	02/11/2028
NCDs (Series III)	INE721A07OD5	BSE - 936328 NSE - YQ	(**) 9.40% p. a	ANNUAL	02/11/2018	02/11/2021
Secured NCDs (Series IV)	INE721A07OE3	BSE - 936330 NSE - YR	(**) 9.50% p. a	ANNUAL	02/11/2018	02/11/2023
Secured NCDs (Series V)	INE721A07OF0	BSE - 936332 NSE - YS	(**) 9.70% p. a	ANNUAL	02/11/2018	02/11/2028
Secured NCDs (Series VI)	INE721A07OG8	BSE - 936334 NSE - YT	NA Cumulative	(RM##) (SC****)	02/11/2018	02/11/2021
Secured NCDs (Series VII)	INE721A07OH6	BSE - 936336 NSE - YU	NA Cumulative	(RM###) (SC*****)	02/11/2018	02/11/2023
NCDs 8 - Tranche 3 (February 2019)						
Secured NCDs (Series I)	INE721A07OM6	BSE - 936452 NSE - YV	(**) (AI##) 9.12% p.a.	MONTHLY	06/02/2019	06/02/2024
Secured NCDs (Series II)	INE721A07ON4	BSE - 936454 NSE - YW	(**) (AI##) 9.30% p.a.	MONTHLY	06/02/2019	06/02/2029
Secured NCDs (Series III)	INE721A07OO2	BSE - 936456 NSE - YX	(**) (AI##) 9.40% p. a.	ANNUAL	06/02/2019	06/02/2022
Secured NCDs (Series IV)	INE721A07OP9	BSE - 936458 NSE - YY	(**) (AI##) 9.50% p. a.	ANNUAL	06/02/2019	06/02/2024
Secured NCDs (Series V)	INE721A07OQ7	BSE - 936460 NSE - YZ	(**) (AI##) 9.70% p. a.	ANNUAL	06/02/2019	06/02/2029
Secured NCDs (Series VI)	INE721A07OR5	BSE - 936462 NSE - Z1	NA Cumulative	(RM##) (SC****)	06/02/2019	06/02/2022
Secured NCDs (Series VII)	INE721A07OS3	BSE - 936464 NSE - Z2	NA Cumulative	(RM###) (SC*****)	06/02/2019	06/02/2024

Note:

1. (\$\$) – NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.00% per annum for NCDs held on any Record Date.
2. (*@@@) - Subject to applicability of tax deducted at source the NCD Holders who are Individuals will be redeemed for an amount of Rs. 2,177.70 per NCDs and the NCD Holders who are Non-Individuals will be redeemed for an amount of Rs. 2,044.79 per NCDs.
3. (###) - NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.25% per annum for NCDs held on any Record Date for the amount outstanding.
4. (~) - NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.35% per annum for NCDs held on any Record Date for the amount outstanding.
5. (***) - NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.14% per annum for NCDs

- held on any Record Date for the amount outstanding and 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.
6. (^^^) - NCD Holders who are Individuals shall be eligible for the additional incentive on coupon @ 1.23% per annum for NCDs held on any Record Date for the amount outstanding and 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.
 7. (**) - Senior Citizens (only First Allottee) shall be entitled to an additional yield at the rate of 0.25 % per annum.
 8. (@@) – subject to applicable tax deducted at source, if any.
 9. (&&&) – 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.
 10. (\$\$\$) – Monthly Option shall be available only to Individuals applying for Allotment of NCDs in demat form only.
 11. (@##) - Subject to applicability of tax deducted at source the NCD Holders who are Individuals will be redeemed for an amount of Rs. 1,704.62 per NCDs, the NCD Holders who are Non-Individuals will be redeemed for an amount of Rs. 1,610.93 per NCDs and the NCD Holders who are Senior Citizens (only First Allottee) will be redeemed for an amount of Rs. 1,723.87 per NCDs at the end of the 60 months from the Date of Allotment.
 12. (@###) - Subject to applicability of tax deducted at source the NCD Holders who are Individuals will be redeemed for an amount of Rs. 2,143.79 per NCDs, the NCD Holders who are Non-Individuals will be redeemed for an amount of Rs. 1,968.44 per NCDs and the NCD Holders who are Senior Citizens (only First Allottee) will be redeemed for an amount of Rs. 2,177.70 per NCDs at the end of the 84 months from the Date of Allotment.
 13. (AI##) - Additional incentive of 0.10% available to Category III and IV investors provided the NCDs issued under the Tranche -1 Issue are continued to be held by such investors under Category III and Category IV on the relevant Record Date applicable for payment of coupon.
 14. (*@#) - For NCD Holders who fall under Category-I and / or Category II on the record date the amount payable on redemption for NCDs will be Rs. 1,298.91 per NCD. For NCD holders who fall under Category III and / or Category IV on the record date the amount payable on redemption for NCDs will be Rs. 1,302.49 per NCD.
 15. (*@##) - For NCD Holders who fall under Category I and/ or Category II on the record date the amount payable on redemption for NCDs will be Rs. 1,560.30 per NCD. For NCD holders who fall under Category III and/or Category IV on the record date the amount payable on redemption for NCDs will be Rs. 1567.45 per NCD.
 16. (SC****) - The amount payable on redemption to such Senior Citizens for NCDs under Series-VI is Rs. 1,318.67 per NCD provided the NCDs issued under the Tranche -2 and Tranche -3 Issue are continued to be held by such investors under Category-III and Category-IV on the relevant Record Date for the relevant Redemption Payment date
 17. (RM##) - The amount payable on redemption for NCDs under series - VI is Rs. 1309.66 per NCD on the relevant Record Date for the relevant Redemption Payment date
 18. (SC*****) - The amount payable on redemption to such Senior Citizens for NCDs under Series-VII is Rs.1,592.70 per NCD provided the NCDs issued under the Tranche -2 and Tranche -3 Issue are continued to be held by such investors under Category-III and Category-IV on the relevant Record Date for the relevant Redemption Payment date
 19. (RM###) - The amount payable on redemption for NCDs under Series - VII is Rs. 1,574.63 per NCD on the relevant Record Date for the relevant Redemption Payment date
- Wherever redemption payment due date falls on a nonworking 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

DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy of the Company is enclosed. The same is also available on the website. For details click on the link for <https://www.stfc.in/pdf/Dividend-Distribution-Policy-2017.pdf>.

GENERAL SHAREHOLDER INFORMATION

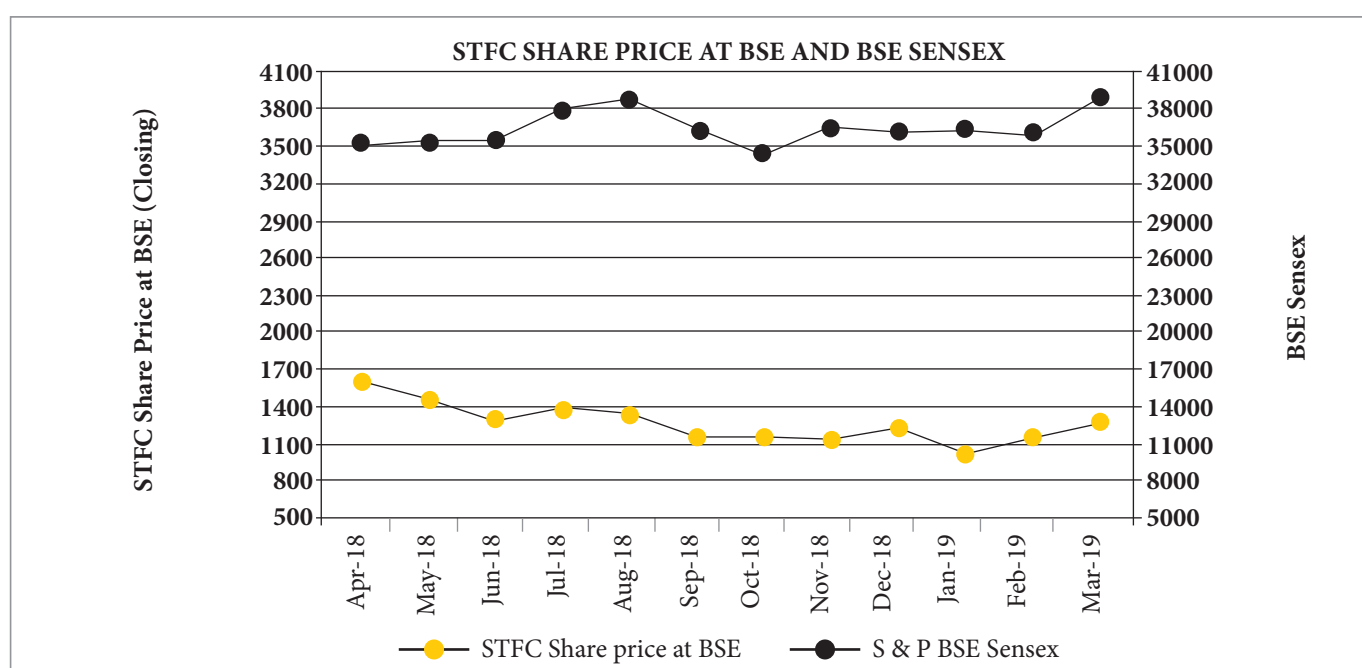
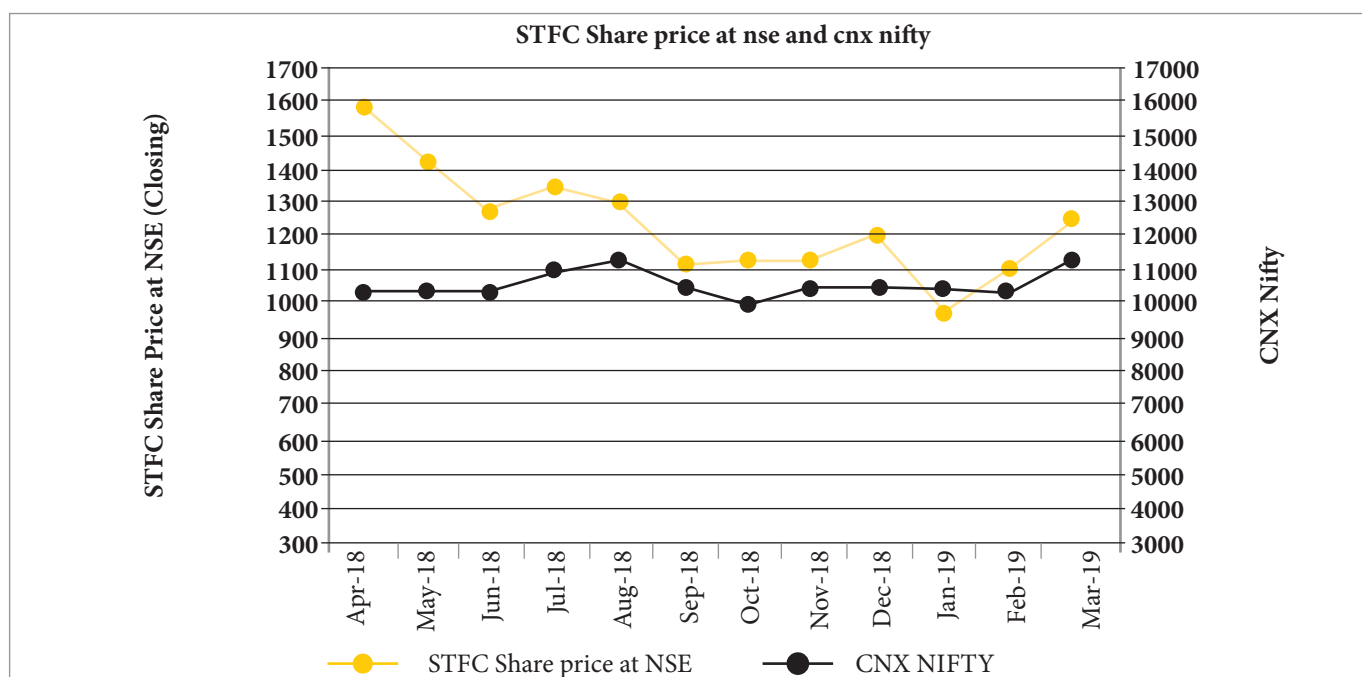
f. Stock Market Data

The high and low market price and volume of shares traded during each month of the financial year ended March 31,2019 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 2018	1670.60	1401.50	794455	1668.75	1397.60	19990747
May 2018	1638.00	1386.70	723244	1622.95	1384.35	16254105
June 2018	1529.00	1273.60	547675	1529.00	1272.35	14107576
July 2018	1443.15	1047.20	4043344	1447.90	1048.00	70242205
August 2018	1476.00	1291.00	1623560	1477.25	1290.00	21816361
September 2018	1366.50	953.00	933350	1367.55	970.15	25952772

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.)	
October 2018	1168.00	903.50	2650043	1170.00	902.30	40998768
November 2018	1282.00	1081.65	1400012	1275.00	1228.00	21430143
December - 2018	1290.75	1046.00	1030887	1291.25	1052.25	24005810
January - 2019	1251.30	992.20	1801072	1252.00	991.35	30734780
February - 2019	1153.95	994.55	785905	1154.15	994.80	21770430
March - 2019	1296.75	1149.35	718409	1297.00	1144.40	22435504

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 2018-19.

h. Registrar to an issue and Share Transfer Agent

The Registrar and Share Transfer Agent of the Company are:

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

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

(b) Axis Trustee Services Limited, The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400028.

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, 2019

Sr. No.	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1	1 - 500	47408	88.94	4369722	1.93
2	501-1000	3297	6.19	2449984	1.08
3	1001-2000	1251	2.35	1782466	0.79
4	2001-3000	344	0.65	848210	0.37
5	3001-4000	122	0.23	423235	0.19
6	4001-5000	102	0.19	467257	0.21
7	5001-10000	205	0.38	1445250	0.64
8	10001 and above	573	1.08	215096612	94.81
	Total	53302	100.00	226882736	100.00

Categories of shareholders as on March 31, 2019

Sr. No.	Category	Total	
		No. of Shares held	% of shareholding
1	Promoters	59173023	26.08%
2	Bank	213211	0.09%
3	Bodies Corporate	25121975	11.07%
4	Foreign Portfolio Investor 1&2	115573094	50.94%
5	Clearing Member	854344	0.38%
6	FII	5632	0.00%
7	Fi-Others	18931	0.01%
8	Limited Liability Partnership	61831	0.03%
9	Mutual Fund	7893349	3.48%
10	Fi-Government Sponsored	700000	0.31%
11	NRI	336486	0.15%
12	Resident Indian & HUF	12952521	5.71%
13	Trusts	349352	0.15%
14	NBFCs	307909	0.14%
15	Foreign Portfolio Investor 3	2311978	1.02%
16	Unclaimed Securities Suspense Account	88570	0.04%
17	IEPF Authority	920530	0.41%
	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 National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through Integrated Registry Management Services Private Limited. As on March 31, 2019, the total of 224061093 equity shares constituting 98.76% 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

List of branches are mentioned in the "Our Reach" Section 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.
Tel.: 91-22 - 40959595, Fax: 91-22 - 40959597, 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 2013- September related queries/complaints: stfcncd6comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2014- related queries/complaints: stfcncd7comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2018 Shelf and Tranche 1 Prospectus-related queries/complaints: stfcncd8comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2018 Tranche II Prospectus - related queries/complaints: stfcncd8t2comp@stfc.in
- For Public Issue of Non-Convertible Debentures 2018 Tranche III Prospectus - related queries/complaints: stfcncd8t3comp@stfc.in

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

q. The list of all credit ratings for all debt instruments, fixed deposit, masala bonds, U.S. Dollar senior secured notes for details refer page no. 14 in the Directors' Report. During the financial year 2018-19, there was no revision in the credit ratings for aforesaid instruments.

r. Other Disclosures

(A) 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 24, 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: <https://www.stfc.in/pdf/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions.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.

(B) There were no instances of non-compliance by the Company for which any penalties or strictures were 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.

(C) 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 <https://www.stfc.in/pdf/Whistle-Blower-Policy-Vigil-Mechanism.pdf>

(D) 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.

(E) 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: <https://www.stfc.in/pdf/Policy-on-Material-Subsidiaries.pdf>

(F) The policy on dealing with related party disclosures is uploaded on the Company's website at the web link of <https://www.stfc.in/pdf/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions.pdf>

(G) The disclosure of commodity price risks and commodity hedging activities: Not applicable.

(H) The Company has not raised funds through preferential allotment or qualified institutions placement under Regulation 32(7A) of the Listing Regulations.

(I) The certificate dated March 31, 2019 received from Ferrao MSR & Associates practicing company secretary confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

(J) In the financial year 2018-19 the board has accepted all recommendations of its Committees.

(K) The details of total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditors is a part, are as follows -

Particulars	Amount (Rs. in Lacs)
Statutory Audit Fees	84.00
Tax Audit Fees	9.00
Others	84.10
Total	177.10

- (L) The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report Refer page no 19.
- (M) The Company has complied with all the requirement of Corporate Governance report as contained in Clause C(2) to (10) of Schedule V read with Regulation 34(3) of Listing Regulations.
- (N) The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(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 uploaded on the Company's website at the web link of <http://www.stfc.in/pdf/codeofconduct.pdf>

s. Equity Shares in the Suspense Account

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, 2019 there were 88,570 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, 2018.	314	102351
Number of Shareholders / legal heirs who approached the Company for transfer of shares from the Unclaimed Suspense Account, for the period from April 01, 2018 to March 31, 2019.	10	2957
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, 2018 to March 31, 2019.	10	2957
Number of Shareholders / legal heirs of whom the shares were transferred from the Unclaimed Suspense Account to Investor Education and Protection Fund Authority pursuant to the Government of India Gazette notification No. REGD. NO. D. L.-33004/99 dated February 28, 2017 issued by Ministry of Corporate Affairs (MCA), April 01, 2018 to March 31, 2019.	27	10824
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on March 31, 2019.	277	88570

The Company had 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 (relating to disclosure on the website of the Company)

DIVIDEND DISTRIBUTION POLICY

Preamble

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all shareholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors (Board) will refer to the policy while declaring/recommending dividends. Through this policy, the Company would endeavour fairness, consistency and sustainability while distributing profits to the shareholders.

This policy also stipulates the process for recommendation/declaration of dividend and its pay-out by the Company in accordance with the provisions of the Companies Act, 2013 (the Companies Act) and other rules, regulations etc. as applicable to the Company.

Class of Shares

The Company has issued only Equity Shares and no Preference shares issued by the Company are outstanding.

Category of Dividends

The Companies Act provides for two forms of Dividend- Final and Interim. The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. Normally, the Board will endeavour to declare an interim dividend after finalization of quarterly financial accounts. The Board may declare interim dividend based on profits of the Company, one or more times in a financial year as and when considered appropriate, in line with this policy.

After the annual accounts are prepared, the Board may recommend final dividend to the shareholders for their approval in the General Meeting of the Company. In the event the Board declares more than one interim dividend in a financial year, the Board may recommend to the shareholder to treat the last interim dividend as a final Dividend.

Recommendation / Declaration of Dividend

Subject to the provisions of the Companies Act, the Board shall recommend/declare/ pay the Dividend only out of-

- i. Current financial year's profit:
 - a) after providing for depreciation in accordance with law;

- b) after transferring to reserves such amount as may be prescribed under the Companies Act or applicable law, regulations, norms or as may be otherwise considered appropriate by the Board at its discretion.
- ii. The profits for any previous financial year(s):
 - a) after providing for depreciation in accordance with law;
 - b) remaining undistributed; or
- iii. out of (i) & (ii) both.
- iv. out of free reserves in the manner permissible under the Companies Act.

Factors to be considered while declaring Dividend

The decision regarding dividend is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding dividend is subject to several factors and hence any optimal policy in this regard may be far from obvious. The Board considers a stable dividend to constitute an important element of the Company's investment attractiveness and shareholder return. As the Company is operating in rapidly developing, yet volatile, markets, its primary need is to maintain sufficient resources and financial flexibility to meet financial and operational requirements. The Company continually seeks ways to create shareholder value through both commercial and financial strategies, which may include both organic and inorganic development as well as the Company's capital management practices.

The shareholders of the Company may not expect dividend for a financial year(s) in the circumstances of challenging/sluggish market conditions, tough liquidity position, losses or inadequate profits.

The decision regarding recommendation / declaration of dividend will depend upon various external and internal factors including the following:

External Factors:-

State of Economy- in case of uncertain or recessionary economic and business conditions, the Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

Capital Markets- when the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory and Contractual Restrictions- The Board needs to keep in mind the restrictions imposed under the Companies Act and any other laws, the regulatory developments with regard to declaration of dividend, the Company's contractual obligations under the loan agreements / debenture trust deed and other agreements, documents, writings limiting / putting restrictions on dividend pay-out.

Internal Factors:-

Apart from the various external factors aforementioned, the Board will take into account various internal factors while recommending / declaring Dividend, which inter alia will include-

- i) Profits earned during the year;
- ii) Present and future capital requirements of the existing businesses; / capital expenditures and the Company's debt position
- iii) Business Acquisitions opportunities;

- iv) Expansion/ Modernization of existing businesses; / growth opportunities available to the Company
- v) Additional investments in subsidiaries/associates of the Company;
- vi) Fresh investments into external businesses;
- vii) Cash flow from operations
- viii) Cost of raising funds
- ix) Providing for unforeseen events and contingencies with financial implication.

Any other factor as deemed fit by the Board.

Process for approval of Payment of Interim and Final Dividend

- ✓ The Company will give prior intimation of 2 working days to Stock Exchanges (excluding the date of intimation and the date of the Board meeting) of date of Board Meeting in which the declaration / recommendation of dividend will be considered.
- ✓ The Company will inform about the decision taken by Board regarding dividend to Stock Exchange within 30 minutes of the closure of the Board Meeting.
- ✓ The Company will fix Record date for the purpose of determination for list of shareholders eligible to receive dividend.
- ✓ The Company shall recommend or declare dividend at least 5 working days (excluding the date of intimation and the record date) before the record date is fixed for the purpose.
- ✓ The intimation for fixing Record date shall be given to exchange at least seven working days in advance (excluding the date of intimation and the record date).

In the event of any amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law with respect to the process of recommendation/approval/ payment of dividend, the same shall prevail and shall be deemed to form part of this policy.

Transfer of Unpaid / Unclaimed Dividend and Equity Shares to Investor Education and Protection Fund (IEPF)

As per section 124(5) of the Companies Act, the dividend which remains unpaid / unclaimed for a period of 7 years from the date of transfer to unpaid dividend account shall be transferred by the Company to IEPF.

Utilisation of Retained Earnings

The Retained earnings strengthen the Company's net owned funds. It will further help in maintaining Capital Adequacy Ratio (CAR) for Non-Banking Financial Companies (NBFCs) in the growth phase. The Board from time to time will decide utilization of the retained earnings depending upon various factors including organic / inorganic growth strategies of the Company, market competition, creating long term shareholder value etc. The Board will ensure judicious balancing of these factors in the interest of the Company and its stakeholders.

Review

This policy is in accordance with SEBI Circular No. SEBI/ LAD-NRO/GN/2016-17/008 dated 08th July, 2016. The same will be reviewed by the Board periodically for additions, deletions, changes or alterations in the parameters, process of recommendation/ declaration/ pay-out of dividend considered in the policy and in line with changes in regulations as applicable to the Company.

CEO/CFO CERTIFICATION

To,

The Board of Directors of Shriram Transport Finance Company Limited

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, 2019 and that to the best of our knowledge and belief;
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) 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;
- 1) significant changes, if any, in internal controls over financial reporting during the year;
 - 2) significant changes, if any, in accounting policies during the year, and that the same have been disclosed in the notes to the financial statements;
 - 3) instances of significant fraud of which we are aware and the involvement therein, if any, 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
May 08, 2019

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, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2019.

UMESH REVANKAR
Managing Director & CEO

Mumbai
May 08, 2019

BUSINESS RESPONSIBILITY

REPORT 2018-19

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	2018-19
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC code of the products/services: 64920 - other credit granting. The Company holds a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the Reserve Bank of India to carry on the activities of a non-banking financial company.
8	Three key products/services of the Company (as in balance sheet)	Financing of heavy, medium and light commercial vehicles and passenger vehicles.
9	Number of locations	(i) International : Nil (ii) National : 1545 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	22690.67
2	Total Turnover	1,554,570.12
3	Total profit after taxes	256,398.67
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.56%
5	List of Activities in which expenditure in above point 4 has been incurred: Please refer Annexure - I (Report on CSR Activities)	

SECTION C

OTHER DETAILS

SR. NO.	PARTICULARS	DETAILS
1	Company subsidiary as on March 31,2019	Nil (Shriram Automall India Limited ceased to be subsidiary w.e.f February 7,2018.)
2	Subsidiaries participating in Company's BR initiatives	NA
3	Other entities (e.g. suppliers, distributors etc.) participating in Company's BR initiatives	NA

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		
SR. NO.	PARTICULARS	DETAILS
1.	DIN	00141189
2	Name	Mr. Umesh Revankar
3	Designation	Managing Director & CEO
b. Details of BR head		
SR. NO.	PARTICULARS	DETAILS
1	DIN (if applicable)	Not Applicable
2	Name	Mr. S. Sunder
3	Designation	Executive Director – Accounts & Administration
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.pdf (iii) The Fair practice code of the Company is available at http://stfc.in/pdf/Fair-Practice-Code.pdf (iv) Corporate Social Responsibility Policy http://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: Business 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 investors. We have put in place a mechanism for resolution of their grievances. We have Whistle Blower Policy/Vigil Mechanism 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. All members of the Board of Directors and Senior Management Personnel affirm compliance with the Code of Conduct on an annual basis.

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 Directors have reviewed its own performance, the performance of Individual Directors, functioning of the Board and its 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. Our Drivers' training program provides training primarily to unemployed/low income youths from rural and urban areas for driving of commercial/passenger vehicles. The training includes holistic development of drivers from technical skills to soft skills. The objective of this initiative in turn is to transform the entire driver employment skill segment to a well managed professionally empowered skill segment. We also facilitate obtaining driving licenses for these trainees and generate employment opportunities with regional small road transport operators and large scale fleet operators.

EMPLOYEES WELL-BEING

Principle 3: Business 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 and yoga sessions 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. Our employees have free access to the management to express their views and suggestions. The management and staff has a mutual faith and trust. We provide Group Medical/Accident/Life Insurance policy to all employees and loan facility extended to the permanent employees of the Company. We have "Shri Guru" a chatbot facility to employees wherein employees can raise any queries in respect of the Company's products and process involved. As a part of learning initiative Company has provided "Mobile /e-learning platform to all its employees which covers all the products and process of the Company.

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 Complaint Committees at various places. The Committees are chaired by woman employees of the Company.

STAKEHOLDERS ENGAGEMENT

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

We had already developed "MY SHRIRAM" app for enabling customers to pay through various payment gateways. We also supplied POS machines to all the branches for enabling debit card swiping. We have also provided "KIOSKS" facility at selected branches for customers to transact during closing hours of branch offices. Our customers can directly remit into the account at the bank branches against their loan account and Company has provided the facility to transfer the amount through electronic mode.

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 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.

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 continue to service our Fixed Deposit holders on time and offer higher interest rate to senior citizens.. We make periodical follow up with our investors requesting them to collect their unpaid dividend, interest, redemption/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. Our Company has a good dividend track report and has consistently declared dividends for the past several years.

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. We provide scholarship to students from weaker sections of the society. We do organise medical camps for the socio economically weaker sections of the society through mobile medical units and OPD clinics.

ENVIRONMENT

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

We continue to create awareness about environment protection among employees and customers through our environment policy. 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. We educate our customers to obtain proper PUC certificate and renew it periodically. 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 receiving soft copies of annual reports using internet facilities, receiving dividend by direct credit to their bank accounts instead of physical dividend warrants etc..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 / interest warrants, and atpar 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 in the best interest of the commercial vehicle financing segment of the Industry and Small Road Transport Operators.

INCLUSIVE GROWTH

Principle 8: Businesses should support inclusive growth and equitable development

We cater to the financing needs of Small Road Transport Operators (SRTOs) and First Time Buyers (FTBs) 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. We also sponsor activities for welfare of customers and their families. We work for growth of our customers and we focus on mutual faith and trust with our customers.

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 only the Company.
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.	Nil
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 pre-owned and new 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.	26630
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	Not Applicable
3	Please indicate the Number of permanent women employees	1147
4	Please indicate the Number of permanent employees with disabilities	51
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?	46.2% employees were given safety & skill training programmes in the last year.
	(a) Permanent Employees	45%
	(b) Permanent Women Employees	1.2%
	(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 extends only to the Company.
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 last financial year.

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.	Yes, the policy extends only to the Company
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 and 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?	2.26% customer complaints are pending as on the end of the financial year
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 AUDIT OF THE STANDALONE
FINANCIAL STATEMENT**

Opinion

We have audited the accompanying Standalone Financial Statements of Shriram Transport Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2019, its total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Transition to Indian Accounting Standards ("Ind AS")

The Company has adopted Ind AS notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2018 and the effective date of such transition is April 01, 2017. Ind AS are new and complex accounting standards which require considerable judgment and interpretation in its implementation. Further, Ind AS 101 ("First-time Adoption of Indian Accounting Standards") allows two categories of exceptions to the first-time adopters which mainly includes prohibition to retrospective application of certain requirements of Ind AS and exemption from some requirements of Ind AS. We consider this transition and the required disclosure to be a key audit matter because new accounting policies have been developed by the Company to comply with these standards and judgment. Note 6 "Significant Accounting Policies", Note 55 First-time adoption of Ind AS, Note 53 "Fair value measurement" and Note 54 "Risk management" to the Standalone Ind AS Financial Statements provide detailed information on the significant policies, critical judgment and estimation along with details of exemptions applied from certain requirements under Ind AS based on which these Standalone Financial Statements are prepared.

Principal Audit Procedures:

We have performed the following audit procedures in order to obtain sufficient audit evidence:

- Assessed the Company's process to identify the impact of adoption and transition to the new accounting standards.
- Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Standalone Financial Statements;
- Reviewed the exemptions availed by the Company from certain requirements under Ind AS;
- Obtained an understanding of the governance over the determination of key judgments;
- Evaluated and tested the key assumptions and judgments adopted by management;
- Assessed the disclosures made against the relevant Ind AS; and
- Determined the appropriateness of the methodologies and models used along with the responsibility of the outputs.

2. Impairment loss allowance of loans and advances

Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure to a large number of lenders across a wide geographical

range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved for the Company in estimating individual and collective credit impairment provisions and write-offs against these loans. The Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward-looking information. ECL provision calculations require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modeled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.

Principal Audit Procedures:

We have started our audit procedures with understanding of the internal control environment related to impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.

We also assessed whether the impairment methodology used by the company is in line with Ind AS 109 "Financial instruments" requirements. Particularly we assessed the approach of the Company regarding definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- We tested the reliability of key data inputs and related management controls;
- We checked the stage classification as at the balance sheet date as per definition of default of the company;
- We validated the ECL model and calculation by involving our Information Technology Expert;
- We have also calculated the ECL provision manually for a selected sample; and
- We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regards along with its compliance on sample basis.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the

information included in the Management Discussion & Analysis, Director's Report and Corporate Governance Report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the

disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2017 included in these Standalone Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Accounting Standards Specified under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India audited by us in our report for the year ended March 31, 2018 dated April 27, 2018 and predecessor auditor whose report for the year ended March 31, 2017 dated April 27, 2017 respectively expressed an unmodified opinion on those Standalone Financial Statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- (2) As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
 - On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
 - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 50 on Contingent Liabilities to the Standalone Financial Statements;
 - The Company did not have any material foreseeable losses in long term contracts including derivative contracts during the year ended March 31, 2019;
 - There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company. As regards unpaid dividend amount of Rs. 27,778/- transferred subsequently to IEPF, reference is invited to Note 27 to the Standalone Financial Statements.

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm Registration Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225

Mumbai
May 08, 2019

ANNEXURE 1

TO THE INDEPENDENT AUDITOR'S REPORT

STANDALONE ACCOUNTS

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Shriram Transport Finance Company Limited on the standalone financial statements for the year ended March 31, 2019]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed/ transfer deed and other relevant records evidencing title / possession provided to us, we report that, the title deeds of all the immovable properties comprising of land and buildings which are freehold other than self constructed assets included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date.
- (ii) Company business does not involve any inventory and accordingly the requirements under paragraph 3(ii) of the order are not applicable to the company and hence not commented upon.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, Guarantees and securities, the Company has complied with the provisions of section 185 and 186(1) of the Act. Further, the provisions of section 186 {except for sec 186(1)} the Act are not applicable to the Company as it is engaged in the business of financing.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed there under with regard to the acceptance of deposits. Further, as informed, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and any other material statutory dues applicable to it. As informed, provision of Sales Tax, custom duty and excise duty are 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, sales tax, service tax, value added tax, goods and service tax, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, provision for sales tax, custom duty and excise duty are not applicable to the company.
- (c) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service tax)	Service tax on hire purchase and lease transaction	741.62	F.Y. 2003-04 to 2009-10	CESTAT (Custom, Excise and Service tax appellate tribunal)
Finance Act, 1994 (Service tax)	Service tax on Securitization collection commission income	19775.35	F.Y. 2007-08 to 2014-15	CESTAT (Custom, Excise and Service tax appellate tribunal)
Finance Act, 1994 (Service tax)	Interest on Input Tax Credit reversal on CBLO income	9.45*	F.Y. 2010-11	Commissioner of Central Excise and Customs (Appeals)
Maharashtra Value Added Tax	Value added tax	0.20*	F.Y. 2005-06	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	0.15*	F.Y. 2006-07	Deputy Commissioner of Sales Tax - Appeals - Mumbai

Name of the statute	Nature of dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax	Value added tax	567.82*	F.Y. 2007-08 to 2013-14	Maharashtra Sales Tax Tribunal
Maharashtra Value Added Tax	Value added tax	80.11*	F.Y. 2014-15	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax	Value added tax	23.73*	F.Y. 2012-13 to 2013-14	Deputy Commissioner of Sales Tax - Appeals - Mumbai
Andhra Pradesh Value Added Tax	Value added tax	348.41*	F.Y. 2005-06 to 2008-09	Andhra Pradesh High court
Andhra Pradesh Value Added Tax	Value added tax	326.81*	F.Y. 2009-10 to 2010-11 and 1st April 2011 to 31st August 2012	Andhra Pradesh High court
Andhra Pradesh Value Added Tax	Value added tax	11.96*	F.Y. 2010-11 to 2012-13	Andhra Pradesh High court
Rajasthan Value Added Tax	Value added tax	116.37*	F.Y. 2006-07 to 2011-12	Rajasthan High Court
Rajasthan Value Added Tax	Value added tax	159.48*	F.Y. 2012-13 to 2015-16 and 1st April, 2016 to 4th November 2016	Rajasthan Tax Tribunal
Odisha Value Added Tax	Value added tax	9.04*	F.Y. 2008-09 to 2012-13	Odisha Tax Tribunal
Karnataka Value Added Tax	Value added tax	806.77*	F.Y. 2010-11 to 2016-17	Karnataka High court
Income Tax Act, 1961	Income Tax demands	2753.98	A.Y. 2016-17	CIT (Appeals)
Income Tax Act, 1961	Income Tax demands	630.89	A.Y. 2014-15	Madras High Court
Income Tax Act, 1961	Income Tax demands	179.58	A.Y. 2014-15	CIT (Appeals)
Income Tax Act, 1961	Income Tax demands	502.12	A.Y. 2013-14	Assessing Officer
Income Tax Act, 1961	Income Tax demands	102.5	A.Y. 2013-14	High Court
Income Tax Act, 1961	Income Tax demands	527.48	A.Y. 2012-13	Assessing Officer
Income Tax Act, 1961	Income Tax demands	53.12	A.Y. 2012-13	Assessing Officer
Income Tax Act, 1961	Income Tax demands	999.96	A.Y. 2011-12	Assessing Officer
Income Tax Act, 1961	Income Tax demands	6.46	A.Y. 2011-12	Madras High Court
Income Tax Act, 1961	Income Tax demands	920.86	A.Y. 2010-11	Assessing Officer
Income Tax Act, 1961	Income Tax demands	1026.06	A.Y. 2009-10	Madras High Court
Income Tax Act, 1961	Income Tax demands	183.62	A.Y. 2008-09	Madras High Court
Income Tax Act, 1961	Income Tax demands	27.28	A.Y. 2007-08	Madras High Court
Income Tax Act, 1961	Income Tax demands	7.92	A.Y. 2006-07	Assessing Officer

*Net of amount paid under protest.

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. There are no loans or borrowings from Government.

ANNEXURE 1

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

STANDALONE ACCOUNTS

- (ix) In our opinion and according to the information and explanations given to us, 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. The Company has not raised money by way of initial public issue offer / further public offer of equity during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm Registration Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225

Mumbai
May 08, 2019

[REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Shriram Transport Finance Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

STANDALONE ACCOUNTS

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm Registration Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828

Mumbai
May 08, 2019

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

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

Sangeeta Gupta
Partner
Membership Number: 064225

Mumbai
May 08, 2019

(Rs. in lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
I ASSETS				
1 Financial assets				
Cash and cash equivalents	10	102,913.54	109,071.33	113,079.87
Bank balance other than above	11	295,233.14	258,384.45	341,036.27
Derivative financial instruments	12	2,171.64	1,054.13	2,641.73
Receivables	13			
(I) Trade receivables		848.44	1,398.10	443.42
(II) Other receivables		1,995.23	348.46	418.39
Loans	14	9,675,148.57	9,074,561.59	7,401,567.61
Investments	15	399,906.08	234,136.10	225,865.76
Other financial assets	16	4,176.47	3,748.33	4,123.24
2 Non-financial Assets				
Current tax assets (net)	17	10,657.77	10,426.15	10,864.51
Deferred tax assets (net)		7,570.07	5,218.68	49,576.88
Investment property	18	206.36	209.82	190.75
Property, plant and equipment	19	14,345.82	11,821.76	8,217.04
Other intangible assets	20	196.56	173.78	160.57
Other non-financial assets	21	13,878.44	13,952.01	12,933.60
Total assets		10,529,248.13	9,724,504.69	8,171,119.64
II LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial liabilities				
Derivative financial instruments	12	8,342.19	468.26	1,099.40
Payables				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	22	20,362.58	21,976.95	13,443.91
(II) Other payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt securities	23	3,418,175.01	3,243,261.27	2,136,124.76
Borrowings (other than debt securities)	24	3,718,929.88	3,610,854.45	3,447,829.36
Deposits	25	1,034,146.68	859,774.86	906,554.36
Subordinated liabilities	26	620,188.10	499,194.11	389,313.60
Other financial liabilities	27	73,129.47	65,067.78	70,882.87
2 Non-financial liabilities				
Current tax liabilities (net)	28	10,296.73	21,650.51	18,911.89
Provisions	29	13,327.01	12,733.43	11,942.98
Other non-financial liabilities	30	28,722.30	31,974.81	33,599.86
Total liabilities		8,945,619.95	8,366,956.43	7,029,702.99
3 Equity				
Equity share capital	31	22,690.67	22,690.67	22,690.67
Other equity	32	1,560,937.51	1,334,857.59	1,118,725.98
Total equity		1,583,628.18	1,357,548.26	1,141,416.65
Total liabilities and equity		10,529,248.13	9,724,504.69	8,171,119.64

See accompanying notes forming part of the financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

Mumbai

May 08, 2019

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

STANDALONE ACCOUNTS

Particulars	Notes	(Rs. in lacs)	
		Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations			
(i) Interest income	33	1,538,427.83	1,319,353.20
(ii) Dividend income		498.75	1,200.00
(iii) Rental income		21.86	20.90
(iv) Fee and commission income	34	7,130.97	7,690.87
(v) Net gain on fair value changes	35	-	-
(vi) Other operating income	36	6,164.94	1,601.67
(I) Total Revenue from operations		1,552,244.35	1,329,866.64
(II) Other income	37	2,325.77	6,297.56
(III) Total Income (I + II)		1,554,570.12	1,336,164.20
Expenses			
(i) Finance cost	38	751,125.94	636,875.38
(ii) Fee and commission expense	39	6,218.96	6,445.38
(iii) Net loss on fair value changes	35	258.47	1,749.42
(iv) Impairment of financial instruments	40	238,226.19	172,231.88
(v) Employee benefits expenses	41	88,305.12	71,317.20
(vi) Depreciation, amortisation and impairment	42	4,297.27	3,613.40
(vii) Other expenses	43	88,310.67	77,725.86
(IV) Total Expenses		1,176,742.62	969,958.52
(V) Profit/(loss) before exceptional items and tax (III - IV)		377,827.50	366,205.68
(VI) Exceptional items		-	13,974.55
(VII) Profit/(loss) before tax (V+ VI)		377,827.50	380,180.23
(VIII) Tax Expense:			
(1) Current tax		134,637.53	88,826.31
(2) Deferred tax		(2,226.96)	44,427.44
(3) Tax adjustment for earlier years		(10,981.74)	872.46
(IX) Profit/(loss) for the period from continuing operations (VII-VIII)		256,398.67	246,054.02
(X) Profit/(loss) for the year		256,398.67	246,054.02
(XI) Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(356.07)	(198.17)
(ii) Income tax relating to items that will not be reclassified to profit or loss		124.43	69.25
Subtotal (A)		(231.64)	(128.92)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		(231.64)	(128.92)
(XII) Total Comprehensive Income for the year (X+ XI)		256,167.03	245,925.10
(XIII) Earnings per equity share			
Basic (Rs.)		113.01	108.45
Diluted (Rs.)		113.01	108.45

See accompanying notes forming part of the financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership No. 064225

Mumbai
May 08, 2019

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**
Executive Director & CFO Company Secretary

Mumbai
May 08, 2019

Mumbai
May 08, 2019

A. Equity share capital

Particulars	Number of shares	(Rs. in lacs)
As at April 01, 2017	226,882,736	22,690.67
Changes in Equity share capital during the year	-	-
As at March 31, 2018	226,882,736	22,690.67
Changes in Equity share capital during the year	-	-
As at March 31, 2019	226,882,736	22,690.67

B. Other equity

Particulars	Reserves and Surplus							Other comprehensive income-retirement benefits	Total
	Statutory reserve	Capital reserve	Securities premium account	Debt redemption reserve	Capital redemption reserve	General reserve	Retained earnings		
Balance as at April 01, 2017	234,055.44	2,761.83	175,481.06	62,889.61	5,388.35	115,253.63	523,027.40	(131.34)	1,118,725.98
Profit for the year	-	-	-	-	-	-	246,054.02	-	246,054.02
Other comprehensive income for the year	-	-	-	-	-	-	-	(128.92)	(128.92)
Transferred to/(from)	31,400.00	-	-	(41,230.76)	-	66,137.31	(56,306.55)	-	-
Total comprehensive income for the year	31,400.00	-	-	(41,230.76)	-	66,137.31	189,747.47	(128.92)	245,925.10
Dividends (interim and final)	-	-	-	-	-	-	(24,957.10)	-	(24,957.10)
Tax on dividend (interim and final)	-	-	-	-	-	-	(4,836.39)	-	(4,836.39)
Balance as at March 31, 2018	265,455.44	2,761.83	175,481.06	21,658.85	5,388.35	181,390.94	682,981.38	(260.26)	1,334,857.59

STATEMENT OF **CHANGES IN EQUITY**
FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

STANDALONE ACCOUNTS

Particulars	Reserves and Surplus							Other comprehensive income-retirement benefits	Total
	Statutory reserve	Capital reserve	Securities premium account	Debt redemption reserve	Capital redemption reserve	General reserve	Retained earnings		
Balance as at April 01, 2018	265,455.44	2,761.83	175,481.06	21,658.85	5,388.35	181,390.94	682,981.38	(260.26)	1,334,857.59
Profit for the year	-	-	-	-	-	-	256,398.67	-	256,398.67
Other comprehensive income for the year	-	-	-	-	-	-	-	(231.64)	(231.64)
Transferred to/from	51,400.00	-	-	15,802.81	-	35,044.44	(102,247.25)	-	-
Total comprehensive income for the year	51,400.00	-	-	15,802.81	-	35,044.44	154,151.42	(231.64)	256,167.03
Dividends (interim and final)	-	-	-	-	-	-	(24,957.10)	-	(24,957.10)
Tax on dividend (interim and final)	-	-	-	-	-	-	(5,130.01)	-	(5,130.01)
Balance as at March 31, 2019	316,855.44	2,761.83	175,481.06	37,461.66	5,388.35	216,435.38	807,045.69	(491.90)	1,560,937.51

(Rs. in lacs)

See accompanying notes forming part of the financial statements

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For Pijush Gupta & Co.

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma
Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal
Company Secretary

Mumbai

May 08, 2019

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	377,827.50	380,180.23
Depreciation, amortisation and impairment	4,297.27	3,613.40
Profit arising on the sale of shares in subsidiary	-	(13,974.55)
Interest on income tax refund	(665.55)	(5,796.67)
Loss/(profit) on sale of fixed assets (net)	51.35	18.16
Impairment on loans	245,051.64	171,627.93
Impairment on investments	(6.39)	(0.63)
Impairment on undrawn loan commitment	671.23	485.37
Impairment on other assets	(7,490.29)	119.21
Net (gain)/loss on fair value changes on investment	(51.46)	746.20
Net (gain)/loss on fair value changes on derivatives	309.93	1,003.22
Dividend income from subsidiary	-	(1,200.00)
Operating profit before working capital changes	619,995.23	536,821.87
Movements in Working capital:		
Decrease/(increase) in loans	(845,638.64)	(1,844,621.93)
(Increase)/decrease in investments	(165,712.13)	(10,678.95)
Decrease/(increase) in receivables	(1,097.10)	(884.75)
Decrease/(increase) in bank deposits	(36,848.69)	82,651.82
Decrease/(increase) in other financial assets	7,062.15	255.70
Decrease/(increase) in other non-financial assets	143.35	(956.56)
Increase/(decrease) in interest accrued on borrowings	(30,457.56)	1,735.98
Increase/(decrease) in payables	(1,614.37)	8,533.04
Increase/(decrease) in other financial liabilities	8,715.17	(6,623.17)
Increase/(decrease) in non-financial liabilities	(3,252.51)	(1,625.05)
Increase/(decrease) other provision	231.83	5,903.58
Cash generated from operations	(448,473.27)	(1,229,488.42)
Direct taxes paid (net of refunds)	(135,241.19)	(86,521.78)
Net cash flows from/(used in) operating activities (A)	(583,714.46)	(1,316,010.20)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of subsidiary	-	15,637.60
Purchase of property, plant and equipment and intangible assets	(7,797.05)	(6,594.60)
Proceeds from sale of property, plant and equipment and intangible assets	181.79	72.28
Dividend received from subsidiary	-	1,200.00
Net cash flows from/(used in) investing activities (B)	(7,615.26)	10,315.28

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

STANDALONE ACCOUNTS

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Derivatives	6,446.49	(46.76)
Amount received from deposits received (including ICDs)	500,609.67	338,206.09
Repayment of deposits	(331,518.70)	(375,681.97)
Amount received from debt securities	905,752.94	1,089,340.00
Repayment of debt securities	(625,811.98)	(444,544.18)
Amount received from subordinated debts	236,000.00	142,900.00
Repayment of subordinated debts	(86,455.69)	(36,448.17)
Amount received from borrowings other than debt securities	5,682,488.31	5,101,615.72
Repayment of borrowings other than debt securities	(5,672,252.00)	(4,483,860.86)
Dividend paid	(24,957.10)	(24,957.10)
Tax on dividend	(5,130.01)	(4,836.39)
Net cash flows from financing activities (C)	585,171.93	1,301,686.38
Net increase in cash and cash equivalents (A+B+C)	(6,157.79)	(4,008.54)
Cash and cash equivalents at the beginning	109,071.33	113,079.87
Cash and cash equivalents at the end of the year	102,913.54	109,071.33
Net cash provided by (used in) operating activities includes		
Interest received	1,484,290.78	1,256,452.22
Interest paid	581,302.70	519,995.69
Dividend received	498.75	-

Components of cash and cash equivalents	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents at the end of the year		
i) Cash on hand	12,347.27	7,996.25
ii) Cheques on hand	1,817.73	2,542.76
iii) Balances with banks (of the nature of cash and cash equivalents)	76,166.90	92,946.60
iv) Bank deposit with original maturity less than three months	12,581.64	5,585.72
Total	102,913.54	109,071.33

See accompanying notes forming part of the financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

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 is primarily engaged in the business of financing commercial vehicles. It also provides loans for equipment and other business purposes. 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

The Company is associate of Shriram Capital Limited.

The registered office of the Company is Mookambika Complex, 3rd floor, No.4, Lady Desika Road, Mylapore, Chennai – 600 004. The principal place of business is Wockhardt Towers, West Wing, Level-3, C-2, G-Block, Bandra -Kurla Complex, Bandra (East), Mumbai, Maharashtra- 400 051.

The financial statements of the Company for the year ended March 31, 2019 were approved for issue in accordance with the resolution of the Board of Directors on May 08, 2019.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6- Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

3 PRESENTATION OF FINANCIAL STATEMENT

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

4 STATEMENT OF COMPLIANCE

These standalone or separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE

The Standards that are issued, but not yet effective, are disclosed below. The Company intends to adopt these standards when they became effective:

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 on Leases. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. As the Company does not have any material leases, the adoption of this standard is not likely to have a material impact in its Financial Statements.

6 SIGNIFICANT ACCOUNTING POLICIES

6.1 Financial instruments

(i) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- ▶ The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprise bank balances, Loans, Trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date, the Company does not have any financial instruments measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are no equity instruments measured at FVOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

(iv) Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest. As at the reporting date, the Company does not have any financial instruments measured at fair value through profit or loss.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

(v) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- ▶ Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ▶ It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- ▶ It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. 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 liabilities. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

(vi) Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

(vii) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(viii) Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

- ▶ The premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

(ix) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in 2017-18 and until the year ended March 31, 2019.

(x) Recognition and Derecognition of financial assets and liabilities

Recognition:

- a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities, deposits and borrowings are initially recognised when funds reach the Company.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients
- iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Company has transferred substantially all the risks and rewards of the asset, or
- ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

(xi) Impairment of financial assets

Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss as outlined in Note 5.6.2).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Business Loans, Secured loans for new vehicles, Secured loans for used vehicles and Equipment Finance Loans and large borrowers with exposure over Rs. 1 crore.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The

company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Credit-impaired financial assets:

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties.

Financial guarantee contracts

The Company's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Company estimates ECLs by applying a credit conversion factor.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets. As at the reporting date, the Company does not have any debt instruments measured at fair value through OCI.

The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 54.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 54.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 54.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with

the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

(xii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(xiii) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 5.1(iii) to 5.1(vi)) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

6.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 35), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in “Net gains on fair value changes” under Revenue from operations and if there is a net loss the same is disclosed under “Expenses” in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date the Company does not have any financial instruments measured at FVTPL and debt instruments measured at FVOCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

6.3 Expenses

(i) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future 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.

b) Defined Benefit schemes

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'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

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.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the provision for compensated absences under provisions in the Balance Sheet.

(iii) Rent Expense

Identification of Lease:

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

For arrangements entered into prior to April 01, 2017 the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Recognition of lease payments:

Rent Expenses representing operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms.

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are operating leases.

(iv) Other income and expenses

All other income and expense are recognized in the period they occur.

(v) Impairment of non-financial 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 recognized 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.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or

substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable 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 recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax 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.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

6.4 Foreign currency translation

(i) Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

6.6 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

6.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life.

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

6.8 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs. For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of investment property as per Indian GAAP less accumulated depreciation and cumulative impairment, (if any) as on the transition date of April 01, 2017.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

6.9 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Company does not have any such provisions where the effect of time value of money is material.

6.10 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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

6.11 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

7 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

7.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how

the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

7.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

7.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6.1(xi) Overview of ECL principles.

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

7.6 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

7.7 Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

8 FIRST TIME ADOPTION

These financial statements, for the year ended March 31, 2019 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019 together with the comparative period data as at and for the year ended March 31, 2018 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017 the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

8.1 Investment in Subsidiaries, associates

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

8.2 Lease arrangements

Appendix C to Ind AS 17 requires entity to assess whether contract or arrangement contains a lease. In accordance with same, this assessment should be carried out at the inception of arrangement. However, the company has used exemption under Ind AS 101 and assessed all arrangements based on conditions in place as on date of transition.

8.3 Property, plant, equipment & intangible assets

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 01, 2017.

8.4 Business Combination

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 01, 2017. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.

8.5 Derecognition of previously recognised financial instruments

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind ASs, it shall not recognise those assets and liabilities in accordance with Ind ASs (unless they qualify for recognition as a result of a later transaction or event). The Company has opted not to re-evaluate financial assets derecognised in the past. However, for loans and advances securitised, the Company has applied the derecognition requirements retrospectively.

8.6 Fair value measurement of financial assets or financial liabilities at initial recognition

Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognise the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Company has opted for this exemption to recognise the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to Ind AS.

8.7 Investment Property

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of investment property as per Indian GAAP less accumulated depreciation and cumulative impairment (if any) as on the transition date of April 01, 2017.

9 MANDATORY EXCEPTIONS

Following mandatory exceptions are applicable to the Company:

9.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

9.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
10 CASH AND CASH EQUIVALENTS				
Cash on hand	12,347.27	7,996.25	7,865.26	
Balances with banks (of the nature of cash and cash equivalents)	76,166.90	92,946.60	102,039.50	
Cheques on hand	1,817.73	2,542.76	3,175.11	
Bank deposit with original maturity less than three months	12,581.64	5,585.72	-	
Total	102,913.54	109,071.33	113,079.87	

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
11 BANK BALANCE OTHER THAN ABOVE				
Balances with banks				
-Unclaimed dividend accounts	1,068.96	1,310.11	1,083.21	
Bank deposit with original maturity for more than three months	20,036.61	37,425.50	152,549.62	
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments. *	274,127.57	219,648.84	187,403.44	
Total	295,233.14	258,384.45	341,036.27	

Fixed deposit and other balances with banks earns interest at fixed rate.

*Includes deposits Rs. 273,821.29 lacs (March 31, 2018: Rs. 219,040.91 lacs; April 01, 2017: Rs. 186,800.93 lacs) as margin for guarantees and Rs. 306.29 lacs (March 31, 2018: Rs. 607.93 lacs; April 01, 2017: Rs. 602.51 lacs) pledged as lien against loans taken.

12 DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
	(i) Currency derivatives:											
-Spots and forwards	37,486.25	1,22.32	-	-	47,082.17	742.42	-	-	13,590.72	2.23	6,390.42	163.06
-Currency futures	-	-	-	-	-	-	-	-	-	-	-	-
-Currency swaps	2,40,233.00	1,866.55	284,990.00	8,304.80	-	-	-	-	-	-	-	-
-Options purchased	-	-	-	-	-	-	-	-	-	-	-	-
-Options sold (written)	-	-	-	-	-	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (i)	277,719.25	1,988.87	284,990.00	8,304.80	47,082.17	742.42	-	-	13,590.72	2.23	6,390.42	163.06
(ii) Interest rate derivatives:												
-Forward rate agreements and interest rate swaps	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
-Options purchased	-	-	-	-	-	-	-	-	-	-	-	-
-Options sold (written)	-	-	-	-	-	-	-	-	-	-	-	-
-Futures	-	-	-	-	-	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (ii)	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
(iii) Credit derivatives:												
(iv) Equity linked derivatives:												
(v) Other derivatives:												
Total derivative financial instruments (i-ii+iii+iv+v)	281,719.25	2,171.64	286,490.00	8,342.19	86,982.17	1,054.13	10,500.00	468.26	66,975.72	2,641.73	24,890.42	1,099.40

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 54.

Derivatives designated as hedging instruments

The Company has not designated any derivatives as hedging instruments.

12 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Derivatives not designated as hedging instruments

The Company uses interest rate swaps to manage its interest rate risk arising from INR denominated borrowings and foreign exchange forward contracts to manage its foreign currency risk arising from borrowings in foreign currencies. The interest rate swaps a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions, generally from 6 to 36 months.

Details of the derivative instruments are given below:

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities
Interest rate risk:												
Interest rate swaps	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
Futures	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency risk:												
Currency swaps	240,233.00	1,866.55	284,990.00	8,304.80	-	-	-	-	-	-	-	-
Currency futures	-	-	-	-	-	-	-	-	-	-	-	-
Forward contracts	37,486.25	122.32	-	-	47,082.17	2,423.80	-	-	13,590.72	2.23	6,390.42	163.07
Total	281,719.25	2,171.64	286,490.00	8,342.19	86,982.17	2,735.51	10,500.00	468.26	66,975.72	2,641.73	24,890.42	1,099.41

(Rs. in lacs)

13 RECEIVABLES

(I) Trade receivables

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivables considered good-secured	-	-	-
Trade receivables considered good-unsecured	848.44	1,398.10	443.42
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables -credit impaired	-	-	-
Total	848.44	1,398.10	443.42
Allowances for impairment loss	-	-	-
Total	848.44	1,398.10	443.42

(II) Other receivables

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other receivables considered good-secured	-	-	-
Other receivables considered good-unsecured	1,995.23	348.46	418.39
Other receivables which have significant increase in credit risk	-	-	-
Other receivables - credit impaired	157.99	191.84	274.39
Total	2,153.22	540.30	692.78
Allowances for impairment loss	157.99	191.84	274.39
Total	1,995.23	348.46	418.39

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 days.

(Rs. in lacs)

Trade receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		0%	0%	0%	0%	0%	0%	
March 31, 2019	Estimated total gross carrying amount at default	798.02	6.77	43.17	0.48	-	-	848.44
	ECL-Simplified approach	-	-	-	-	-	-	-
	Net carrying amount	798.02	6.77	43.17	0.48	-	-	848.44
March 31, 2018	Estimated total gross carrying amount at default	713.59	434.63	114.09	135.79	-	-	1,398.10
	ECL-Simplified approach	-	-	-	-	-	-	-
	Net carrying amount	713.59	434.63	114.09	135.79	-	-	1,398.10
April 01, 2017	Estimated total gross carrying amount at default	442.76	0.66	-	-	-	-	443.42
	ECL-Simplified approach	-	-	-	-	-	-	-
	Net carrying amount	442.76	0.66	-	-	-	-	443.42

13 RECEIVABLES (Contd.)

Reconciliation of impairment allowance on trade receivables:

(Rs. in lacs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2017	-
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per April 01, 2018	-
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2019	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on trade receivables.

(Rs. in lacs)

Other receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		0%	0%	0%	0%	100%	100%	
March 31, 2019	Estimated total gross carrying amount at default	24.21	1,930.10	34.48	6.44	8.41	149.58	2,153.22
	ECL-Simplified approach	-	-	-	-	8.41	149.58	157.99
	Net carrying amount	24.21	1,930.10	34.48	6.44	-	-	1,995.23
March 31, 2018	Estimated total gross carrying amount at default	23.77	272.64	47.49	4.56	-	191.84	540.30
	ECL-Simplified approach	-	-	-	-	-	191.84	191.84
	Net carrying amount	23.77	272.64	47.49	4.56	-	-	348.46
April 01, 2017	Estimated total gross carrying amount at default	-	138.31	117.38	162.70	-	274.39	692.78
	ECL-Simplified approach	-	-	-	-	-	274.39	274.39
	Net carrying amount	-	138.31	117.38	162.70	-	-	418.39

Reconciliation of impairment allowance on other receivables:

(Rs. in lacs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2017	274.39
Add: Addition during the year	-
(Less): Reduction during the year	(82.55)
Impairment allowance as per April 01, 2018	191.84
Add: Addition during the year	-
(Less): Reduction during the year	(33.85)
Impairment allowance as per March 31, 2019	157.99

(Rs. in lacs)

Particulars	As at March 31, 2019					As at March 31, 2018					As at April 01, 2017				
	Amortised Cost	At Fair value		Sub-total	Total	Amortised Cost	At Fair value		Sub-total	Total	Amortised Cost	At Fair value		Sub-total	Total
		Through Other Comprehensive Income	Through profit or loss				Designated at fair value	Through profit or loss				Through Other Comprehensive Income	Through profit or loss		
(A)															
i) Bills purchased and bills discounted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Loans repayable on demand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Term loans	9,944,461.53	-	-	9,944,461.53	9,439,075.44	-	-	9,439,075.44	7,784,535.12	-	-	7,784,535.12	-	7,784,535.12	-
iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Others	286,287.05	-	-	286,287.05	180,765.55	-	-	180,765.55	138,043.82	-	-	138,043.82	-	138,043.82	-
Total (A) - Gross	10,230,748.58	-	-	10,230,748.58	9,619,840.99	-	-	9,619,840.99	7,922,578.94	-	-	7,922,578.94	-	7,922,578.94	-
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	545,279.40	-	-	545,279.40	521,011.33	-	-	521,011.33	-	521,011.33	-
Total (A) - Net	9,675,148.57	-	-	9,675,148.57	9,074,561.59	-	-	9,074,561.59	7,401,567.61	-	-	7,401,567.61	-	7,401,567.61	-
(B)															
i) Secured by tangible assets	9,944,461.53	-	-	9,944,461.53	9,439,075.44	-	-	9,439,075.44	7,784,535.12	-	-	7,784,535.12	-	7,784,535.12	-
ii) Unsecured	286,287.05	-	-	286,287.05	180,765.55	-	-	180,765.55	138,043.82	-	-	138,043.82	-	138,043.82	-
Total (B) - Gross	10,230,748.58	-	-	10,230,748.58	9,619,840.99	-	-	9,619,840.99	7,922,578.94	-	-	7,922,578.94	-	7,922,578.94	-
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	545,279.40	-	-	545,279.40	521,011.33	-	-	521,011.33	-	521,011.33	-
Total (B) - Net	9,675,148.57	-	-	9,675,148.57	9,074,561.59	-	-	9,074,561.59	7,401,567.61	-	-	7,401,567.61	-	7,401,567.61	-
(C)															
i) Public sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	10,179,037.54	-	-	10,179,037.54	9,580,385.44	-	-	9,580,385.44	7,891,980.47	-	-	7,891,980.47	-	7,891,980.47	-
Corporates	51,711.04	-	-	51,711.04	39,455.55	-	-	39,455.55	30,598.47	-	-	30,598.47	-	30,598.47	-
Total (C) - Gross	10,230,748.58	-	-	10,230,748.58	9,619,840.99	-	-	9,619,840.99	7,922,578.94	-	-	7,922,578.94	-	7,922,578.94	-
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	545,279.40	-	-	545,279.40	521,011.33	-	-	521,011.33	-	521,011.33	-
Total (C) - Net	9,675,148.57	-	-	9,675,148.57	9,074,561.59	-	-	9,074,561.59	7,401,567.61	-	-	7,401,567.61	-	7,401,567.61	-

14 LOANS (Contd.)

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 54.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 54.2.2.6.

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017						
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total
	Internal rating grade														
Performing															
High grade	5,283,457.30	-	-	-	5,283,457.30	5,435,475.43	-	-	-	5,435,475.43	4,672,204.90	-	-	-	4,672,204.90
Standard grade	2,126,518.33	-	-	-	2,126,518.33	1,602,779.11	-	-	-	1,602,779.11	1,321,604.11	-	-	-	1,321,604.11
Sub-standard grade	-	1,360,729.91	-	-	1,360,729.91	-	1,217,697.33	-	-	1,217,697.33	-	617,875.07	-	-	617,875.07
Past due but not impaired	-	598,397.21	-	-	598,397.21	-	468,149.66	-	-	468,149.66	-	424,926.27	-	-	424,926.27
Non-performing	13.44	5.65	861,626.74	-	861,645.83	1,573.38	719.91	893,446.17	-	895,739.46	-	885,968.59	-	-	885,968.59
Total	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99	5,993,809.01	1,042,801.34	885,968.59	-	7,922,578.94

An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2019				Year ended March 31, 2018					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	Gross carrying amount opening balance	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99	5,993,809.01	1,042,801.34	885,968.59	-
New assets originated or purchased	4,076,297.26	924,096.98	233,934.45	-	5,234,328.69	4,351,151.69	824,724.70	221,817.44	-	5,397,693.83
Assets derecognised or repaid (excluding write offs)	(3,230,258.41)	(825,175.68)	(333,256.00)	-	(4,388,690.09)	(2,521,371.25)	(638,780.34)	(392,920.30)	-	(3,553,071.89)
Transfers to Stage 1	733,310.65	(629,238.11)	(104,072.54)	-	-	298,345.46	(218,971.75)	(79,373.71)	-	-
Transfers to Stage 2	(950,629.73)	1,037,479.76	(86,850.03)	-	-	(774,491.61)	884,926.96	(110,435.35)	-	-
Transfers to Stage 3	(218,645.22)	(211,250.87)	429,896.09	-	-	(262,834.35)	(188,494.80)	451,329.15	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Amounts written off	(39,913.40)	(23,346.21)	(171,471.40)	-	(234,731.01)	(44,781.03)	(19,639.21)	(82,939.65)	-	(147,359.89)
Gross carrying amount closing balance	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99

14 LOANS (Contd.)

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2019					Year ended March 31, 2018				
	General approach					General approach				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance - opening balance	139,304.67	96,536.05	309,438.68	-	545,279.40	135,910.03	63,325.16	321,776.14	-	521,011.33
New assets originated or purchased	192,956.36	66,444.22	94,920.66	-	354,321.24	97,614.79	65,148.58	53,701.71	-	216,465.08
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 1	73,199.00	(37,675.00)	(35,524.00)	-	-	42,464.77	(14,167.56)	(28,297.21)	-	-
Transfers to Stage 2	(19,227.00)	48,828.00	(29,601.00)	-	-	(17,702.45)	57,860.15	(40,157.70)	-	-
Transfers to Stage 3	(4,746.00)	(13,855.00)	18,601.00	-	-	(6,038.95)	(13,059.83)	19,098.78	-	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(194,293.29)	(25,585.89)	110,609.56	-	(109,269.62)	(68,162.50)	(42,931.25)	66,256.61	-	(44,837.14)
Unwinding of discount	-	-	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-	-	-	-	-	-	-
Amounts written off	(39,913.40)	(23,346.21)	(171,471.40)	-	(234,731.01)	(44,781.02)	(19,639.20)	(82,939.65)	-	(147,359.87)
ECL allowance - closing balance	147,280.34	111,346.17	296,973.50	-	555,600.01	139,304.67	96,536.05	309,438.68	-	545,279.40

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 180,216.50 lacs at March 31, 2019 (March 31, 2018: Rs. 92,754.97 lacs).

15 INVESTMENTS

(Rs. in lacs)

Particulars	As at March 31, 2019					As at March 31, 2018					As at April 01, 2017					
	Amortised Cost	At Fair value		Sub-total	Total	Amortised Cost	At Fair value		Sub-total	Total	Amortised Cost	At Fair value		Sub-total	Total	
		Through Other Comprehensive Income	Through profit or loss				Designated at fair value through profit or loss	Through Other Comprehensive Income				Through profit or loss	Designated at fair value through profit or loss			Through Other Comprehensive Income
i) Mutual funds	-	32,381.75	-	32,381.75	-	322.29	-	322.29	-	322.29	-	294.59	-	294.59	-	294.59
ii) Government securities	149,514.74	-	-	149,514.74	143,343.52	-	-	143,343.52	143,388.55	-	-	-	-	-	-	143,288.55
iii) Debt securities	5,266.78	-	-	5,266.78	5,266.78	-	-	5,266.78	5,266.78	-	-	5,297.55	-	5,297.55	-	10,564.33
iv) Equity instruments	-	357.92	-	357.92	-	86.28	-	86.28	-	86.28	-	86.29	-	86.29	-	86.29
v) Subsidiaries (at cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Associates (at cost)	-	-	-	-	1,336.96	-	-	1,336.96	-	1,336.96	-	-	-	-	-	-
vii) Pass through certificates (unquoted)	87,780.94	-	-	87,780.94	-	-	-	-	-	-	-	-	-	-	-	-
viii) Certificate deposits	-	123,170.68	-	123,170.68	83,360.85	-	-	83,360.85	68,213.22	-	-	-	-	-	-	68,213.22
ix) Others (venture capital fund)	-	96.99	-	96.99	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross (A)	242,562.46	156,007.34	1,336.96	399,906.76	231,971.15	835.06	426.49	835.06	234,143.17	426.49	216,768.55	6,104.92	3,000.00	6,104.92	3,000.00	225,873.47
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	242,562.46	156,007.34	1,336.96	399,906.76	231,971.15	835.06	426.49	835.06	234,143.17	426.49	216,768.55	6,104.92	3,000.00	6,104.92	3,000.00	225,873.47
Total Gross (B)	242,562.46	156,007.34	1,336.96	399,906.76	231,971.15	835.06	426.49	835.06	234,143.17	426.49	216,768.55	6,104.92	3,000.00	6,104.92	3,000.00	225,873.47
Less: Allowance for impairment loss (C)	(0.68)	-	-	(0.68)	(7.07)	-	-	(7.07)	(7.07)	-	(7.71)	-	-	-	-	(7.71)
Total - Net D = (A) - (C)	242,561.78	156,007.34	1,336.96	399,906.08	231,964.08	835.06	426.49	835.06	234,136.10	426.49	216,760.84	6,104.92	3,000.00	6,104.92	3,000.00	225,865.76

More information regarding the valuation methodologies can be found in Note 53.10.1

The Company received dividends of Rs. 498.75 lacs (March 31, 2018: Rs. Nil) from its FVTPL securities, recorded as dividend income.

15 INVESTMENTS (Contd.)

The table below shows the credit quality and the maximum exposure to credit risk per based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 54.2

Internal Grade Rating	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Stage 1 Individual	Stage 2 Individual	Stage 3	Stage 1 Individual	Stage 2 Individual	Stage 3	
	Total	Total	Total	Total	Total	Total	Total	Total	Total	
Performing										
High grade	399,906.76	-	-	228,876.39	5,266.78	-	220,606.69	5,266.78	-	225,873.47
Standard grade	-	-	-	-	-	-	-	-	-	-
Non-performing	-	-	-	-	-	-	-	-	-	-
Total	399,906.76	-	-	228,876.39	5,266.78	-	220,606.69	5,266.78	-	225,873.47

(Rs. in lacs)

15 INVESTMENTS (Contd.)

An analysis of changes in gross carrying amount and the corresponding ECLs is as follows:

Particulars	Year ended March 31, 2019			Year ended March 31, 2018				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount – opening balance	228,876.39	5,266.78	-	234,143.17	220,606.69	5,266.78	-	225,873.47
New assets originated or purchased	2,376,516.42	-	-	2,376,516.42	74,258.97	-	-	74,258.97
Assets derecognised or matured (excluding write-offs)	(2,210,804.28)	-	-	(2,210,804.28)	(65,243.07)	-	-	(65,243.07)
Change in fair value	51.46	-	-	51.46	(746.20)	-	-	(746.20)
Transfers to Stage 1	5,266.78	(5,266.78)	-	-	-	-	-	-
Closing balance	399,906.76	-	-	399,906.76	228,876.39	5,266.78	-	234,143.17

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2019			Year ended March 31, 2018				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance in ECL	-	7.07	-	7.07	-	7.71	-	7.71
New assets originated or purchased	-	-	-	-	-	-	-	-
Transfers to Stage 1	7.07	(7.07)	-	-	-	-	-	-
Unwinding of discount (recognised in interest income)	(0.34)	-	-	(0.34)	-	(0.03)	-	(0.03)
Changes to models and inputs used for ECL calculations	(6.05)	-	-	(6.05)	-	(0.61)	-	(0.61)
Closing balance in ECL	0.68	-	-	0.68	-	7.07	-	7.07

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
16 OTHER FINANCIAL ASSETS				
Security deposits	4,176.47	3,144.15	2,907.09	
Financial guarantee receivable	-	604.18	1,216.15	
Total	4,176.47	3,748.33	4,123.24	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
17 CURRENT TAX ASSETS (NET)				
Advance income tax (net of provision for tax) [net of provision for income tax Rs. 290,981.69 lacs (March 31, 2018: Rs. 235,687.55 lacs and April 01, 2017: Rs. 235,687.55 lacs)]	10,657.77	10,426.15	10,864.51	
Total	10,657.77	10,426.15	10,864.51	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017 *	
18 INVESTMENT PROPERTY				
Opening balance	215.51	192.99	192.99	
Transferred to property, plant and equipment	-	(96.47)	-	
Transferred from property, plant and equipment	-	118.99	-	
Closing balance	215.51	215.51	192.99	
Depreciation and impairment				
Opening balance	5.69	2.24	-	
Depreciation charge for the year	3.46	3.45	2.24	
Closing balance	9.15	5.69	2.24	
Net block	206.36	209.82	190.75	

*Deemed cost as at April 01,2017

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Rental income	21.86	20.90	
Direct operating expense from property that generated rental income	2.93	1.62	
Profit from investment properties before depreciation	18.93	19.28	
Depreciation	3.46	3.45	
Profit from investment properties	15.47	15.83	

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2019 is Rs. 647.73 lacs.

(iv) Pledged details

Investment property is not pledged.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

19 PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in lacs)							
	Land- Freehold	Building	Plant and Machinery	Furniture & Fixtures	Office Equipment	Leasehold Improvement	Vehicles	Total
Deemed cost as at April 01, 2017	15.42	298.19	2,374.70	1,295.87	1,092.60	3,080.85	59.41	8,217.04
Additions	-	-	2,304.39	768.60	744.43	3,420.84	-	7,238.26
Disposals	-	3.21	435.41	40.74	56.23	275.99	5.04	816.62
Adjustment*	-	-	-	-	0.17	(0.17)	-	-
Transferred from investment property	-	96.47	-	-	-	-	-	96.47
Transferred to investment property	-	(118.99)	-	-	-	-	-	(118.99)
As at March 31, 2018	15.42	272.46	4,243.68	2,023.73	1,780.97	6,225.53	54.37	14,616.16
Additions	49.39	77.56	2,106.31	673.35	839.64	3,191.76	-	6,938.01
Disposals	-	110.84	884.67	116.75	160.13	578.87	26.91	1,878.17
Adjustment*	-	(0.02)	0.02	(0.01)	0.57	(0.57)	(0.01)	(0.02)
As at March 31, 2019	64.81	239.16	5,465.34	2,580.32	2,461.05	8,837.85	27.45	19,675.98
Accumulated depreciation and impairment								
As at April 01, 2017	-	-	-	-	-	-	-	-
Charge for the year	-	5.26	1,057.73	230.66	511.94	1,707.07	7.92	3,520.58
Disposals	-	1.00	387.60	34.24	45.66	252.89	4.79	726.18
Adjustment*	-	-	-	-	0.17	(0.17)	-	-
As at March 31, 2018	-	4.26	670.13	196.42	466.45	1,454.01	3.13	2,794.40
Charge for the year	-	5.02	1,372.79	284.18	497.55	2,023.54	7.92	4,191.00
Disposals	-	17.38	806.73	100.49	148.13	556.82	25.68	1,655.23
Adjustment*	-	(0.02)	0.03	-	0.57	(0.59)	-	(0.01)
As at March 31, 2019	-	(8.12)	1,236.22	380.11	816.44	2,920.14	(14.63)	5,330.16
Net carrying amount as at April 01, 2017	15.42	298.19	2,374.70	1,295.87	1,092.60	3,080.85	59.41	8,217.04
Net carrying amount as at March 31, 2018	15.42	268.20	3,573.55	1,827.31	1,314.52	4,771.52	51.24	11,821.76
Net carrying amount as at March 31, 2019	64.81	247.28	4,229.12	2,200.21	1,644.61	5,917.71	42.08	14,345.82

* Adjustment is on account of regrouping of property, plant and equipment and other intangible assets.

Carrying value of Property, plant and equipment pledged as collateral for liabilities or commitments as at March 31, 2019 is Rs. 33.80 lacs (March 31 2018: Rs. 31.35 lacs, April 01, 2017: Rs. 31.91 lacs).

(Rs. in lacs)

Particulars	Computer software
20 OTHER INTANGIBLE ASSETS #	
Deemed cost as at April 01, 2017	160.57
Additions	102.57
As at March 31, 2018	263.14
Additions	135.78
Disposals	193.15
Adjustment*	0.02
As at March 31, 2019	205.79
Accumulated amortisation and impairment:	
As at April 01, 2017	-
Charge for the year	89.36
As at March 31, 2018	89.36
Charge for the year	102.81
Disposals	182.95
Adjustment*	0.01
As at March 31, 2019	9.23
Net carrying amount as at April 01, 2017	160.57
Net carrying amount as at March 31, 2018	173.78
Net carrying amount as at March 31, 2019	196.56

* Adjustment is on account of regrouping of property, plant and equipment and other intangible assets.

Other than internally generated

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
21 OTHER NON-FINANCIAL ASSETS			
Plan asset - gratuity fund	-	193.17	-
Deferred lease rental	866.65	878.43	661.08
Goods and service tax credit (input) receivable	5,206.27	4,637.59	4,376.83
Prepaid expenses	831.52	818.87	542.16
Capital advances	304.49	234.71	172.86
Duties paid under protest	5,980.21	6,385.31	5,985.73
Other non-financial assets	689.30	803.93	1,194.94
Total	13,878.44	13,952.01	12,933.60

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
22 TRADE PAYABLES			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20,362.58	21,976.95	13,443.91
Total	20,362.58	21,976.95	13,443.91

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	23 DEBT SECURITIES											
Senior secured notes	256,499.04	-	-	256,499.04	250,460.80	-	-	250,460.80	134,867.57	-	-	134,867.57
External commercial bond - Secured	276,995.65	-	-	276,995.65	-	-	-	-	-	-	-	-
Redeemable non-convertible debentures - Secured												
- Privately placed	1,912,732.96	-	-	1,912,732.96	2,428,940.59	-	-	2,428,940.59	1,682,411.23	-	-	1,682,411.23
- Public issue	577,084.67	-	-	577,084.67	114,905.95	-	-	114,905.95	318,845.96	-	-	318,845.96
Redeemable non-convertible debentures - Unsecured												
- Privately placed	44,482.61	-	-	44,482.61	-	-	-	-	-	-	-	-
Commercial papers - Unsecured	350,380.08	-	-	350,380.08	448,953.93	-	-	448,953.93	-	-	-	-
Total	3,418,175.01	-	-	3,418,175.01	3,243,261.27	-	-	3,243,261.27	2,136,124.76	-	-	2,136,124.76
Debt securities in India	2,884,680.32	-	-	2,884,680.32	2,992,800.47	-	-	2,992,800.47	2,001,257.19	-	-	2,001,257.19
Debt securities outside India	533,494.69	-	-	533,494.69	250,460.80	-	-	250,460.80	134,867.57	-	-	134,867.57
Total	3,418,175.01	-	-	3,418,175.01	3,243,261.27	-	-	3,243,261.27	2,136,124.76	-	-	2,136,124.76

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	24 BORROWINGS (other than debt securities)											
Secured												
Term loan from banks - INR	1,183,138.13	-	-	1,183,138.13	1,481,288.94	-	-	1,481,288.94	1,485,721.77	-	-	1,485,721.77
Term loan from banks - FCNR	41,152.45	-	-	41,152.45	95,835.51	-	-	95,835.51	90,749.68	-	-	90,749.68
Term loan from financial institutions/corporates - INR	341,304.07	-	-	341,304.07	281,874.73	-	-	281,874.73	218,916.58	-	-	218,916.58
External commercial borrowing - FCNR	237,653.23	-	-	237,653.23	-	-	-	-	-	-	-	-
Term loan from banks - INR - Securitisation	1,773,852.50	-	-	1,773,852.50	1,683,816.34	-	-	1,683,816.34	1,379,501.57	-	-	1,379,501.57
Loans repayable on demand from Banks (Cash Credit from banks)	141,829.50	-	-	141,829.50	68,038.93	-	-	68,038.93	246,926.33	-	-	246,926.33
Unsecured												
Term loan from banks - INR	-	-	-	-	-	-	-	-	26,013.43	-	-	26,013.43
Total	3,718,929.88	-	-	3,718,929.88	3,610,854.45	-	-	3,610,854.45	3,447,829.36	-	-	3,447,829.36
Borrowings in India	3,440,124.20	-	-	3,440,124.20	3,515,018.94	-	-	3,515,018.94	3,357,079.68	-	-	3,357,079.68
Borrowings outside India	278,805.68	-	-	278,805.68	95,835.51	-	-	95,835.51	90,749.68	-	-	90,749.68
Total	3,718,929.88	-	-	3,718,929.88	3,610,854.45	-	-	3,610,854.45	3,447,829.36	-	-	3,447,829.36

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
25 DEPOSITS												
Deposits												
i. Public deposits*	1,016,976.71	-	-	1,016,976.71	835,430.20	-	-	835,430.20	890,644.18	-	-	890,644.18
ii. From corporate	14,531.78	-	-	14,531.78	21,459.38	-	-	21,459.38	12,963.68	-	-	12,963.68
iii. From others (Inter-corporate deposits from subsidiary/associate)	2,638.19	-	-	2,638.19	2,885.28	-	-	2,885.28	2,946.50	-	-	2,946.50
Total	1,034,146.68	-	-	1,034,146.68	859,774.86	-	-	859,774.86	906,554.36	-	-	906,554.36

* includes Rs. 134.22 lacs (March 31, 2018 Rs. 75.65 lacs and April 01, 2017 Rs. 50.00 lacs) issued to director

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
26 SUBORDINATED LIABILITIES												
Subordinated debts (unsecured) - Debentures	524,309.41	-	-	524,309.41	351,585.72	-	-	351,585.72	238,626.09	-	-	238,626.09
Subordinated debts (unsecured) - Bonds	95,878.69	-	-	95,878.69	147,608.39	-	-	147,608.39	150,687.51	-	-	150,687.51
Total	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,313.60	-	-	389,313.60
Subordinated debts in India	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,313.60	-	-	389,313.60
Subordinated debts outside India	-	-	-	-	-	-	-	-	-	-	-	-
Total	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,313.60	-	-	389,313.60

I DEBT SECURITIES

A) Senior secured notes

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

Terms of repayment

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Over 60 months	<10%	-	83,185.63	-
48-60 Months	<10%	88,296.57	-	-
24-36 months	<10%	31,748.07	31,660.37	134,867.57
12-24 months	<10%	136,454.40	135,614.80	-
Total		256,499.04	250,460.80	134,867.57

During the year ended March 31, 2018, the Company issued senior secured notes in offshore market (notes) aggregating to INR 116,000 lacs consisting of INR 84,000 lacs 8.10% notes due 2023 and INR 32,000 lacs 7.90% notes due 2021 payable in US dollars under INR 500,000 lacs Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST).

The Company has utilised the entire sum of Rs. 116,000.00 lacs raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

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.

The Company has utilised the entire sum of Rs. 135,000.00 lacs raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

Nature of security

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

B) External commercial bond (ED) Secured

Privately Placed Redeemable External commercial bond of Rs. 100,000/- each

Terms of repayment

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
24-36 months	>=10% <12%	276,995.65	-	-
Total		276,995.65	-	-

During the year ended March 31, 2019, the Company issued and allotted senior secured notes in offshore market (notes) aggregating to INR 284,990 lacs consisting of 5.70% notes due 2022 under INR 500,000 lacs Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the Issue have been utilized for the purpose of onward disbursements.

Outstanding as at March 31, 2018 and April 01, 2017 is Rs. Nil.

Nature of security

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

C) Redeemable non-convertible debenture (NCD) -secured

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

Outstanding as at March 31, 2019 is Rs. Nil.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total*
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	-	2,422.07	-	2,422.07

I DEBT SECURITIES (Contd.)

Terms of repayment as on April 01, 2017

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total*
	< 10%	>= 10% < 12% €	>= 12% < 14%	
12-24 months	-	2,302.04	-	2,302.04
Upto 12 months	-	11,023.39	5,795.41	16,818.80
Total	-	13,325.43	5,795.41	19,120.84

€ includes Rs. 2,585.98 lacs issued to related parties.

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.

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

Terms of repayment as on March 31, 2019

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				Total
	< 10% *^¥#	>= 10% < 12% ^##	>= 12% < 14%	>=14% <16%	
Over 60 months	69,222.76	133,479.88	-	-	202,702.64
48-60 months	21,024.21	19,084.48	-	-	40,108.69
36-48 months ^	152,275.74	-	14,576.60	-	166,852.34
24-36 months ^¥	468,765.68	22,002.27	-	-	490,767.95
12-24 months*^¥	222,777.89	98,084.95	19,910.64	1,361.23	342,134.71
Upto 12 months ¥^	670,166.63	-	-	-	670,166.63
Total	1,604,232.91	272,651.58	34,487.24	1,361.23	1,912,732.96

includes Rs. 5,420.00 lacs issued to related parties

includes Rs. 2,580.00 lacs issued to related parties

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

* Includes 3 NCD of Rs. 8,000.00 lacs partly paid to the extent of Rs. 50,000/-

* Includes 2 NCD of Rs. 9,000.00 lacs partly paid to the extent of Rs. 60,000/-

* Includes 1 NCD of Rs. 66,600.00 lacs partly paid to the extent of Rs. 666,000/-

* Includes 1 NCD of Rs. 2,500.00 lacs partly paid to the extent of Rs.111,111.11

* Includes 1 NCD of Rs. 1,500.00 lacs partly paid to the extent of Rs. 100,000/-

^NCD amounting to Rs. 217,700.00 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
3	8.79%	4,500.00	May 22, 2019
Total		45,500.00	

I DEBT SECURITIES (Contd.)

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10% *^¥#	>= 10% < 12% ^##	>= 12% < 14%	
Over 60 months	90,221.69	152,455.59	-	242,677.28
48-60 months	152,263.23	-	-	152,263.23
36-48 months ^	443,476.09	21,937.15	-	465,413.24
24-36 months ^¥	220,245.30	108,629.79	-	328,875.09
12-24 months *^¥	722,145.72	-	-	722,145.72
Upto 12 months ¥^	470,006.01	45,137.95	-	515,143.96
Total	2,098,358.04	328,160.48	-	2,426,518.52

includes Rs. 5,420.00 lacs issued to related parties

includes Rs. 3,080.00 lacs issued to related parties

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

* Includes 4 NCD of Rs. 15,500.00 lacs partly paid to the extent of Rs. 50,000/-

* Includes 2 NCD of Rs. 9,000.00 lacs partly paid to the extent of Rs. 60,000/-

^NCD amounting to Rs. 193,700.00 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	

¥ 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%	10,000.00	September 29, 2018
2	7.95%	25,000.00	July 12, 2018
3	8.25%	10,000.00	July 9, 2018
4	8.65%	25,000.00	July 9, 2018
5	9.31%	75,000.00	January 18, 2019
Total		145,000.00	

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10% *^¥#	>= 10% < 12% ^##	>= 12% < 14%	
Over 60 months	86,714.19	152,442.15	-	239,156.34
48-60 months^	241,457.30	21,627.58	-	263,084.88
36-48 months ¥^	58,428.56	108,570.62	-	166,999.18
24-36 months *^	405,571.94	1,065.11	-	406,637.05
12-24 months^	243,644.85	43,048.74	-	286,693.59
Upto 12 months* ¥^	196,136.27	102,558.00	753.62	299,447.89
Total	1,231,953.11	429,312.20	753.62	1,662,018.93

includes Rs. 3,920.00 lacs issued to related parties

includes Rs. 3,080.00 lacs issued to related parties

* 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.

I DEBT SECURITIES (Contd.)

₹ 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
3	8.06%	50,000.00	November 1, 2017
4	8.11%	25,000.00	March 29, 2018
Total		116,000.00	

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.

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

Outstanding as at March 31, 2019 and March 31, 2018 is Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
Upto 12 months*	-	1,271.46	-	1,271.46
Total	-	1,271.46	-	1,271.46

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

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.

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

Terms of repayment

Outstanding as at March 31, 2019 and March 31, 2018: Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	724.11	3,709.48	-	4,433.59
Total	724.11	3,709.48	-	4,433.59

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.

I DEBT SECURITIES (Contd.)

Put options were exercised for option I on June 01, 2013 and Rs. 9,019.04 lacs were paid on July 05, 2013 in compliance with the terms of issue.

Put options were exercised for option II on June 01, 2015 and Rs. 1,440.95 lacs were paid on July 02, 2015 and Rs. 251.58 lacs were paid on July 03, 2015 in compliance with the terms of issue.

As per the terms of the issue Rs. 4,461.43 lacs were redeemed on June 01, 2017.

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

Terms of repayment

Outstanding as at March 31, 2019 and March 31, 2018: Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
Upto 12 months	-	36,659.81	-	36,659.81
Total	-	36,659.81	-	36,659.81

* includes Rs. 0.50 lacs issued to related parties .

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 07, 2015 and Rs. 32,621.39 lacs were redeemed on August 09, 2017.

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

Terms of repayment

Outstanding as at March 31, 2019: Rs. Nil.

As per the terms of the issue NCD 2013 (1) Rs. 23,478.41 lacs were redeemed on July 31, 2018.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	24,992.16	-	-	24,992.16
Total	24,992.16	-	-	24,992.16

* includes Rs. 0.60 lacs issued to related parties.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	42,851.04	-	-	42,851.04
Total	42,851.04	-	-	42,851.04

* includes Rs. 1.20 lacs issued to related parties.

I DEBT SECURITIES (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. 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 and Rs. 17,581.39 lacs were redeemed on July 31, 2017.

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

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
12-24 months	-	10,098.92	-	10,098.92
Total	-	10,098.92	-	10,098.92

As per the terms of the issue NCD 2013 (2) Rs. 11,468.49 lacs were redeemed on Oct 23, 2018.

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
24-36 months	-	9,731.88	-	9,731.88
12-24 months	-	11,865.03	-	11,865.03
Total	-	21,596.91	-	21,596.91

* includes Rs. 160.50 lacs issued to related parties.

Terms of repayment as on April 01, 2017 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
24-36 months	-	9,393.54	-	9,393.54
12-24 months	-	11,546.84	-	11,546.84
Total	-	20,940.38	-	20,940.38

* includes Rs. 160.50 lacs issued to related parties.

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.

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

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	22,758.76	-	22,758.76
12-24 months	2,779.74	43,716.40	-	46,496.14
Total	2,779.74	66,475.16	-	69,254.90

I DEBT SECURITIES (Contd.)

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
36-48 Months	3,483.42	18,726.90	-	22,210.32
12-24 months	2,768.03	43,338.53	-	46,106.56
Total	6,251.45	62,065.43	-	68,316.88

Terms of repayment as on April 01, 2017 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
48-60 Months	3,472.84	18,244.64	-	21,717.48
12-24 months	45,704.40	-	-	45,704.40
upto 12 months	146,539.26	-	-	146,539.26
Total	195,716.50	18,244.64	-	213,961.14

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.

As per the terms of the issue Rs. 134,832.63 lacs were redeemed on July 15, 2017.

ix) **Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 1)**

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	240,760.60	-	-	240,760.60
48-60 Months	81,337.37	-	-	81,337.37
Over 60 months	60,980.52	-	-	60,980.52
Total	383,078.49	-	-	383,078.49

* includes Rs. 5.40 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

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. 364,851.86 lacs raised from public issue (net off expenses) towards repayment of borrowings as per the objects stated in the prospectus for the issue.

x) **Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 2)**

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	28,864.74	-	28,864.74
48-60 Months	25,412.24	-	-	25,412.24
Over 60 months	7,159.37	-	-	7,159.37
Total	32,571.61	28,864.74	-	61,436.35

* includes Rs. 1,375.45 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil

I DEBT SECURITIES (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. 60,679.19 lacs raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

xi) Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 3)

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	24,546.76	-	24,546.76
48-60 Months	22,696.15	-	-	22,696.15
Over 60 months	5,973.10	-	-	5,973.10
Total	28,669.25	24,546.76	-	53,216.01

* includes Rs. 5.00 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

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. 53,731.89 lacs raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

(Rs. in lacs)

Total non-convertible debentures- secured	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed (i+ii+iii)	1,912,732.96	2,428,940.59	1,682,411.23
Public issue (iv+v+vi+vii+viii+ix+x+xi)	577,084.67	114,905.95	318,845.96
Total non-convertible debentures- secured	2,489,817.63	2,543,846.54	2,001,257.19

D) Redeemable non-convertible debenture (NCD) -unsecured

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

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Over 60 months	-	-	44,482.61	44,482.61
Total	-	-	44,482.61	44,482.61

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

E) Commercial paper (CP) Unsecured

Privately placed redeemable commercial paper of Rs. 500,000/- each

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	350,380.08	-	-	350,380.08

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	448,953.93	-	-	448,953.93

Outstanding as at April 01, 2017: Rs. Nil.

II BORROWINGS (other than debt securities)

A) Term loans from banks -secured (INR)

As at March 31, 2019

Terms of repayment #

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.50% to 10.74%	20 to 21 instalments of quarterly frequency	74,937.20
36-48 months	8.56% to 9.48%	20 instalments of quarterly frequency	234,358.95
24-36 months	8.30% to 9.85%	12 to 20 instalments of quarterly and specific frequency	216,960.84
12-24 months	8.45% to 10.35%	7 to 36 instalments of monthly, quarterly and specific frequency	225,654.46
upto 12 months	7.75% to 10.76%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	431,226.68
Total			1,183,138.13

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, 2018

Terms of repayment #

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.10% to 8.75%	20 instalments of quarterly frequency	296,989.13
36-48 months	8.30% to 9.20%	12 to 20 instalments of quarterly frequency	280,156.62
24-36 months	7.85% to 9.70%	10 to 36 instalments of monthly and quarterly frequency	297,224.04
12-24 months	8.20% to 9.60%	1 to 36 instalments of bullet, monthly and quarterly frequency	214,836.77
upto 12 months	7.10% to 9.70%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	392,082.38
Total			1,481,288.94

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.60% to 9.50%	12 to 20 instalments of quarterly frequency	322,247.04
36-48 months	8.10% to 9.95%	15 to 20 instalments of quarterly frequency	384,167.88
24-36 months	8.40% to 10.05%	6 to 36 instalments of monthly, quarterly and half-yearly frequency	209,948.60
12-24 months	2.59% to 10.65%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	310,964.21
upto 12 months	8.15% to 10.35%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	258,394.04
Total			1,485,721.77

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.

B) Term loans from banks -secured (FCNR)

As at March 31, 2019

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
upto 12 months	2.59% to 9.37%	1 to 10 instalments of bullet, quarterly and specific frequency	41,152.45
Total			41,152.45

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, 2018

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
24-36 months	8.25%	10 instalments of quarterly frequency	22,499.09
12-24 months	8.18% to 9.37%	7 to 10 instalments of quarterly frequency	15,902.30
upto 12 months	2.59% to 9.05%	1 to 3 instalments of bullet and specific frequency	57,434.12
Total			95,835.51

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
24-36 months	9.22% to 9.37%	10 instalments of quarterly frequency	18,500.29
12-24 months	2.56% to 9.05%	1 to 3 instalments of bullet and specific frequency	17,348.99
upto 12 months	3.16% to 9.37%	1 to 3 instalments of bullet and specific frequency	54,900.40
Total			90,749.68

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.

C) Term loans from financial institutions/corporates -secured (INR)

As at March 31, 2019

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	10.20%	11 instalments of half-yearly and specific frequency	32,035.77
48-60 months	10.50%	11 instalments of half-yearly and specific frequency	71,228.76
36-48 months	8.40% to 9.98%	11 to 20 instalments of quarterly and specific frequency	112,191.60
12-24 months	8.75% to 9.27%	1 to 20 instalments of bullet and quarterly frequency	77,175.92
upto 12 months	8.60% to 10.50%	1 to 20 instalments of bullet, quarterly and half-yearly frequency	48,672.01
Total			341,304.07

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, 2018

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 Months	8.25% to 8.85%	11 to 20 instalments of quarterly and half yearly frequency	159,615.40
24-36 months	8.75% to 9.25%	1 to 20 instalments of bullet and quarterly frequency	93,271.63
12-24 months	9.25%	20 instalments of quarterly frequency	10,501.91
upto 12 months	8.75% to 10.50%	6 instalments of bullet and half-yearly frequency	18,485.79
Total			281,874.73

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	8.60% to 8.85%	11 to 20 instalments of quarterly and half-yearly frequency	60,110.79
36-48 months	9.50%	20 instalments of quarterly frequency	59,322.28
24-36 months	9.10% to 9.50%	1 to 20 instalments of bullet and quarterly frequency	66,515.09
12-24 months	10.50%	6 instalments of half-yearly frequency	25,426.71
upto 12 months	9.50%	20 instalments of specific frequency	7,541.71
Total			218,916.58

Loans are classified to 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.

D) External commercial borrowing

As at March 31, 2019

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 Months	9.83% to 10.02%	Bullet frequency	237,653.23
Total			237,653.23

Outstanding as at March 31, 2018 and April 01, 2017 is Rs. Nil.

Nature of security

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

E) Term loan from banks - INR -Securitisation

As at March 31, 2019

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
12 - 24 months	7.54% to 8.30%	1 to 55 instalments of monthly frequency	29,882.03
24 - 36 months	7.00% to 8.51%	1 to 55 instalments of monthly frequency	217,032.05
36 - 48 months	6.90% to 8.81%	1 to 60 instalments of monthly frequency	579,592.03
48-60 months	8.31% to 10.38%	1 to 61 instalments of monthly frequency	947,346.38
Total			1,773,852.50

II BORROWINGS (other than debt securities) (Contd.)

As at March 31, 2018

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
12 - 24 months	7.57% to 8.54%	1 to 55 instalments of monthly frequency	22,073.89
24 - 36 months	7.43% to 9.23 %	1 to 55 instalments of monthly frequency	241,198.92
36 - 48 months	7.00% to 9.11%	1 to 55 instalments of monthly frequency	537,641.32
48 - 60 months	6.90% to 8.19%	1 to 60 instalments of monthly frequency	882,902.21
Total			1,683,816.34

As at April 01, 2017

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
12 - 24 months	8.02% to 9.10%	1 to 55 instalments of monthly frequency	8,525.23
24 - 36 months	7.57% to 8.77%	1 to 55 instalments of monthly frequency	110,352.88
36 - 48 months	7.43% to 9.23%	1 to 55 instalments of monthly frequency	628,109.71
48 - 60 months	7.26% to 9.11%	1 to 55 instalments of monthly frequency	632,513.75
Total			1,379,501.57

Nature of security

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

F) Loans repayable on demand from Banks (Cash Credit from banks)

(Rs. in lacs)

Particulars	Rate of interest	As at March 31, 2019
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.10 % to 11.95 %	141,829.50
Total		141,829.50

(Rs. in lacs)

Particulars	Rate of interest	As at March 31, 2018
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.10 % to 11.95 %	68,038.93
Total		68,038.93

(Rs. in lacs)

Particulars	Rate of interest	As at April 01, 2017
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.6 % to 11.95 %	246,926.33
Total		246,926.33

G) Term loans from banks- unsecured

Outstanding as at March 31, 2019 and March 31, 2018 : Rs. Nil.

As at April 01, 2017

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
upto 12 months	9.00% to 13.35%	Bullet frequency	26,013.43
Total			26,013.43

III DEPOSITS

A) Deposits from public - unsecured - [Refer note 66]

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months €	105,067.72	-	105,067.72
36-48 months €	94,476.24	-	94,476.24
24-36 months €	358,308.75	-	358,308.75
12-24 months €	220,138.86	-	220,138.86
Upto 12 months €	209,332.00	29,653.14	238,985.14
Total	987,323.57	29,653.14	1,016,976.71

€ includes Rs. 142.47 lacs issued to related parties.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months €	86,988.58	-	86,988.58
36-48 months €	75,277.56	-	75,277.56
24-36 months €	196,539.08	-	196,539.08
12-24 months €	154,785.50	28,032.03	182,817.53
Upto 12 months €	277,869.09	15,938.36	293,807.45
Total	791,459.81	43,970.39	835,430.20

€ includes Rs. 84.34 lacs issued to related parties.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12% €	
48-60 months €	65,759.77	-	65,759.77
36-48 months €	61,375.51	-	61,375.51
24-36 months €	135,991.99	26,687.35	162,679.34
12-24 months €	233,418.65	15,005.78	248,424.43
Upto 12 months €	68,683.62	283,721.51	352,405.13
Total	565,229.54	325,414.64	890,644.18

€ includes Rs. 57.38 lacs issued to related parties.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total Deposits from public	1,016,976.71	835,430.20	890,644.18

B) Deposits from corporates - unsecured

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months	1,654.22	-	1,654.22
36-48 months	613.34	-	613.34
24-36 months	2,402.35	-	2,402.35
12-24 months	3,516.50	-	3,516.50
Upto 12 months	6,311.64	33.73	6,345.37
Total	14,498.05	33.73	14,531.78

€ includes Rs. 1,498.76 lacs issued to related parties.

III DEPOSITS (Contd.)

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	508.84	-	508.84
36-48 months	475.38	-	475.38
24-36 months	3,505.94	-	3,505.94
12-24 months	4,234.70	32.37	4,267.07
Upto 12 months	12,623.93	78.22	12,702.15
Total	21,348.79	110.59	21,459.38

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	388.82	-	388.82
36-48 months	437.99	-	437.99
24-36 months	498.04	31.15	529.19
12-24 months	2,679.83	70.88	2,750.71
Upto 12 months	5,301.76	3,555.21	8,856.97
Total	9,306.44	3,657.24	12,963.68

C) Inter-corporate deposits from subsidiary/associate

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2019
Upto 12 months	9.50%	Bullet frequency	2,638.19
Total			2,638.19

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
Upto 12 months	9.50%	Bullet frequency	2,885.28
Total			2,885.28

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at April 01, 2017
Upto 12 months	9.50%	Bullet frequency	2,946.50
Total			2,946.50

IV SUBORDINATED LIABILITIES

A) Subordinated liabilities -unsecured - Bonds

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

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
12-24 months €	-	49,266.89	-	49,266.89
Upto 12 months €	-	46,611.80	-	46,611.80
Total	-	95,878.69	-	95,878.69

€ includes Rs. 592.90 lacs issued to related parties.

IV SUBORDINATED LIABILITIES (Contd.)

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
24-36 months €	-	45,024.98	-	45,024.98
12-24 months €	-	43,281.73	-	43,281.73
Upto 12 months €	18.63	59,283.05	-	59,301.68
Total	18.63	147,589.76	-	147,608.39

€ includes Rs. 1,797.97 lacs issued to related parties.

Terms of repayment as on April 01, 2017 (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 €	-	41,683.56	-	41,683.56
24-36 months €	-	40,095.52	-	40,095.52
12-24 months €	9.00	55,847.32	-	55,856.32
Upto 12 months €	2,495.66	10,556.45	-	13,052.11
Total	2,504.66	148,182.85	-	150,687.51

€ includes Rs. 1,587.35 lacs issued to related parties.

(Rs. in lacs)

Subordinated liabilities (unsecured) - Bonds	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed	95,878.69	147,608.39	150,687.51
Total Subordinated liabilities (unsecured) - Bonds	95,878.69	147,608.39	150,687.51

B) Subordinated liabilities -unsecured - Debentures

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

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
12-24 months	-	7,491.96	-	7,491.96
Upto 12 months	-	6,704.31	-	6,704.31
Total	-	14,196.27	-	14,196.27

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
24-36 months	-	7,491.96	-	7,491.96
12-24 months	-	6,699.56	-	6,699.56
Upto 12 months	-	-	4,722.98	4,722.98
Total	-	14,191.52	4,722.98	18,914.50

Terms of repayment as on April 01, 2017 (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	-	7,491.96	-	7,491.96
24-36 months	-	6,698.82	-	6,698.82
12-24 months	-	-	4,699.56	4,699.56
Total	-	14,190.78	4,699.56	18,890.34

IV SUBORDINATED LIABILITIES (Contd.)

ii) Privately placed subordinated liabilities of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2019

(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	161,101.44	66,207.75	158,012.41	385,321.60
48-60 months	-	33,209.77	-	33,209.77
36-48 months	-	30,859.31	-	30,859.31
24-36 months	-	-	5,176.61	5,176.61
12-24 months	-	48,133.34	-	48,133.34
Upto 12 months	-	7,412.51	-	7,412.51
Total	161,101.44	185,822.68	163,189.02	510,113.14

includes Rs. 11,900.00 lacs issued to related parties.

includes Rs. 32,610.00 lacs issued to related parties.

Terms of repayment as on March 31, 2018

(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	161,028.22	52,663.82	-	213,692.04
48-60 months	-	22,349.57	-	22,349.57
36-48 months	-	2,570.89	5,169.31	7,740.20
24-36 months	-	45,501.48	-	45,501.48
12-24 months	-	7,410.30	-	7,410.30
Upto 12 months	2,705.66	31,535.06	1,736.91	35,977.63
Total	163,733.88	162,031.12	6,906.22	332,671.22

includes Rs. 8,990.00 lacs issued to related parties.

includes Rs. 30,610.00 lacs issued to related parties.

Terms of repayment as on April 01, 2017

(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	17,807.17	75,059.16	-	92,866.33
48-60 months	-	-	5,172.34	5,172.34
36-48 months	-	48,067.23	-	48,067.23
24-36 months	-	7,409.08	-	7,409.08
12-24 months	-	28,822.63	7,130.71	35,953.34
Upto 12 months	26,795.94	519.05	-	27,314.99
Total	44,603.11	159,877.15	12,303.05	216,783.31

includes Rs. 1,740.00 lacs issued to related parties.

includes Rs. 28,820.00 lacs issued to related parties.

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

Outstanding as at March 31, 2019 and March 31, 2018 is Rs. Nil.

As per the terms of the issue Rs. 2,877.23 lacs were redeemed on June 01, 2017.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
Upto 12 months €	-	2,952.44	-	2,952.44
Total	-	2,952.44	-	2,952.44

€ includes Rs. 23.47 lacs issued to related parties.

(Rs. in lacs)

Subordinated liabilities (unsecured) - Debentures	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed (i+ii)	524,309.41	351,585.72	235,673.65
Public issue (iii)	-	-	2,952.44
Total Subordinated liabilities (unsecured) - Debentures	524,309.41	351,585.72	238,626.09

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
27 OTHER FINANCIAL LIABILITIES			
Investor education and protection fund shall be credited by the following amounts (as and when due) #			
- Unclaimed dividend	1,068.96	1,310.11	1,083.21
- Unclaimed matured deposits and interest accrued thereon	17,339.65	20,737.92	15,530.53
- Unclaimed matured debentures and interest accrued thereon	1,833.42	3,539.22	5,755.28
- Unclaimed matured subordinated debts and interest accrued thereon	4,660.89	1,928.31	1,140.75
Temporary credit balance in bank accounts	6,895.30	10,550.58	8,125.98
Financial guarantee obligation	-	8,063.15	7,902.54
Payable on account of assignment	13,166.57	4,853.05	18,180.53
Insurance premium payable	43.80	1,857.19	3,002.36
Payable to dealers	619.80	3,820.36	1,601.93
Creditors for capital expenditure	272.05	925.53	117.45
Other liabilities (including Bonus payable)	27,229.03	7,482.36	8,442.31
Total	73,129.47	65,067.78	70,882.87

#There are no amounts due to be transferred to Investor Education and Protection Fund (IEPF). At the request of few members, the Company issued demand drafts in lieu of stale dividend warrants. However, the members failed to encash the demand drafts and as a result the amount of the stale dividend warrants aggregating to Rs. 27,778/- were credited by the bank after the Company transferred the unpaid dividend amount to IEPF on due date. Subsequently, on May 08, 2019, the Company transferred the said amount to IEPF.

Financial guarantee obligation

Credit quality of exposure

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Financial guarantee	-	87,176.01	78,360.46
Total	-	87,176.01	78,360.46

An analysis of changes in the gross carrying amount in relation to financial guarantee exposure is, as follows:

Gross exposure reconciliation

(Rs. in lacs)

Particulars	Year ended 31, 2019	Year ended 31, 2018
Opening balance of outstanding exposure	87,176.01	78,360.46
Additions	-	8,815.55
Deletions	(87,176.01)	-
Closing balance of outstanding exposure	-	87,176.01

Reconciliation of ECL on financial guarantee obligation is given below:

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	Simplified approach	Simplified approach
Financial guarantee obligation - opening balance	7,292.90	6,526.12
Additions	-	766.78
Deletions	(7,292.90)	-
Financial guarantee obligation - closing balance	-	7,292.90

(Rs. in lacs)			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
28	CURRENT TAX LIABILITIES (NET)		
For taxation [net of advance tax Rs. 263.60 lacs (March 31, 2018: Rs. 447,970.42 lacs and April 01, 2017: Rs. 361,010.26 lacs)]	10,296.73	21,650.51	18,911.89
Total	10,296.73	21,650.51	18,911.89

(Rs. in lacs)			
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
29	PROVISIONS		
For employee benefits			
For gratuity	128.35	-	42.12
For compensated absences (leave encashment and availment)	2,747.01	2,322.00	1,994.51
For others			
For undrawn loan commitment	1,176.08	504.85	19.48
For service tax- contested	8,406.10	8,793.99	8,793.99
For value added tax- contested	869.47	1,112.59	1,092.88
Total	13,327.01	12,733.43	11,942.98

Loan Commitment

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 54.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 54.2.2.6

(Rs. in lacs)			
Particulars	As at March 31, 2019 Stage 1 Collective	As at March 31, 2018 Stage 1 Collective	As at April 01, 2017 Stage 1 Collective
Internal rating grade			
Performing			
High grade	47,191.99	12,485.78	846.72
Total	47,191.99	12,485.78	846.72

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

Gross exposure reconciliation

(Rs. in lacs)		
Particulars	Year ended March 31, 2019 Stage 1	Year ended March 31, 2018 Stage 1
Opening balance of outstanding exposure	12,485.78	846.72
New exposures	44,901.71	12,477.24
Exposures derecognised or matured/repaid (excluding write offs)	(10,195.50)	(838.18)
Closing balance of outstanding exposure	47,191.99	12,485.78

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

(Rs. in lacs)		
Particulars	Year ended March 31, 2019 General approach Stage 1	Year ended March 31, 2018 General approach Stage 1
ECL allowance - opening balance	504.85	19.48
New exposures	1,113.27	504.69
Exposures derecognised or matured (excluding write offs)	(442.04)	(19.33)
ECL allowance - closing balance	1,176.08	504.84

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
30 OTHER NON-FINANCIAL LIABILITIES				
Statutory dues payable	5,487.12	4,291.65	3,665.97	
Advance from customers	1,462.50	3,040.06	3,262.35	
Retention money and other sundry liabilities	21,772.68	24,643.10	26,671.54	
Total	28,722.30	31,974.81	33,599.86	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
31 EQUITY SHARE CAPITAL				
Authorised:				
647,000,000 (March 31, 2018 and April 01, 2017: 647,000,000) equity shares of Rs.10/- each	64,700.00	64,700.00	64,700.00	
95,000,000 (March 31, 2018 and April 01, 2017: 95,000,000) preference shares of Rs.100/- each	95,000.00	95,000.00	95,000.00	
	159,700.00	159,700.00	159,700.00	
Issued share capital				
226,936,877 (March 31, 2018 and April 01, 2017: 226,936,877) equity shares of Rs. 10/- each	22,693.69	22,693.69	22,693.69	
Subscribed share capital				
226,930,736 (March 31, 2018 and April 01, 2017: 226,930,736) equity shares of Rs. 10/- each	22,693.07	22,693.07	22,693.07	
Paid up (fully paid up)				
Equity shares				
226,882,736 (March 31, 2018 and April 01, 2017: 226,882,736) equity shares of Rs. 10/- each fully paid up	22,688.27	22,688.27	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	2.40	
Total Equity	22,690.67	22,690.67	22,690.67	

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in lacs)
As at April 01, 2017	226,882,736	22,688.27
Issued during the year	-	-
As at March 31, 2018	226,882,736	22,688.27
Issued during the year	-	-
As at March 31, 2019	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, 2019, the amount of per equity share dividend proposed in total for distributions to equity shareholders is Rs. 12.00 (March 31, 2018 : Rs. 11.00). Out of the said total dividend proposed for the year ended March 31, 2019, amount of interim dividend paid during the year was Rs. 5.00 (March 31, 2018 : Rs. 5.00) per equity share and amount of final dividend proposed by the Board of Directors is Rs. 7.00 (March 31, 2018: Rs. 6.00) per equity share.

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.

31 EQUITY SHARE CAPITAL (Contd.)

c. 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 Nil (March 31, 2018 : 18,800, April 01, 2017 : 582,168) equity shares 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 Nil (March 31, 2018 : Nil, April 01, 2017 : 500,868) equity shares issued on account of merger of Shriram Holdings (Madras) Private Limited.

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

Details of shareholding	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number of shares	% holding in the class	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%	59,173,023	26.08%	59,173,023	26.08%
Piramal Enterprises Limited	22,600,000	9.96%	22,600,000	9.96%	22,600,000	9.96%

e. Refer note 52- Capital for the company's objectives, policies and processes for managing capital

f. Proposed dividends on equity shares:

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
The Board proposed dividend on equity shares			
Proposed dividend on equity shares for the year ended on March 31, 2019: Rs. 7.00 per share (March 31, 2018: Rs. 6.00 per share)	15,881.79	13,612.96	13,612.96
Tax on proposed dividend	3,264.55	2,798.18	2,771.28
Total	19,146.34	16,411.14	16,384.24

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
32 OTHER EQUITY			
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)			
Opening Balance	265,455.44	234,055.44	
Add: Transfer from retained earnings	51,400.00	31,400.00	
Closing balance	316,855.44	265,455.44	234,055.44
Securities premium account	175,481.06	175,481.06	175,481.06
Capital reserve	2,761.83	2,761.83	2,761.83
Capital redemption reserve	5,388.35	5,388.35	5,388.35
Debenture redemption reserve			
Opening Balance	21,658.85	62,889.61	
Add: Transfer from retained earnings	25,147.25	9,206.55	
Less: Transfer to general reserve on account of redemption	(9,344.44)	(50,437.31)	
Closing balance	37,461.66	21,658.85	62,889.61
General reserve			
Opening Balance	181,390.94	115,253.63	
Add: Transfer from retained earnings	25,700.00	15,700.00	
Add: Transfer from debenture redemption reserve	9,344.44	50,437.31	
Closing balance	216,435.38	181,390.94	115,253.63

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
32 OTHER EQUITY (Contd.)			
Other comprehensive income			
Opening	(260.26)	(131.34)	
Add: Transfer from retained earnings	(356.07)	(198.17)	
Deferred tax	124.43	69.25	
Closing balance	(491.90)	(260.26)	(131.34)
Retained earnings			
Opening balance	682,981.38	523,027.40	
Add: Profit for the current year	256,398.67	246,054.02	
Add / Less: Appropriations			
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(51,400.00)	(31,400.00)	
Transfer to general reserve	(25,700.00)	(15,700.00)	
Transfer to/from debenture redemption reserve	(25,147.25)	(9,206.55)	
Interim dividend [amount Rs. 5.00 per share (March 31, 2018: Rs. 5.00 per share)]	(11,344.14)	(11,344.14)	
Tax on interim dividend	(2,331.83)	(2,309.40)	
Tax on dividend written back on account of set off of dividend distribution tax	-	244.29	
Final dividend for the year ended March 31, 2018: Rs. 6.00 per share	(13,612.96)	(13,612.96)	
Tax on final dividend	(2,798.18)	(2,771.28)	
Total appropriations	(132,334.36)	(86,100.04)	
Retained earnings	807,045.69	682,981.38	523,027.40
Total	1,560,937.51	1,334,857.59	1,118,725.98

Nature and purpose of Reserves

Securities premium account: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital Reserve: Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.

Capital Redemption Reserve: The Company has recognised Capital Redemption Reserve on redemption of Non-Convertible Redeemable Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Non-Convertible Redeemable Preference Shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

Debenture redemption reserve: (1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the Balance sheet date. (2) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 25,147.25 lacs (March 31, 2018: Rs. 9,206.55 lacs). The Company subsequent to the year end has deposited a sum of Rs. 7,000.00 lacs (March 31, 2018: Rs. 6,200.00 lacs, April 01, 2017: Rs. 31,750.00 lacs) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory reserve: Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

32 OTHER EQUITY (Contd.)

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1) the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividends distributions paid to shareholders and transfer from debenture redemption reserve.

Proposed dividends on equity shares:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
The Board proposed dividend on equity shares			
Proposed dividend on equity shares for the year ended on March 31, 2019: Rs. 7.00 per share (March 31, 2018: Rs. 6.00 per share)	15,881.79	13,612.96	13,612.96
Tax on proposed dividend	3,264.55	2,798.18	2,771.28
Total	19,146.34	16,411.14	16,384.24

(Rs. in lacs)

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
33 INTEREST INCOME								
Interest on loans	-	1,502,756.98	-	1,502,756.98	-	1,290,011.09	-	1,290,011.09
Interest income from investments	-	18,227.15	97.75	18,324.90	-	17,277.01	96.82	17,373.83
Interest on deposits with banks								
- Margin money deposit	-	15,977.79	-	15,977.79	-	11,623.09	-	11,623.09
- Deposits with banks	-	407.89	-	407.89	-	917.51	-	917.51
Other interest income								
- unwinding of security deposit	-	46.33	-	46.33	-	(77.86)	-	(77.86)
- direct assignment	-	913.94	-	913.94	-	(494.46)	-	(494.46)
Total	-	1,538,330.08	97.75	1,538,427.83	-	1,319,256.38	96.82	1,319,353.20

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
34 FEE AND COMMISSION INCOME			
Income from commission services- life insurance	2,367.70	2,229.44	
Income from commission services- general insurance	4,079.99	3,932.10	
Income from commission services- others	683.28	1,529.33	
Total	7,130.97	7,690.87	

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to profit and loss account

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Type of Services or Service			
Fee and commission income	7,130.97	7,690.87	
Total revenue from contract with customers	7,130.97	7,690.87	
Geographical markets			
India	7,130.97	7,690.87	
Outside India	-	-	
Total revenue from contract with customers	7,130.97	7,690.87	
Timing of revenue recognition			
Services transferred at a point in time	7,130.97	7,690.87	
Services transferred over time	-	-	
Total revenue from contracts with customers	7,130.97	7,690.87	

Contract balance

		(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018	
Trade receivables	848.44	1,398.10	
Contract assets	-	-	

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
35 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES			
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss			
(i) On trading portfolio			
- Investments	51.46	(746.20)	
- Derivatives	(309.93)	(1,003.22)	
Total Net gain/(loss) on fair value changes	(258.47)	(1,749.42)	
Fair Value changes:			
- Realised	-	-	
- Unrealised	(258.47)	(1,749.42)	
Total Net gain/(loss) on fair value changes	(258.47)	(1,749.42)	

		(Rs. in lacs)	
Particulars		Year ended March 31, 2019	Year ended March 31, 2018
36	OTHER OPERATING INCOME		
	Bad debt recovery	2,416.66	1,205.09
	Short term capital gain on sale of current investments	3,748.28	396.58
	Total	6,164.94	1,601.67

		(Rs. in lacs)	
Particulars		Year ended March 31, 2019	Year ended March 31, 2018
37	OTHER INCOME		
	Interest on income tax refund	665.55	5,796.67
	Miscellaneous income	1,660.22	500.89
	Total	2,325.77	6,297.56

		Year ended March 31, 2019			Year ended March 31, 2018		
Particulars		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
38	FINANCE COSTS						
	Interest on deposits	-	84,165.99	84,165.99	-	81,648.52	81,648.52
	Interest on borrowings (other than debt securities)						
	- Loans from banks	-	139,207.62	139,207.62	-	152,654.09	152,654.09
	- Loans from institutions and others	-	29,805.74	29,805.74	-	23,416.63	23,416.63
	- External commercial borrowings	-	14,864.63	14,864.63	-	-	-
	- Interest paid on securitisation	-	132,014.06	132,014.06	-	106,798.48	106,798.48
	Interest on debt securities						
	- Debentures	-	225,732.29	225,732.29	-	197,019.73	197,019.73
	- Senior secured notes	-	23,116.12	23,116.12	-	12,961.66	12,961.66
	- External commercial bond	-	2,710.45	2,710.45	-	-	-
	- Commercial paper	-	44,519.96	44,519.96	-	14,798.33	14,798.33
	Interest on subordinated liabilities	-	54,989.08	54,989.08	-	41,068.84	41,068.84
	Other interest expense						
	- Income tax	-	-	-	-	-	6,509.10
	Total	-	751,125.94	751,125.94	-	630,366.28	636,875.38

		(Rs. in lacs)	
Particulars		Year ended March 31, 2019	Year ended March 31, 2018
39	FEE AND COMMISSION EXPENSE		
	Brokerage	1,478.11	1,010.60
	Professional charges-resource mobilisation	2,424.97	3,600.32
	Processing charges on loans	220.31	73.31
	Professional charges on securitisation	2,095.57	1,761.15
	Total	6,218.96	6,445.38

		(Rs. in lacs)					
Particulars		Year ended March 31, 2019			Year ended March 31, 2018		
		On Financial instruments measured at fair value through OCI	On Financial instruments measured at amortised cost	Total	On Financial instruments measured at fair value through OCI	On Financial instruments measured at amortised cost	Total
40	IMPAIRMENT OF FINANCIAL INSTRUMENTS						
	Loans	-	245,051.64	245,051.64	-	171,627.93	171,627.93
	Investments	-	(6.39)	(6.39)	-	(0.63)	(0.63)
	Others						
	Undrawn commitments	-	671.23	671.23	-	485.37	485.37
	Other assets	-	(7,490.29)	(7,490.29)	-	119.21	119.21
	Total	-	238,226.19	238,226.19	-	172,231.88	172,231.88

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

Year ended March 31, 2019

(Rs. in lacs)

Particulars		General approach				Simplified approach	Total
		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI		
40	IMPAIRMENT OF FINANCIAL INSTRUMENTS						
	Loans and advances to customers	47,889.08	38,156.33	159,006.23	-	-	245,051.64
	Debt instruments measured at amortised cost	-	-	-	-	(6.39)	(6.39)
	Undrawn Commitments	671.23	-	-	-	-	671.23
	Others	-	-	-	-	(7,490.29)	(7,490.29)
	Total impairment loss	48,560.31	38,156.33	159,006.23	-	(7,496.68)	238,226.19

Year ended March 31, 2018

(Rs. in lacs)

Particulars		General approach				Simplified approach	Total
		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI		
	Loans and advances to customers	48,175.65	52,850.09	71,301.82	-	(699.63)	171,627.93
	Debt instruments measured at amortised cost	-	-	-	-	(0.63)	(0.63)
	Undrawn commitments	485.37	-	-	-	-	485.37
	Others	-	-	-	-	119.21	119.21
	Total impairment loss	48,661.02	52,850.09	71,301.82	-	(581.05)	172,231.88

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
41	EMPLOYEE BENEFITS EXPENSES		
	Salaries, other allowance and bonus	81,422.82	65,028.44
	Contribution to provident and other funds	4,637.03	4,466.75
	Staff welfare expenses	1,788.37	1,373.06
	Gratuity expenses	456.90	448.95
	Total	88,305.12	71,317.20

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
42	DEPRECIATION, AMORTISATION AND IMPAIRMENT		
	Depreciation of tangible assets	4,194.46	3,524.04
	Amortisation of intangible assets	102.81	89.36
	Total	4,297.27	3,613.40

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
43	OTHER EXPENSES		
	Rent	10,124.71	9,912.98
	Rates and taxes	483.78	222.76
	Energy costs	1,828.41	1,670.31
	Repairs and maintenance	4,579.40	4,946.97
	Communication costs	4,904.57	4,768.32
	Printing and stationery	1,362.27	1,643.98
	Advertisement and publicity	1,570.47	83.37
	Directors' sitting fees and commission	64.31	47.95
	Auditor fees and expenses		
	As Auditor:		
	- Audit fees	84.00	83.93
	- Tax audit fees	9.00	8.72
	- Out of pocket	6.25	0.83
	In any other manner:		
	- Certification	3.73	3.27
	Legal and professional charges	4,582.29	4,182.30
	Other expenditure:		
	Travelling and conveyance	12,754.47	12,742.94
	Business promotion	4,372.35	3,977.98
	Outsourcing expenses	4,217.20	3,622.16
	Royalty	16,944.81	13,534.07
	Insurance	236.09	205.50
	Bank charges	5,253.77	4,228.70
	Loss on sale of fixed assets (net)	51.35	18.16
	Service charges	4,349.10	4,130.13
	CSR expenses [Refer note 62]	4,005.50	1,881.50
	Miscellaneous expenses	6,522.84	5,809.03
	Total	88,310.67	77,725.86

44 INCOME TAX

The components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are:

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Current tax	134,637.53	88,826.31
Adjustment in respect of current income tax of prior years	(10,981.74)	872.46
Deferred tax relating to origination and reversal of temporary differences	(2,226.96)	44,427.44
Total tax charge	121,428.83	134,126.21
Current tax	123,655.79	89,698.77
Deferred tax	(2,226.96)	44,427.44

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2019 and March 31, 2018 is, as follows:

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Accounting profit before tax	377,827.50	380,180.23
At India's statutory income tax rate of 34.944% (2018: 34.608%)	132,028.04	131,572.77
Adjustment in respect of current income tax of prior years	(10,981.74)	872.46
Income not subject to tax		
Long term capital gain on shares	-	(1,612.10)
Others	(1,151.07)	(417.47)
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	55.71	230.09
Deduction under chapter VIA of the Income Tax Act, 1961 (section 80G)	637.04	210.53
Interest under section 234D of Income Tax Act, 1961	-	2,100.97
Others	840.84	1,168.96
Income tax expense reported in the statement of profit and loss	121,428.83	134,126.21

The effective income tax rate for March 31, 2019 is 32.14% (March 31, 2018: 35.28%).

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	(Rs. in lacs)			
	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2019	As at March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2019
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	2,351.85	-	(305.06)	-
Provision for post retirement benefits	1,004.77	-	(74.80)	(124.43)
Expenses allowable for tax purposes when paid	3,533.69	-	125.18	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	3,644.23	-	2,468.19	-
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	-	3,791.30	(3,749.40)	-
Impairment allowance for undrawn commitments	410.97	-	(234.55)	-
Fair Valuation of Derivative Financial instrument	-	205.50	(108.30)	-
Other temporary differences	622.86	1.50	(348.22)	-
Total	11,568.37	3,998.30	(2,226.96)	(124.43)

44 INCOME TAX (Contd.)

Particulars	(Rs. in lacs)			
	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2018	As at March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2018
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	2,046.68	-	303.31	-
Provision for post retirement benefits	805.54	-	103.67	(69.25)
Expenses allowable for tax purposes when paid	3,658.90	-	376.36	-
ECL provision	-	-	41,016.43	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	6,112.43	-	1,666.98	-
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	-	7,540.70	(788.76)	-
Impairment allowance for undrawn commitments	176.41	-	169.61	-
Fair Valuation of Derivative Financial instrument	-	313.80	350.57	-
Other temporary differences	526.33	253.11	1,229.27	-
Total	13,326.29	8,107.61	44,427.44	(69.25)

Particulars	(Rs. in lacs)	
	Deferred Tax Assets	Deferred Tax Liabilities
	April 01, 2017	April 01, 2017
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	1,717.27	-
Provision for post retirement benefits	695.13	-
Expenses allowable for tax purposes when paid	3,250.97	-
ECL provision	47,768.75	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	-	6,687.02
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	4,402.70	-
Impairment allowance for undrawn commitments	6.74	-
Reversal of premium under forward contract	-	657.98
Other Temporary differences	533.47	1,453.15
Total	58,375.03	8,798.15
Net	49,576.88	

Amounts recognised in respect of current tax / deferred tax directly in equity:

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-	-

Tax losses and Tax credits

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	-	-	-
Unused Tax Credits – MAT credit entitlement	-	-	1,781.08

45 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit after tax as per Statement of Profit and Loss (Rs. in lacs) (A)	256,398.67	246,054.02
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)	113.01	108.45
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	113.01	108.45

46 INVESTMENT IN SUBSIDIARIES AND STRUCTURED ENTITIES

During the year ended March 31, 2018, the Company sold the controlling stake in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL) to the extent of 16,630,435 equity shares (representing 55.44% of paid-up capital) @ Rs. 94.03 per share for a total consideration of Rs. 1,565.76 lacs to MXC Solutions India Private Limited (MXC). Consequently, SAMIL ceased to be a subsidiary and is an associate of the Company from February 07, 2018.

Associates and subsidiaries of the Company are:

Name of the subsidiary/ associate	Country of incorporation	Principal place of business	Principal activities	% equity interest March 31, 2019	% equity interest March 31, 2018	% equity interest April 01, 2017
Shriram Automall India Limited (SAMIL) (Subsidiary Upto February 06, 2018)	India	New Delhi	Market leader in physical bidding for acquisition	Not applicable	Not applicable	100%
Shriram Automall India Limited (SAMIL) (Associate w.e.f. February 07, 2018)	India	New Delhi	and disposal of pre-owned vehicles and equipment.	44.56%	44.56%	Not applicable

47 RETIREMENT BENEFIT PLAN

Defined Contribution Plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident Fund, Leave encashment and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 4,489.04 lacs (March 31, 2018: Rs. 3,592.95 lacs; April 01, 2017: Rs. 2,672.46 lacs) for Provident Fund contributions, Rs. 1,451.82 lacs (March 31, 2018: Rs. 1,263.58 lacs, April 01, 2017: Rs. 1,105.09 lacs) for Leave encashment and Rs. 1,429.81 lacs (March 31, 2018: Rs. 1,153.44 lacs, April 01, 2017: Rs. 562.66 lacs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by some third party fund managers.

47 RETIREMENT BENEFIT PLAN (Contd.)

Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. Generally equity instruments and property should not exceed 30% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows :

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows :		
Current Service Cost	471.97	407.94
Net interest expense	322.16	254.70
Interest Income	(337.23)	(252.26)
Past service cost	-	46.89
Components of defined benefit costs recognised in profit or loss (A)	456.90	457.27*
Remeasurement of gains/(losses) in other comprehensive income :		
Return on plan assets (excluding amounts included in net interest expense)	73.54	(76.85)
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	56.18	(179.90)
Experience adjustments	226.35	454.92
Components of defined benefit costs recognised in other comprehensive income (B)	356.07	198.17
Total (A+B)	812.97	655.44

*Gratuity expenses as per note 41 of statement of profit and loss is after netting of Nil (March 31, 2018 Rs. 8.35 lacs) on account of amount paid to trust towards relieved employees.

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

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	4,130.31	3,527.72
Expenses recognised in profit and loss account :		
Current Service Cost	471.97	407.94
Interest expense/(income)	322.16	254.70
Recognised in other comprehensive income remeasurement gains/(losses)	282.53	275.02
Past service cost	-	46.89
Liability transferred in/acquisitions	9.51	15.49
Benefits paid from the fund	(273.24)	(397.44)
Present value of defined obligation at the end of the year	4,943.24	4,130.32

Change in the Fair value of plan assets :

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Fair value of plan assets at the beginning of the period	4,323.48	3,493.91
Interest Income	337.23	252.26
Contributions by the Employer	500.96	897.90
Benefits paid from the fund	(273.24)	(397.44)
Return on plan assets excluding interest income	(73.54)	76.85
Fair value of plan assets at the end of the period	4,814.89	4,323.48

47 RETIREMENT BENEFIT PLAN (Contd.)

Calculation of benefit liability/(asset) :

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Defined benefit obligation	4,943.24	4,130.32	3,527.72
Fair value of plan assets	4,814.89	4,323.48	3,493.91
Benefit liability	128.35	(193.16)	33.81

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

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Expected return on Plan assets	7.64%	7.80%	7.22%
Rate of discounting	7.64%	7.80%	7.22%
Expected rate of salary increase	5.00%	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

Investments quoted in active markets:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment funds	4,814.89	4,323.48	3,493.91
Total	4,814.89	4,323.48	3,493.91

(Rs. in lacs)

Assumptions	Discount rate		Future salary increases		Attrition rate	
	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level						
Impact on defined benefit obligation	(332.14)	380.58	380.67	(337.12)	72.14	(82.07)

(Rs. in lacs)

Expected payment for future years	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	498.55	399.30
Between 2 and 5 years	1,842.01	1,554.04
Between 5 and 10 years	2,151.98	1,825.62
Beyond 10 years	5,602.17	4,841.71
Total expected payments	10,094.71	8,620.67

The Company expects to contribute Rs. 673.02 lacs to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2019 is 9 years (March 31, 2018: 9 years)

Asset Liability Matching Strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(Rs. in lacs)								
Assets									
Financial assets									
Cash and cash equivalents	102,913.54	-	102,913.54	109,071.33	-	109,071.33	113,079.87	-	113,079.87
Bank Balance other than above	223,305.00	71,928.14	295,233.14	258,113.42	271.03	258,384.45	333,812.75	7,223.52	341,036.27
Derivative financial instruments	2,171.64	-	2,171.64	1,054.13	-	1,054.13	2,641.73	-	2,641.73
Receivables									
(I) Trade receivables	848.44	-	848.44	1,398.10	-	1,398.10	443.42	-	443.42
(II) Other receivables	1,995.23	-	1,995.23	348.46	-	348.46	418.39	-	418.39
Loans	3,665,527.49	6,009,621.08	9,675,148.57	3,293,658.75	5,780,902.84	9,074,561.59	2,741,823.13	4,659,744.48	7,401,567.61
Investments	201,108.76	198,797.32	399,906.08	38,091.85	196,044.25	234,136.10	40,281.24	185,584.52	225,865.76
Other financial assets	-	4,176.47	4,176.47	604.18	3,144.15	3,748.33	1,216.15	2,907.09	4,123.24
Non-financial Assets									
Current tax asset	-	10,657.77	10,657.77	-	10,426.15	10,426.15	-	10,864.51	10,864.51
Deferred tax assets (net)	-	7,570.07	7,570.07	-	5,218.68	5,218.68	-	49,576.88	49,576.88
Investment property	-	206.36	206.36	-	209.82	209.82	-	190.75	190.75
Property, plant and equipment	-	14,345.82	14,345.82	-	11,821.76	11,821.76	-	8,217.04	8,217.04
Other intangible assets	-	196.56	196.56	-	173.78	173.78	-	160.57	160.57
Other non financial assets	6,200.06	7,678.38	13,878.44	5,676.23	8,275.78	13,952.01	5,744.63	7,188.97	12,933.60
Total assets	4,204,070.16	6,325,177.97	10,529,248.13	3,708,016.45	6,016,488.24	9,724,504.69	3,239,461.31	4,931,658.33	8,171,119.64
Liabilities									
Financial Liabilities									
Derivative financial liabilities	8,342.19	-	8,342.19	468.26	-	468.26	1,099.40	-	1,099.40
Payables									
(I) Trade payables	-	-	-	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20,362.58	-	20,362.58	21,976.95	-	21,976.95	13,443.91	-	13,443.91

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(Rs. in lacs)								
(II) Other payables									
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Debt Securities	1,304,482.30	2,113,692.71	3,418,175.01	1,072,313.78	2,170,947.49	3,243,261.27	574,903.01	1,561,221.75	2,136,124.76
Borrowings (other than debt securities)	1,782,025.96	1,936,903.92	3,718,929.88	1,656,975.58	1,953,878.87	3,610,854.45	1,741,665.74	1,706,163.62	3,447,829.36
Deposits	247,979.51	786,167.17	1,034,146.68	307,999.90	551,774.96	859,774.86	362,048.56	544,505.80	906,554.36
Subordinated Liabilities	67,020.55	553,167.55	620,188.10	109,204.30	389,989.81	499,194.11	52,646.64	336,666.96	389,313.60
Other Financial liabilities	71,624.13	1,505.34	73,129.47	55,174.83	9,892.95	65,067.78	54,711.68	16,171.19	70,882.87
Non-financial Liabilities									
Current tax liabilities (net)	10,296.73	-	10,296.73	21,650.51	-	21,650.51	18,911.89	-	18,911.89
Provisions	10,758.14	2,568.87	13,327.01	10,569.43	2,164.00	12,733.43	10,086.33	1,856.65	11,942.98
Other non-financial liabilities	20,963.61	7,758.69	28,722.30	16,468.53	15,506.28	31,974.81	18,509.13	15,090.73	33,599.86
Total Liabilities	3,543,855.70	5,401,764.25	8,945,619.95	3,272,802.07	5,094,154.36	8,366,956.43	2,848,026.29	4,181,676.70	7,029,702.99
Net	660,214.46	923,413.72	1,583,628.18	435,214.38	922,333.88	1,357,548.26	391,435.02	749,981.63	1,141,416.65

49 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars						(Rs. in lacs)
	As at March 31, 2018	Cash Flows	Changes in fair value	Exchange difference	Other	As at March 31, 2019
Debt Securities	3,243,261.27	198,442.90	-	-	(23,529.16)	3,418,175.01
Borrowings (other than debt securities)	3,610,854.45	40,255.52	-	-	67,819.91	3,718,929.88
Deposits	859,774.86	173,321.35	-	-	1,050.47	1,034,146.68
Subordinated Liabilities	499,194.11	143,162.63	-	-	(22,168.64)	620,188.10
Total liabilities from financing activities	8,213,084.69	555,182.40	-	-	23,172.58	8,791,439.67

Particulars						(Rs. in lacs)
	As at April 01, 2017	Cash Flows	Changes in fair value	Exchange difference	Other	As at March 31, 2018
Debt Securities	2,136,124.76	1,106,651.11	-	-	485.40	3,243,261.27
Borrowings (other than debt securities)	3,447,829.36	342,184.40	-	-	(179,159.31)	3,610,854.45
Deposits	906,554.36	(44,334.74)	-	-	(2,444.76)	859,774.86
Subordinated Liabilities	389,313.60	109,874.19	-	-	6.32	499,194.11
Total liabilities from financing activities	6,879,822.08	1,514,374.96	-	-	(181,112.35)	8,213,084.69

50 CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS

(A) Contingent Liabilities

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a. In respect of Income tax demands where the Company has filed appeal before various authorities	7,869.94	7,507.88	15,085.63
b. VAT demand where the Company has filed appeal before various Appellates	12,430.40	12,700.57	10,925.05
c. Service tax demand	19,831.14	31,110.08	12,833.93
d. Guarantees and counter guarantees	100,019.24	221,391.36	163,921.07
e. Guarantees given for subsidiary	-	-	200.00
Total	140,150.72	272,709.89	202,965.68

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. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Disputed income tax demands are on account of royalty, disallowance of ESOP expenses, 14A, derivatives etc.

(B) Commitments not provided for

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	554.55	593.10	491.66
b. Uncalled amount in investment in ICICI Investment Management Company Limited	-	-	747.02
c. Commitments related to loans sanctioned but undrawn	47,191.99	12,485.78	846.72

50 CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS (Contd.)

(C) Lease Disclosures

As a lessee

Operating 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. 10,124.71 lacs (March 31, 2018: Rs. 9,912.98 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.

Future minimum lease payments under non-cancellable operating leases as at March 31, 2019 are as follows:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Within one year	3,094.82	3,105.81	2482.34
After one year but not more than five years	9,516.91	9,835.17	5300.09
More than five years	2,998.85	3,372.07	2280.51
Total	15,610.58	16,313.05	10,062.94

As a lessor

Operating Lease :

The Company has given office premises under operating lease. The income from operating lease recognised in the Statement of Profit and Loss are Rs. 21.86 lacs (March 31, 2018: Rs. 20.90 lacs). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

Future minimum lease payments under non-cancellable operating leases as at March 31, 2019 are as follows:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Within one year	14.66	14.66	-
After one year but not more than five years	57.89	64.12	-
More than five years	-	8.43	-
Total	72.55	87.21	-

51 RELATED PARTY DISCLOSURE

Relationship	Name of the party
A. Enterprises exercising control	
(i) Enterprises having significant influence over the Company	: Shriram Capital Limited Shriram Ownership Trust Shriram Financial Ventures (Chennai) Private Limited
B. Enterprises where Control Exists	
(i) Subsidiary	: Shriram Automall India Limited (SAMIL) (up to February 06, 2018)
(ii) Associates	: Shriram Automall India Limited (SAMIL) (from February 07, 2018) Insight Commodities and Futures Private Limited* Shriram Asset Management Company Limited* Shriram Credit Company Limited* Shriram Financial Products Solutions (Chennai) Private Limited * Shriram Fortune Solutions Limited* Shriram General Insurance Company Limited* Shriram Insight Share Brokers Limited* Shriram Life Insurance Company Limited* Shriram Overseas Investments Private Limited* Shriram Wealth Advisors Limited* Shriram Value Services Limited* Bharath Investments Pte. Ltd., Singapore* SGI Philippines General Insurance Co. Inc. * Cartradeexchange Solutions Private Limited # Adroit Inspection Service Private Limited #
(iii) Key Management Personnel	: Mr. Umesh Revankar, Managing Director & CEO Mr. Amitabh Chaudhry (upto October 25, 2018) Mr. S. Lakshminarayanan Mrs. Kishori Udeshi Mr. S Sridhar Mr. Sumatiprasad M Bafna (upto March 31, 2019) Mr. Pradeep Kumar Panja (from October 25, 2018) Mr. D.V. Ravi Mr. Puneet Bhatia Mr. Gerrit Lodewyk Van Heerde
(iv) Relatives of Key Management Personnel	: Mrs. Suchita U. Revankar (spouse of Managing Director & CEO) Mr. Shreyas U. Revankar (son of Managing Director & CEO) Mrs. Geeta G. Revankar (mother of Managing Director & CEO) Mr. Anil G. Revankar (brother of Managing Director & CEO) Mr. Shirish U. Revankar (son of Managing Director & CEO)
(v) Employees' Benefit Plans where there is significant influence	: Shriram Transport Finance Co. Ltd. Employees Group Gratuity Assurance Scheme

* The Company neither hold any shares in the following entities nor these entities hold any shares in the Company. However these entities are "subsidiaries" of Shriram Capital Limited and hence these entities are treated as "associates" as per paragraph 9(b)(ii) of IND- AS 24 and transactions made with these entities are disclosed.

The Company neither hold any shares in the following entities nor these entities hold any shares in the Company. However these entities are "subsidiaries" of Shriram Automall India Limited and hence these entities are treated as "associates".

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
	(Rs. in lacs)													
Payments/Expenses														
Payment to key management personnel	-	-	-	-	-	-	-	-	112.62	125.97	-	-	112.62	
Royalty	15,545.70	12,416.58	-	-	-	-	-	-	-	15,545.70	-	-	12,416.58	
Service charges	3,990.00	3,800.00	-	-	-	-	-	-	-	3,990.00	-	-	3,800.00	
I.T & BPO charges	-	-	-	-	3,800.34	3,394.12	-	-	-	-	-	-	3,394.12	
Rent	-	99.63	323.17	443.97	85.28	85.28	-	-	-	443.97	-	-	508.08	
Business mobilisation expenses	-	-	199.84	147.15	78.98	78.98	-	-	-	147.15	-	-	278.82	
Other administrative expenses	-	85.78	63.52	82.18	7.45	7.45	-	-	-	82.18	-	-	156.75	
Insurance premium	-	-	-	759.68	805.07	805.07	-	-	-	759.68	-	-	805.07	
Commission	-	-	-	4,335.28	4,044.06	4,044.06	-	-	-	4,335.28	-	-	4,044.06	
Interest on inter corporate deposit	-	-	210.93	199.33	35.35	35.35	-	-	-	199.33	-	-	246.28	
Interest	38.04	39.52	23.24	5,303.15	4,842.48	4,842.48	-	-	5.41	16.41	0.91	0.99	5,358.51	
Equity dividend	6,509.03	6,509.03	-	14.29	13.94	13.94	-	-	-	-	0.02	0.02	6,523.34	
Non convertible debenture matured	-	-	-	160.00	2,360.50	2,360.50	-	-	-	-	1.10	1.10	2,361.60	
Fixed deposit matured	-	-	-	-	-	-	-	-	50.00	-	3.26	1.96	51.96	
Subordinate debt matured	54.27	48.34	5.90	821.70	-	-	-	-	-	-	0.80	-	876.77	
Unsecured loan and advances	-	-	-	786.48	-	-	-	-	-	-	-	-	786.48	
Refund of security deposit	-	100.41	-	-	-	-	-	-	-	-	-	-	100.41	
Purchase of fixed asset	-	568.34	-	-	-	-	-	-	-	-	-	-	568.34	
Reimbursement of petty cash	-	8.90	-	-	-	-	-	-	-	-	-	-	8.90	
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	897.90	500.96	-	-	-	-	500.96	
Inter corporate deposit repaid	-	-	880.00	2,835.00	360.00	360.00	-	-	-	-	-	-	2,835.00	
Receipts/Income														
Common sharing expenses	1.40	1.42	29.29	168.11	103.89	103.89	-	-	-	-	-	-	169.51	
Rent and electricity	17.79	31.54	164.13	414.26	36.38	36.38	-	-	-	-	-	-	432.05	
Other administrative expenses	-	-	98.48	255.21	17.80	17.80	-	-	-	-	-	-	255.21	
Commission	-	-	-	6,108.22	5,971.78	5,971.78	-	-	-	-	-	-	6,108.22	
Sale of Trade mark	-	-	-	5.90	-	-	-	-	-	-	-	-	5.90	
Equity dividend	-	-	1,200.00	-	-	-	-	-	-	-	-	-	1,200.00	
Subordinated debt	-	-	-	2,500.00	6,000.00	6,000.00	-	-	-	-	-	-	2,500.00	
Non-convertible debenture	-	-	-	1,173.85	-	-	-	-	-	200.00	-	-	1,373.85	
Fixed deposit	-	-	-	1,400.00	-	-	-	-	75.00	50.00	3.11	2.62	1,453.11	
Unsecured loan and advances repaid	-	-	451.82	741.10	14.93	14.93	-	-	-	-	-	-	741.10	
Inter corporate deposit received	-	-	1,185.00	2,595.00	-	-	-	-	-	-	-	-	2,595.00	

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary	Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)		(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Balance outstanding at the period end													
Share capital	5,917.30	5917.30	-	12.49	13.28	-	-	-	-	0.02	0.02	5,929.81	5,930.60
Investment in equity shares	-	-	-	1,336.96	1,336.96	-	-	-	-	-	-	1,336.96	1,336.96
Unsecured loan and advances recoverable	-	-	-	57.70	12.31	-	-	-	-	-	-	57.70	12.31
Rent receivable	1.32	2.71	-	1.69	1.69	-	-	-	-	-	-	3.01	4.40
Commission receivable	-	-	-	765.28	1,238.20	-	-	-	-	-	-	765.28	1,238.20
Commission payable	-	-	-	262.02	277.39	-	-	-	-	-	-	262.02	277.39
Prepaid for insurance premium	-	-	-	214.75	180.21	-	-	-	-	-	-	214.75	180.21
Outstanding expenses	5,260.08	4,750.93	-	118.30	91.36	-	-	-	-	-	-	5,378.38	4,842.29
Fixed deposit	-	-	-	1,498.76	-	-	-	134.22	75.65	8.25	8.69	1,641.23	84.34
Subordinated debt	313.96	354.51	-	47,318.36	43,399.88	-	-	-	-	-	1.26	47,632.32	43,755.65
Non convertible debenture	-	-	-	9,501.16	8,957.40	-	-	207.84	-	-	1.22	9,709.00	8,958.62
Expenses recoverable	0.12	0.12	-	20.61	32.93	-	-	-	-	-	-	20.73	33.05
Inter corporate deposit	-	-	-	2,595.00	2,835.00	-	-	-	-	-	-	2,595.00	2,835.00
Interest payable on inter corporate deposit	-	-	-	43.19	50.28	-	-	-	-	-	-	43.19	50.28

Particulars	Enterprises having significant influence over the company		Subsidiary	Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)		(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Payments/Expenses													
Employee benefits for key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-
- Short term benefits	-	-	-	-	-	-	-	52.90	50.20	-	-	52.90	50.20
- Post employment benefits	-	-	-	-	-	-	-	14.07	17.57	-	-	14.07	17.57
- Other long term benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
- Termination benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission & sitting fee paid to directors	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Amitabh Chaudhry	-	-	-	-	-	-	-	10.25	7.50	-	-	10.25	7.50
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	-	11.90	9.90	-	-	11.90	9.90
- Mrs. Kishori Udeshi	-	-	-	-	-	-	-	12.15	9.90	-	-	12.15	9.90
- Mr. S Sridhar	-	-	-	-	-	-	-	11.90	9.40	-	-	11.90	9.40
- Mr. Sumatiprasad M Bafna	-	-	-	-	-	-	-	11.15	8.15	-	-	11.15	8.15
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	-	1.65	-	-	-	1.65	-
Royalty to Shriram Ownership Trust	15,545.70	12,416.58	-	-	-	-	-	-	-	-	-	15,545.70	12,416.58
Service charges to Shriram Capital Limited	3,990.00	3,800.00	-	-	-	-	-	-	-	-	-	3,990.00	3,800.00
I.T & BPO charges - Shriram Value Services Limited	-	-	-	3,800.34	3,394.12	-	-	-	-	-	-	3,800.34	3,394.12
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	323.17	443.97	85.28	-	-	-	-	-	-	443.97	408.45
- Shriram Capital Limited	-	99.63	-	-	-	-	-	-	-	-	-	-	99.63

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	
Business mobilisation expenses - Shriram Automall India Limited	-	-	199.84	147.15	78.98	-	-	-	-	-	-	147.15	278.82	
Other administrative expenses	-	85.78	-	-	-	-	-	-	-	-	-	-	85.78	
- Shriram Capital Limited	-	-	63.52	82.18	7.45	-	-	-	-	-	-	82.18	70.97	
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	
Insurance premium	-	-	-	529.80	601.87	-	-	-	-	-	-	529.80	601.87	
- Shriram Life Insurance Company Limited	-	-	-	229.88	203.20	-	-	-	-	-	-	229.88	203.20	
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	
Commission	-	-	-	3,392.22	3,529.56	-	-	-	-	-	-	3,392.22	3,529.56	
- Shriram Fortune Solutions Limited	-	-	-	274.41	88.23	-	-	-	-	-	-	274.41	88.23	
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	668.65	426.27	-	-	-	-	-	-	668.65	426.27	
- Shriram Insight Share Brokers Limited	-	-	210.93	199.33	35.35	-	-	-	-	-	-	199.33	246.28	
Interest on inter corporate deposit - Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Key management personnel	-	-	-	-	-	-	-	8.57	5.41	-	-	8.57	5.41	
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	0.73	0.68	0.73	0.68	
- Shriram Fortune Solutions Limited	-	-	-	98.76	-	-	-	-	-	-	-	98.76	-	
Interest on subordinate debt	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	0.12	0.13	0.12	0.13	
- Shriram Automall India Limited	-	-	23.24	36.84	5.23	-	-	-	-	-	-	36.84	28.47	
- Shriram Capital Limited	38.04	39.52	-	-	-	-	-	-	-	-	-	38.04	39.52	
- Shriram Asset Management Company Limited	-	-	-	69.77	117.24	-	-	-	-	-	-	69.77	117.24	
- Shriram Life Insurance Company Limited	-	-	-	769.20	555.80	-	-	-	-	-	-	769.20	555.80	
- Shriram General Insurance Company Limited	-	-	-	3,475.80	3,102.61	-	-	-	-	-	-	3,475.80	3,102.61	
Interest on non convertible debenture	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Key management personnel	-	-	-	-	-	-	-	7.84	-	-	-	7.84	-	
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	0.05	0.19	0.05	0.19	
- Shriram Life Insurance Company Ltd	-	-	-	585.47	840.23	-	-	-	-	-	-	585.47	840.23	
- Shriram General Insurance Company Limited	-	-	-	221.36	221.36	-	-	-	-	-	-	221.36	221.36	
- Shriram Asset Management Company Limited	-	-	-	45.93	-	-	-	-	-	-	-	45.93	-	
- Shriram Insight Share Brokers Limited	-	-	-	0.03	-	-	-	-	-	-	-	0.03	-	
Equity dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)													
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	6,509.03	6,509.03	-	-	-	-	-	-	-	-	-	-	6,509.03	6,509.03
- Shriram Insight Share Brokers Limited	-	-	-	-	14.29	13.94	-	-	-	-	-	-	14.29	13.94
Non convertible debenture matured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	-	-	160.00	2,360.50	-	-	-	-	-	-	160.00	2,360.50
Fixed deposit matured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	50.00	-	-	-	50.00
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinate debt matured	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	54.27	48.34	-	-	-	-	-	-	-	-	-	-	54.27	48.34
- Shriram Automall India Limited	-	-	-	5.90	114.57	-	-	-	-	-	-	-	114.57	5.90
- Shriram Asset Management Company Limited	-	-	-	-	707.13	-	-	-	-	-	-	-	707.13	-
Unsecured loan and advances received - Shriram Automall India Limited	-	-	-	-	786.48	-	-	-	-	-	-	-	786.48	-
Refund of security deposit - Shriram Capital Limited	-	100.41	-	-	-	-	-	-	-	-	-	-	-	100.41
Purchase of fixed asset - Shriram Capital Limited	-	568.34	-	-	-	-	-	-	-	-	-	-	-	568.34
Reimbursement of petty cash - Shriram Capital Limited	-	8.90	-	-	-	-	-	-	-	-	-	-	-	8.90
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	500.96	897.90	-	-	-	-	500.96	897.90
Inter corporate deposit repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	880.00	-	2,835.00	360.00	-	-	-	-	-	-	2,835.00	1,240.00
Receipts/Income														
Recovery of common sharing expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	29.29	-	51.53	6.02	-	-	-	-	-	-	51.53	35.31
- Shriram Capital Limited	1.40	1.42	-	-	-	-	-	-	-	-	-	-	1.40	1.42
- Shriram Asset Management Company Limited	-	-	-	-	6.00	6.00	-	-	-	-	-	-	6.00	6.00
- Shriram Insight Share Brokers Limited	-	-	-	-	3.03	3.11	-	-	-	-	-	-	3.03	3.11
- Shriram Fortune Solutions Limited	-	-	-	-	107.29	88.75	-	-	-	-	-	-	107.29	88.75
- Adroit Inspection Service Private Limited	-	-	-	-	0.26	-	-	-	-	-	-	-	0.26	-
Rent & electricity														
- Shriram Capital Limited	17.79	31.54	-	-	-	-	-	-	-	-	-	-	17.79	31.54
- Shriram Automall India Limited	-	-	164.13	-	414.26	36.38	-	-	-	-	-	-	414.26	200.51

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2018
	(Rs. in lacs)													
Other administrative expenses	-	-	-	98.48	17.80	-	-	-	-	-	-	-	-	116.28
- Shriram Automall India Limited	-	-	-	98.48	17.80	-	-	-	-	-	-	-	-	255.21
Commission	-	-	-	-	3,742.34	-	-	-	-	-	-	-	-	3,742.34
- Shriram General Insurance Company Limited	-	-	-	-	3,742.34	-	-	-	-	-	-	-	-	3,742.34
- Shriram Life Insurance Company Limited	-	-	-	-	2,229.44	-	-	-	-	-	-	-	-	2,229.44
Sale of Trade mark	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity dividend	-	-	-	1,200.00	-	-	-	-	-	-	-	-	-	1,200.00
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	4,500.00	-	-	-	-	-	-	-	-	4,500.00
- Shriram Life Insurance Company Limited	-	-	-	-	1,500.00	-	-	-	-	-	-	-	-	1,500.00
Non convertible debenture	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-	200.00	-	-	-	-	-	-	-	-	200.00
- Shriram Insight Share Brokers Limited	-	-	-	-	1,173.40	-	-	-	-	-	-	-	-	1,173.40
Fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured loan and advances repaid by	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	451.82	14.93	-	-	-	-	75.00	-	-	-	75.00
Inter corporate deposit - Shriram Automall India Limited	-	-	-	1,185.00	-	-	-	-	-	3.11	2.62	-	-	3.11
Income / expenses are presented excluding service tax/GST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	2,595.00	-	-	-	-	-	1,400.00	-	-	-	1,400.00
	-	-	-	741.10	14.93	-	-	-	-	-	-	-	-	741.10
	-	-	-	2,595.00	-	-	-	-	-	-	-	-	-	2,595.00

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company		Subsidiary		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017
	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017
Balance outstanding at the period end														
Share capital														
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	5,917.30	5,917.30	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02
- Shriram Insight Share Brokers Limited	-	-	-	-	12.49	13.28	12.73	-	-	-	-	-	5,917.30	5,917.30
Investment in equity shares	-	-	-	-	-	-	-	-	-	-	-	-	12.49	13.28
- Shriram Automall India Limited	-	-	-	3,000.00	1,336.96	1,336.96	-	-	-	-	-	-	1,336.96	3,000.00
Unsecured loan and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	15.53	57.70	12.31	-	-	-	-	-	-	57.70	12.31
Rent receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	1.32	2.71	2.68	-	-	-	-	-	-	-	-	-	1.32	2.71
- Shriram Asset Management Company Limited	-	-	-	-	1.69	1.69	1.65	-	-	-	-	-	1.69	1.65
Commission receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	525.67	562.83	405.44	-	-	-	-	-	525.67	405.44
- Shriram Life Insurance Company Limited	-	-	-	-	239.61	675.36	-	-	-	-	-	-	239.61	675.36
Commission payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	241.60	265.02	318.20	-	-	-	-	-	241.60	318.20
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	-	4.90	2.76	3.88	-	-	-	-	-	4.90	3.88
- Shriram Insight Share Brokers Limited	-	-	-	-	15.52	9.60	8.25	-	-	-	-	-	15.52	8.25
Prepaid for insurance premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	113.32	92.43	-	-	-	-	-	-	113.32	92.43
- Shriram Life Insurance Company Limited	-	-	-	-	101.42	87.78	-	-	-	-	-	-	101.42	87.78
Outstanding expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	1,077.53	1,026.23	1,404.60	-	-	-	-	-	-	-	-	-	1,077.53	1,404.60
- Shriram Ownership Trust	4,182.56	3,724.70	2,151.55	-	-	-	-	-	-	-	-	-	4,182.56	2,151.55
- Shriram Value Services Limited	-	-	-	-	118.30	91.36	474.75	-	-	-	-	-	118.30	474.75
Fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Fortune Solutions Limited	-	-	-	-	1,498.76	-	-	-	-	-	-	-	1,498.76	-
Non convertible debenture	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Ltd	-	-	-	-	6,114.33	6,790.38	7,798.58	-	-	-	-	-	6,114.33	7,798.58
- Shriram General Insurance Company Limited	-	-	-	-	2,167.02	2,167.02	2,167.02	-	-	-	-	-	2,167.02	2,167.02
- Shriram Asset Management Company Limited	-	-	-	-	1,219.33	-	-	-	-	-	-	-	1,219.33	-
- Shriram Insight Share Brokers Limited	-	-	-	-	0.48	-	-	-	-	-	-	-	0.48	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	182.59	278.94	286.58	-	-	-	-	-	-	1.26	1.14
- Shriram Capital Limited	313.96	354.51	390.25	-	-	-	-	-	-	-	-	-	278.94	182.59
													313.96	354.51

51 RELATED PARTY DISCLOSURE (Contd.)

Particulars	Enterprises having significant influence over the company						Associate						Employees' Benefit Plans where there is significant influence						Key management personnel						Relative of key management personnel						Total								
	March 31, 2019		April 01, 2018		April 01, 2017		March 31, 2019		April 01, 2018		April 01, 2017		March 31, 2019		April 01, 2018		April 01, 2017		March 31, 2019		April 01, 2018		April 01, 2017		March 31, 2019		April 01, 2018		April 01, 2017		March 31, 2019		April 01, 2018		April 01, 2017				
	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017	March 31, 2019	April 01, 2018	March 31, 2018	April 01, 2017					
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	1,155.44	1,038.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	10,313.95	4,600.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	36,725.47	27,841.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Expenses recoverable	0.12	-	0.12	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Shriram Capital Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
- Shriram Insight Share Brokers Limited	-	-	-	-	-	-	-	0.28	1.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
- Shriram Fortune Solutions Limited	-	-	-	-	-	-	-	20.34	32.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Inter corporate deposit received from Shriram Automall India Limited	-	-	-	-	-	-	-	2,890.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Interest payable on inter corporate deposit to Shriram Automall India Limited	-	-	-	-	-	-	-	-	56.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Guarantee given by company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Income /expenses are presented excluding service tax/GST	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

52 CAPITAL

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Regulatory capital			
Tier 1 capital	1,575,030.03	1,351,336.93	1,091,137.04
Tier 2 capital	468,816.69	272,267.52	179,899.48
Total capital funds	2,043,846.72	1,623,604.45	1,271,036.52
Risk weighted assets	10,082,815.53	9,339,620.06	7,640,984.12
CET1 capital ratio	15.62%	14.47%	14.28%
Total capital ratio	20.27%	17.38%	16.63%

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 Capital, which includes subordinated debt.

The Company is meeting the capital adequacy requirements of Reserve Bank of India (RBI) of India.

53 FAIR VALUE MEASUREMENT

53.1 Valuation Principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.1 (xiii).

53.2 Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2019

Assets measured at fair value on a recurring basis	(Rs. in lacs)			
	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	122.32	-	122.32
Currency swaps	-	1,866.55	-	1,866.55
Interest rate swaps	-	182.77	-	182.77
Total derivative financial instruments	-	2,171.64	-	2,171.64

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Financial assets held for trading</i>				
Mutual funds	-	32,381.75	-	32,381.75
Equity instruments	-	-	357.92	357.92
Pass through certificates	-	-	-	-
Certificate of deposits	-	123,170.68	-	123,170.68
Venture capital fund	-	96.99	-	96.99
Total financial assets held for trading	-	155,649.42	357.92	156,007.34
Total assets measured at fair value on a recurring basis	-	157,821.06	357.92	158,178.98
<i>Assets measured at fair value on a non-recurring basis</i>				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	157,821.06	357.92	158,178.98
<i>Liabilities measured at fair value on a recurring basis</i>				
<i>Derivative financial instruments</i>				
Currency swaps	-	8,304.80	-	8,304.80
Interest rate swaps	-	37.39	-	37.39
Total derivative financial instruments	-	8,342.19	-	8,342.19
Total financial liabilities measured at fair value on a recurring basis	-	8,342.19	-	8,342.19
<i>Liabilities measured at fair value on a non-recurring basis</i>				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	8,342.19	-	8,342.19

As at March 31, 2018

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward Contracts	-	742.42	-	742.42
Interest rate swaps	-	311.71	-	311.71
Total derivative financial instruments	-	1,054.13	-	1,054.13
<i>Financial assets held for trading</i>				
Mutual funds	-	322.29	-	322.29
Equity instruments	-	-	86.29	86.29
Pass through certificates	-	-	-	-
Venture capital fund	-	426.49	-	426.49
Total financial assets held for trading	-	748.78	86.29	835.07
Total assets measured at fair value on a recurring basis	-	1,802.91	86.29	1,889.20
<i>Assets measured at fair value on a non-recurring basis</i>				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	1,802.91	86.29	1,889.20

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Liabilities measured at fair value on a recurring basis				
<i>Derivative financial instruments</i>				
Interest rate swaps	-	468.26	-	468.26
Total derivative financial instruments	-	468.26	-	468.26
Total financial liabilities measured at fair value on a recurring basis	-	468.26	-	468.26
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	468.26	-	468.26

As at April 01, 2017

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward Contracts	-	2.23	-	2.23
Interest rate swaps	-	2,639.50	-	2,639.50
Total derivative financial instruments	-	2,641.73	-	2,641.73
Financial assets held for trading				
Mutual funds	-	294.59	-	294.59
Equity instruments	-	-	86.29	86.29
Debt securities	-	5,295.00	-	5,295.00
Venture capital fund	-	426.29	-	426.29
Total financial assets held for trading	-	6,015.88	86.29	6,102.17
Total assets measured at fair value on a recurring basis	-	8,657.61	86.29	8,743.90
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	8,657.61	86.29	8,743.90
Liabilities measured at fair value on a recurring basis				
<i>Derivative financial instruments</i>				
Forward Contracts	-	163.06	-	163.06
Interest rate swaps	-	936.34	-	936.34
Total derivative financial instruments	-	1,099.40	-	1,099.40
Total Financial Liabilities Measured at fair value on a recurring basic	-	1,099.40	-	1,099.40
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	1,099.40	-	1,099.40

53 FAIR VALUE MEASUREMENT (Contd.)

53.3 Valuation techniques

Equity instruments

Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3.

Foreign exchange contracts

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole). Other valuation adjustments and inputs that may impact the fair value of these instruments are discussed below in Note 53.4.

Certificate of deposits

Certificate of Deposits are short-term financial instruments issued by Banks. FBIL has developed the FBIL- CD, a new benchmark for the money market based on traded CDs reported on the FTRAC platform of CCIL. FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For Valuation, company use FBIL-CD benchmark and based on that benchmark company interpolate and calculate CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

53.4 Valuation adjustments and other inputs and considerations

The Company applies the following fair value adjustments to its base valuation procedures to better reflect the individual characteristics of trades that market participants would consider when trading in or setting specific prices for these instruments.

Credit and debit valuation adjustments

The Company calculates Credit Value Adjustments (CVA) / Debit Value Adjustments (DVA) on a counterparty basis over the entire life of the exposure. CVA is calculated by multiplying the probability of default (PD), the loss given default (LGD) and the expected exposure (EE) at the time of default.

A debit valuation adjustment (DVA) is applied to incorporate the Company's own credit risk in the fair value of derivatives (i.e., the risk that the Company might default on its contractual obligations), using the same methodology as for CVA (i.e., applying the Company's PD and multiplying it with LGD and EE).

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses and DVA to all relevant (not fully collateralised) over-the-counter positions and positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2018 or 2019.

53.5 Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

Type of adjustment	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Credit value adjustment	-	-	2.44
Total Risk related	-	-	2.44
Other Adjustments	-	-	-
Total	-	-	2.44

53.6 During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

53 FAIR VALUE MEASUREMENT (Contd.)

53.7 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in lacs)	
	Equity instruments	
	As at March 31, 2019	As at March 31, 2018
Opening Balance	86.28	86.29
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into Level 3	-	-
Transfers from Level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Closing balance	357.92	86.29
Unrealised gains and losses related to balances held at the end of the year	271.64	-

53.8 Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2019	As at March 31, 2019		
Equity Instruments	357.92	-	Based on the networth of the investee company	networth of the investee company

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2018	As at March 31, 2018		
Equity Instruments	86.28	-	Based on the networth of the investee company	networth of the investee company

53.9 Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, instruments classified as FVTPL would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Company is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. in lacs)

	As at March 31, 2019		As at March 31, 2018	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Equity Instruments	373.94	338.32	88.72	80.27

53.10 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non financial liabilities.

(Rs. in lacs)

	Carrying Amount	Fair value			
		Level-1	Level-2	Level-3	Total
As at March 31, 2019					
Financial assets:					
Cash and cash equivalents	90,331.90	90,331.90	-	-	90,331.90
Bank balance other than cash and cash equivalents	306,745.82	-	294,927.60	-	294,927.60
Loans	10,230,748.58	-	-	10,124,841.70	10,124,841.70
Investments at amortised cost	242,562.46	153,986.20	86,735.00	-	240,721.20
Other financial assets	4,176.47	-	-	3,206.36	3,206.36
Total financial assets	10,874,565.23	244,318.10	381,662.60	10,128,048.06	10,754,028.76
Financial liabilities:					
Debt securities	3,418,175.01	-	2,903,063.66	-	2,903,063.66
Borrowings (other than debt securities)	3,718,929.88	-	3,352,651.36	-	3,352,651.36
Deposits	1,034,146.68	-	-	996,868.27	996,868.27
Subordinated liabilities	620,188.10	-	549,275.93	124,957.95	674,233.88
Total financial liabilities	8,791,439.67	-	6,804,990.95	1,121,826.22	7,926,817.17
Off balance sheet items					
Other commitments	47,191.99	-	-	41,631.57	41,631.57
Total off-balance sheet items	47,191.99	-	-	41,631.57	41,631.57

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

	Carrying Amount	Fair value			Total
		Level-1	Level-2	Level-3	
As at March 31, 2018					
Financial assets:					
Cash and cash equivalents	103,485.61	103,485.61	-	-	103,485.61
Bank balance other than cash and cash equivalents	262,660.06	-	255,377.95	-	255,377.95
Loans	9,619,840.99	-	-	9,558,591.31	9,558,591.31
Investments at ammortised cost	231,971.15	146,056.19	82,993.00	-	229,049.19
Other financial assets	3,748.33	-	-	2,811.11	2,811.11
Total financial assets	10,221,706.14	249,541.80	338,370.95	9,561,402.42	10,149,315.17
Financial liabilities:					
Debt securities	3,243,261.27	-	3,198,155.33	-	3,198,155.33
Borrowings (other than debt securities)	3,610,854.45	-	3,367,365.34	-	3,367,365.34
Deposits	859,774.86	-	-	951,642.69	951,642.69
Subordinated liabilities	499,194.11	-	375,140.92	219,081.10	594,222.02
Total financial liabilities	8,213,084.69	-	6,940,661.59	1,170,723.79	8,111,385.38
Off balance sheet items					
Other commitments	12,485.78	-	-	10,126.07	10,126.07
Total off-balance sheet items	12,485.78	-	-	10,126.07	10,126.07

(Rs. in lacs)

	Carrying Amount	Fair value			Total
		Level-1	Level-2	Level-3	
As at April 01, 2017					
Financial assets:					
Cash and cash equivalents	113,079.87	113,079.87	-	-	113,079.87
Bank balance other than cash and cash equivalents	339,953.06	-	332,063.69	-	332,063.69
Loans	7,922,578.94	-	-	7,993,296.47	7,993,296.47
Investments at ammortised cost	216,768.55	150,101.34	68,200.00	-	218,301.34
Other financial assets	4,123.24	-	-	3,482.40	3,482.40
Total financial assets	8,596,503.66	263,181.21	400,263.69	7,996,778.87	8,660,223.77
Financial liabilities:					
Debt securities	2,136,124.76	-	1,897,197.76	318,845.96	2,216,043.72
Borrowings (other than debt securities)	3,447,829.36	-	3,286,967.66	-	3,286,967.66
Deposits	906,554.36	-	-	1,053,537.51	1,053,537.51
Subordinated liabilities	389,313.60	-	287,966.46	213,105.98	501,072.44
Total financial liabilities	6,879,822.08	-	5,472,131.88	1,585,489.45	7,057,621.33
Off balance sheet items					
Other commitments	846.72	-	-	521.47	521.47
Total off-balance sheet items	846.72	-	-	521.47	521.47

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

53.10.1 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Notes 6.1

53 FAIR VALUE MEASUREMENT (Contd.)

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Company uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Securities with no significant unobservable valuation inputs are classified as Level 2, while instruments with no comparable instruments or valuation inputs are classified as Level 3.

Financial assets at amortised cost

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued debt

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk. The Company estimates and builds its own credit spread from market-observable data such as secondary prices for its traded debt and the credit spread on credit default swaps and traded debt of itself.

Borrowings

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk. The Company estimates and builds its own credit spread from market-observable data.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on market prices for similar instruments or on discounted cash flow models, as explained above, which incorporate the credit risk element through the discount factor.

54 RISK MANAGEMENT

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

54.1 Introduction and Risk Profile

54.1.1 Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk Owners within each department will report to the Risk Committee.

The Risk Owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

54 RISK MANAGEMENT (Contd.)

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

54.1.2 Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

54.1.3 Risk measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Risk Management Committee and the head of each department.

The Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

54.1.4 Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

54.2 Credit Risk

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

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

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

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

53 RISK MANAGEMENT (Contd.)

54.2.1 Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

54.2.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Company's definition and assessment of default (Note 54.2.2.1).

- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default) (Notes 54.2.2.2 to 54.2.2.4)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 54.2.2.5)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 54.2.2.6)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Note 6.1.xi)

54.2.2.1 Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in 'all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- The debtor (or any legal entity within the debtor's Company) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as Stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.

54.2.2.2 PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

54.2.2.3 Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

54.2.2.4 Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

54 RISK MANAGEMENT (Contd.)

54.2.2.5 Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in Note 54.2.2.1 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets (as set out in Note 54.2.2.6), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

54.2.2.6 Grouping financial assets measured on a collective basis

As explained in Note 6.1.xi dependant on the factors below, the Company calculates ECLs only on a collective basis

The Company segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. New Vehicle finance
2. Pre owned vehicle finance
3. Small business Loans

54.2.3 Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2019 was Rs. 4,969.55 lacs (March 31, 2018: Rs. 3,143.94 lacs).

Credit risk exposure analysis

(Rs. in lacs)

Particulars	As at March 31, 2019				
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total
Normal	7,342,564.57	1,866,325.69	622,466.18	-	9,831,356.44
Restructured	-	-	81,125.63	-	81,125.63
Equipment finance	280.83	5.65	2,009.28	-	2,295.76
Repossessed	-	-	60,608.44	-	60,608.44
Exposure > 1 crore	61,290.17	36,205.24	27,477.77	-	124,973.18
Forced	5,853.50	56,596.19	67,939.44	-	130,389.13
Total	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58

54.3 Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

54 RISK MANAGEMENT (Contd.)

54.3.1. Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2019:

Particulars	Less than 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
Financial assets							
Cash and cash equivalents	102,913.54	-	-	-	-	-	102,913.54
Bank balance other than above	90,338.14	113,113.00	19,854.00	71,928.00	-	-	295,233.14
Derivative assets	2,171.64	-	-	-	-	-	2,171.64
Financial assets at fair value through profit and loss	155,202.05	-	-	-	-	805.29	156,007.34
Loans	1,522,446.87	1,260,928.58	2,169,397.24	5,537,468.14	1,794,190.68	108,713.65	12,393,145.16
Financial investments at FVOCI	-	-	-	-	-	-	-
Financial investments at amortised cost	11,253.06	14,942.98	19,709.55	46,080.61	33,003.71	117,571.88	242,561.78
Trade receivables	848.44	-	-	-	-	-	848.44
Other receivables	1,995.23	-	-	-	-	-	1,995.23
Other financial assets	-	-	-	-	-	4,176.47	4,176.47
Total undiscounted financial assets	1,887,168.97	1,388,984.56	2,208,960.79	5,655,476.75	1,827,194.39	231,267.29	13,199,052.74
Financial liabilities							
Deposits	89,168.00	77,818.61	149,829.74	720,938.43	257,091.09	-	1,294,845.87
Debt securities	496,851.34	591,448.13	491,605.60	1,812,386.24	501,381.56	335,100.56	4,228,773.43
Borrowings (other than debt securities)	588,743.14	512,805.58	918,754.02	1,304,062.14	677,454.06	166,106.40	4,167,925.34
Subordinated Liabilities	25,173.59	40,922.88	87,904.87	257,002.91	120,472.62	433,299.11	964,775.98
Trade payables	20,362.58	-	-	-	-	-	20,362.58
Other financial liabilities	65,619.43	566.43	5,438.19	(286.40)	-	1,791.82	73,129.47
Derivative liabilities	8,342.19	-	-	-	-	-	8,342.19
Total undiscounted financial liabilities	1,294,260.27	1,223,561.63	1,653,532.42	4,094,103.32	1,556,399.33	936,297.89	10,758,154.86
Net undiscounted financial assets/(liabilities)	592,908.70	165,422.93	555,428.37	1,561,373.43	270,795.06	(705,030.60)	2,440,897.88

(Rs. in lacs)

54 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2018:

Particulars	(Rs. in lacs)							Total
	Less than 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		
Financial assets								
Cash and cash equivalents	109,071.33	-	-	-	-	-	-	109,071.33
Bank balance other than above	90,220.90	120,753.71	47,138.81	271.03	-	-	-	258,384.45
Derivative assets	1,054.13	-	-	-	-	-	-	1,054.13
Financial assets at fair value through profit and loss	-	-	-	-	-	-	835.06	835.06
Loans	1,353,257.60	1,186,923.40	1,985,639.08	5,202,078.50	1,854,881.12	172,267.45	-	11,755,047.15
Financial investments at FVOCI	-	-	-	-	-	-	-	-
Financial investments at amortised cost	11,091.76	10,072.25	16,927.84	50,531.65	9,663.50	133,677.08	-	231,964.08
Trade receivables	1,398.10	-	-	-	-	-	-	1,398.10
Other receivables	348.46	-	-	-	-	-	-	348.46
Other financial assets	604.18	-	-	-	-	-	3,144.15	3,748.33
Total undiscounted financial assets	1,567,046.46	1,317,749.36	2,049,705.73	5,252,881.18	1,864,544.62	309,923.74		12,361,851.09
Financial liabilities								
Deposits	87,047.81	93,495.93	192,504.99	478,231.90	205,736.62	-	-	1,057,017.25
Debt securities	652,111.84	359,707.50	308,846.24	1,582,181.98	709,884.56	321,175.05	-	3,933,907.17
Borrowings (other than debt securities)	486,264.81	527,065.03	851,729.86	1,745,939.84	346,182.34	-	-	3,957,181.88
Subordinated Liabilities	24,679.14	44,435.04	96,218.58	272,939.07	87,007.15	242,488.83	-	767,767.81
Trade payables	21,976.49	-	-	-	-	-	-	21,976.49
Other financial liabilities	51,713.02	1,528.90	1,934.77	7,760.35	-	2,131.20	-	65,068.24
Derivative liabilities	468.26	-	-	-	-	-	-	468.26
Total undiscounted financial liabilities	1,324,261.37	1,026,232.40	1,451,234.44	4,087,053.14	1,348,810.67	565,795.08		9,803,387.10
Net undiscounted financial assets/ (liabilities)	242,785.09	291,516.96	598,471.29	1,165,828.04	515,733.95	(255,871.34)		2,558,463.99

54 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on April 01, 2017:

Particulars	(Rs. in lacs)							Total
	Less than 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		
Financial assets								
Cash and cash equivalents	113,079.87	-	-	-	-	-	-	113,079.87
Bank balance other than above	68,171.29	200,369.30	65,272.16	7,223.52	-	-	-	341,036.27
Derivative assets	2,641.73	-	-	-	-	-	-	2,641.73
Financial assets at fair value through profit and loss	5,297.55	-	-	-	-	-	807.37	6,104.92
Loans	911,233.10	1,110,366.54	1,743,754.40	4,265,977.42	1,414,400.95	116,152.22	-	9,561,884.63
Financial investments at FVOCI	-	-	-	-	-	-	-	-
Financial investments at amortised cost	10,081.15	9,360.65	15,541.88	39,683.99	5,738.73	136,354.44	-	216,760.84
Trade receivables	443.42	-	-	-	-	-	-	443.42
Other receivables	418.39	-	-	-	-	-	-	418.39
Other financial assets	1,216.15	-	-	-	-	-	2,907.09	4,123.24
Total undiscounted financial assets	1,112,582.65	1,320,096.49	1,824,568.44	4,312,884.93	1,420,139.68	256,221.12	-	10,246,493.31
Financial liabilities								
Deposits	113,919.79	116,512.45	212,613.00	502,141.65	164,574.59	-	-	1,109,761.48
Debt securities	68,562.66	467,636.24	262,586.62	1,181,116.10	522,584.41	252,692.53	-	2,755,178.56
Borrowings (other than debt securities)	478,700.55	450,328.53	1,027,987.35	1,537,913.17	295,422.28	2,100.00	-	3,792,451.88
Subordinated Liabilities	13,042.86	53,727.11	26,935.00	238,333.50	142,227.18	95,343.88	-	569,609.53
Trade payables	13,443.91	-	-	-	-	-	-	13,443.91
Other financial liabilities	51,791.23	1,318.80	1,601.67	12,434.50	3,615.22	121.45	-	70,882.87
Derivative liabilities	1,099.40	-	-	-	-	-	-	1,099.40
Total undiscounted financial liabilities	740,560.40	1,089,523.13	1,531,723.64	3,471,938.92	1,128,423.68	350,257.86	-	8,312,427.63
Net undiscounted financial assets/ (liabilities)	372,022.25	230,573.36	292,844.80	840,946.01	291,716.00	(94,036.74)	-	1,934,065.68

54 RISK MANAGEMENT (Contd.)

The table below shows the contractual expiry by maturity of the company's contingent liabilities and commitments: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Particulars	(Rs. in lacs)							Total
	Less than 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		
As at March 31, 2019								
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	-	7,869.94	7,869.94
VAT demand where the Company has filed appeal before various Appellates	-	-	-	-	-	-	12,430.40	12,430.40
Service tax demand	-	-	-	-	-	-	19,831.14	19,831.14
Guarantees and counter guarantees	-	-	-	67,125.40	25,540.13	-	7,353.71	100,019.24
Estimated amount of contracts remaining to be executed on capital account, net of advances	554.55	-	-	-	-	-	-	554.55
Commitments related to loans sanctioned but undrawn	47,191.99	-	-	-	-	-	-	47,191.99
Total commitments	47,746.54	-	-	67,125.40	25,540.13	-	47,485.19	187,897.26
As at March 31, 2018								
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	-	7,507.88	7,507.88
VAT demand where the Company has filed appeal before various Appellates	-	-	-	-	-	-	12,700.57	12,700.57
Service tax demand	-	-	-	-	-	-	31,110.08	31,110.08
Guarantees and counter guarantees	-	-	-	148,825.14	60,613.85	-	11,952.37	221,391.36
Estimated amount of contracts remaining to be executed on capital account, net of advances	593.10	-	-	-	-	-	-	593.10
Commitments related to loans sanctioned but undrawn	12,485.78	-	-	-	-	-	-	12,485.78
Total commitments	13,078.88	-	-	148,825.14	60,613.85	-	63,270.90	285,788.77
As at April 01, 2017								
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	-	15,085.63	15,085.63
VAT demand where the Company has filed appeal before various Appellates	-	-	-	-	-	-	10,925.05	10,925.05
Service tax demand	-	-	-	-	-	-	12,833.93	12,833.93
Guarantees and counter guarantees	200.00	-	-	120,837.16	30,689.07	-	12,394.84	164,121.07
Estimated amount of contracts remaining to be executed on capital account, net of advances	491.66	-	-	-	-	-	-	491.66
Uncalled amount in investment in ICICI Investment Management Company Limited	747.02	-	-	-	-	-	-	747.02
Commitments related to loans sanctioned but undrawn	846.72	-	-	-	-	-	-	846.72
Total commitments	2,285.40	-	-	120,837.16	30,689.07	-	51,239.45	205,051.08

54 RISK MANAGEMENT (Contd.)

54.4 Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

54.4.1 Total market risk exposure

(Rs. in lacs)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017		Primary risk sensitivity
	Carrying amount	Traded risk	Carrying amount	Traded risk	Carrying amount	Traded risk	
Assets							
Cash and cash equivalents and other bank balances	398,146.68	-	367,455.78	-	454,116.14	-	interest rate
Derivative financial instruments	2,171.64	-	1,054.13	-	2,641.73	-	interest rate/ FX
Trade receivables	2,843.67	-	1,746.56	-	861.81	-	interest rate
Loans	9,675,148.57	-	9,074,561.59	-	7,401,567.61	-	interest rate
Financial investments at amortised cost	242,561.78	-	231,964.08	-	216,760.84	-	interest rate
Financial investments at FVTPL	156,007.34	156,007.34	835.06	835.06	807.37	807.37	- interest rate and equity price
Debt securities at FVTPL	-	-	-	-	5,297.55	5,297.55	- interest rate
Other financial assets	4,176.47	-	3,748.33	-	4,123.24	-	interest rate
Total	10,481,056.15	156,007.34	9,681,365.53	835.06	8,086,176.29	6,104.92	8,080,071.37
Liabilities							
Derivative financial instruments	8,342.19	-	468.26	-	1,099.40	-	interest rate/ FX
Trade payables	20,362.58	-	21,976.95	-	13,443.91	-	interest rate
Debt securities	3,418,175.01	-	3,243,261.27	-	2,136,124.76	-	interest rate
Borrowings (other than debt securities)	3,718,929.88	-	3,610,854.45	-	3,447,829.36	-	interest rate
Deposits	1,034,146.68	-	859,774.86	-	906,554.36	-	interest rate
Subordinated liabilities	620,188.10	-	499,194.11	-	389,313.60	-	interest rate
Other financial liabilities	73,129.47	-	65,067.78	-	70,882.87	-	interest rate
Total	8,893,273.91	-	8,300,597.68	-	6,965,248.26	-	6,965,248.26

55 FIRST-TIME ADOPTION OF IND AS

These financial statements, for the year ended March 31, 2019, are the first financial statements which have been prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The Company follows directions prescribed by the Reserve Bank of India ('RBI') for Non-Banking Finance Company ('NBFC'). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

> Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before 01 April 2017. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS. The Company recognises all assets acquired and liabilities assumed in a past business combination, except (i) certain financial assets and liabilities that were derecognised and that fall under the derecognition exception, and (ii) assets and liabilities that were not recognised in the acquirer's consolidated balance sheet under its previous GAAP and that would not qualify for recognition under Ind AS in the individual balance sheet of the acquiree. Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Company did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

> Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

>The Company has not designated any investments held at April 01, 2017 as fair value through OCI investments.

> A first-time adopter may opt to continue with the carrying value for all of its PPE as recognised in its previous GAAP financial as deemed cost at the transition date. However, it makes necessary adjustments for decommissioning liabilities to be included in the carrying value of PPE. The Company has used Ind AS 101 exemption and continued with the carrying value as recognised in previous GAAP as deemed cost on the transition date.

> In separate financial statements, a first-time adopter that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet. Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary, associate and joint venture. Accordingly, the Company has opted to measure its investment in associate at previous GAAP carrying amount which is considered to be the deemed cost.

> Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognise the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Company has opted for this exemption to recognise the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to Ind AS.

> Ind AS 109 requires a financial asset to be measured at amortised cost if it meets two tests that deal with the nature of the business that holds the assets and the nature of the cash flows arising on those assets. A first-time adopter must assess whether a financial asset meets the conditions on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Ind AS 101 also contains mandatory exception related to classification of financial asset which states that conditions for classifying financial assets to be tested on the basis of facts and circumstances existing at the date of transition to Ind AS instead of the date on which it becomes party to the contract.

The Company has opted to classify all financial assets and liabilities based on facts and circumstances existing on transition date.

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

> As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “Derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the Derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. The Company has opted not to re-evaluate financial assets derecognized in the past including those sold to asset restructuring companies.

Estimates:

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- > FVTPL / FVOCI – equity and debt instrument
- > Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018.

Equity reconciliation for April 01, 2017

Particulars	(Rs. in lacs)		
	Previous GAAP *	Adjustments	Ind AS
ASSETS			
Financial Assets			
Cash and cash equivalents	113,079.87	-	113,079.87
Bank Balance other than above	338,138.74	2,897.53	341,036.27
Derivative financial instruments	-	2,641.73	2,641.73
Receivables			
(I) Trade Receivable	443.42	-	443.42
(II) Other Receivable	8,612.69	(8,194.30)	418.39
Loans	6,361,071.07	1,040,496.54	7,401,567.61
Investments	154,743.74	71,122.02	225,865.76
Other financial assets	3,657.78	465.46	4,123.24
Total (A)	6,979,747.31	1,109,428.98	8,089,176.29
Non-financial assets			
Current tax assets (net)	8,405.89	2,458.62	10,864.51
Deferred tax assets (net)	36,228.16	13,348.72	49,576.88
Investment Property	190.75	-	190.75
Property, plant and equipment	8,217.04	-	8,217.04
Other Intangible assets	160.57	-	160.57
Other non-financial assets	11,343.73	1,589.87	12,933.60
Total (B)	64,546.14	17,397.21	81,943.35
Total Assets (A+B)	7,044,293.45	1,126,826.19	8,171,119.64
Liabilities and equity			
Liabilities			
Financial liabilities			
Derivative financial instruments	-	1,099.40	1,099.40
Payables			
(I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13,443.91	-	13,443.91
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

Particulars	(Rs. in lacs)		
	Previous GAAP *	Adjustments	Ind AS
Debt securities	2,044,768.23	91,356.53	2,136,124.76
Borrowings (other than debt securities)	2,067,855.43	1,379,973.93	3,447,829.36
Deposits	850,308.19	56,246.17	906,554.36
Subordinated Liabilities	348,077.98	41,235.62	389,313.60
Other financial liabilities	521,335.61	(450,452.74)	70,882.87
Total (C)	5,845,789.35	1,119,458.91	6,965,248.26
Non-financial liabilities			
Current tax liabilities (net)	21,451.69	(2,539.80)	18,911.89
Provisions	11,923.50	19.48	11,942.98
Other non-financial liabilities	34,906.04	(1,306.18)	33,599.86
Total (D)	68,281.23	(3,826.50)	64,454.73
Total Liabilities (C+D)	5,914,070.58	1,115,632.41	7,029,702.99
Equity			
Equity share capital	22,690.67	-	22,690.67
Other Equity	1,107,532.20	11,193.78	1,118,725.98
Total equity	1,130,222.87	11,193.78	1,141,416.65
Total liabilities and equity	7,044,293.45	1,126,826.19	8,171,119.64

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Equity reconciliation for March 31, 2018

Particulars	(Rs. in lacs)		
	Previous GAAP *	Adjustments	Ind AS
ASSETS			
Financial Assets			
Cash and cash equivalents	109,070.12	1.21	109,071.33
Bank Balance other than above	254,925.00	3,459.45	258,384.45
Derivative financial instruments	-	1,054.13	1,054.13
Receivable			
(I) Trade receivables	1,398.10	-	1,398.10
(II) Other receivables	9,046.18	(8,697.72)	348.46
Loans	7,691,429.68	1,383,131.91	9,074,561.59
Investments	147,742.59	86,393.51	234,136.10
Other financial assets	10,132.51	(6,384.18)	3,748.33
Total (A)	8,223,744.18	1,458,958.31	9,682,702.49
Non-financial assets			
Current tax assets (net)	8,405.89	2,020.26	10,426.15
Deferred tax assets (net)	42,896.57	(37,677.89)	5,218.68
Investment Property	209.82	-	209.82
Property, plant and equipment	11,821.76	-	11,821.76
Other Intangible assets	173.78	-	173.78
Other non-financial assets	5,911.63	8,040.38	13,952.01
Total (B)	69,419.45	(27,617.25)	41,802.20
Total Assets (A+B)	8,293,163.63	1,431,341.06	9,724,504.69
LIABILITIES AND EQUITY			
Financial liabilities			
Derivative financial instruments	-	468.26	468.26
Payables			
(I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21,976.95	-	21,976.95
(II) Other payables			

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

Particulars	(Rs. in lacs)		
	Previous GAAP *	Adjustments	Ind AS
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Debt securities	3,138,665.64	104,595.63	3,243,261.27
Borrowings (other than debt securities)	1,925,888.07	1,684,966.38	3,610,854.45
Deposits	812,832.31	46,942.55	859,774.86
Subordinated liabilities	454,529.81	44,664.30	499,194.11
Other financial liability	614,613.27	(549,545.49)	65,067.78
Total (C)	6,968,506.05	1,331,623.37	8,300,597.68
Non-financial liabilities			
Current tax liabilities (net)	21,541.16	109.35	21,650.51
Provisions	12,228.58	504.85	12,733.43
Other non-financial liabilities	33,656.21	(1,681.40)	31,974.81
Total (D)	67,425.95	614.20	66,358.75
Total Liabilities (C+D)	7,035,932.00	1,332,237.57	8,366,956.43
Equity			
Equity share capital	22,690.67	-	22,690.67
Other equity	1,234,540.96	100,316.63	1,334,857.59
Total equity	1,257,231.63	100,316.63	1,357,548.26
Total liabilities and equity	8,293,163.63	1,432,554.20	9,724,504.69

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Profit reconciliation for the year ended March 31, 2018

Particulars	(Rs. in lacs)		
	Previous GAAP*	Adjustments	Ind AS
Revenue from operations			
Interest income	1,220,165.70	99,187.50	1,319,353.20
Dividend income	1,200.00	-	1,200.00
Rental income	20.90	-	20.90
Fee and commission income	-	7,690.87	7,690.87
Net gain on fair value changes	-	-	-
Other operating income	-	1,601.67	1,601.67
Total revenue from operations	1,221,386.60	108,480.04	1,329,866.64
Other income	6,296.86	0.70	6,297.56
Total Income	1,227,683.46	108,480.74	1,336,164.20
Expenses			
Finance costs	537,234.94	99,640.44	636,875.38
Fees and commission expense	-	6,445.38	6,445.38
Net loss on fair value changes	-	1,749.42	1,749.42
Impairment on financial instruments	312,211.32	(139,979.44)	172,231.88
Employee benefits expenses	71,515.37	(198.17)	71,317.20
Depreciation, amortisation and impairment	3,613.40	-	3,613.40
Other expenses	79,899.51	(2,173.65)	77,725.86
Total expenses	1,004,474.54	(34,516.02)	969,958.52
Profit/(loss) before exceptional items and tax	223,208.92	142,996.76	366,205.68
Exceptional items	13,974.55	-	13,974.55
Profit/(loss) before tax	237,183.47	142,996.76	380,180.23
Tax Expense:			
(1) Current tax	88,826.31	-	88,826.31
(2) Deferred tax (credit)	(6,668.41)	51,095.85	44,427.44
(3) Tax paid for earlier years	(1,776.68)	2,649.42	872.46
Profit/(loss) for the period from continuing operations	156,802.25	89,251.77	246,054.02

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

Particulars	(Rs. in lacs)		
	Previous GAAP*	Adjustments	Ind AS
Other comprehensive income			
(i) Items that will not be classified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan	-	(198.17)	(198.17)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	69.25	69.25
Subtotal (A)	-	(128.92)	(128.92)
(i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Subtotal (B)	-	-	-
Other Comprehensive Income	-	(128.92)	(128.92)
Total comprehensive income	156,802.25	89,122.85	245,925.10

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018

Particulars	Note Reference	(Rs. in lacs)		Reconciliation of profit Year ended March 31, 2018
		Reconciliation of equity		
		As at March 31, 2018	As at April 01, 2017	
Equity As per IGAAP		1,257,231.63	1,130,222.87	-
Profit after tax as per IGAAP		-	-	156,802.25
EIR impact on Financial Assets ("Loans to customer")	1	3,239.73	2,606.89	632.84
EIR impact on Borrowings	1	21,552.11	18,732.48	2,819.63
ECL on Financial Assets	2	81,425.92	(58,553.54)	139,979.46
Recognition of Interest on NPA	3	35,823.64	30,957.11	4,866.53
Derivative	4	898.02	1,901.24	(1,003.22)
Fair valuation of Investment	5	(203.94)	543.31	(747.25)
Others	8	(4,341.94)	1,858.43	(6,200.37)
Deferred Tax Impact on above adjustments	6	(37,816.65)	13,279.20	(51,095.85)
Sub Total		100,576.89	11,325.12	89,251.77
Other Comprehensive Income (Net of Tax)	7,9	(260.26)	(131.34)	(128.92)
Total		1,357,548.26	1,141,416.65	245,925.10

1. Effective Interest Rate ("EIR")

- a. Under Indian GAAP, transaction costs charged to customers was recognised upfront while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Consequently retained earning on date of transition date have increased by Rs. 2,606.89 lacs. The interest income for the year ended March 31, 2018 increased by Rs. 632.84 lacs and has been taken to Profit and loss.
- b. Under Indian GAAP, transaction costs incurred on borrowings was charged to statement of profit and loss upfront while under Ind AS, such costs are included in the initial recognition amount of financial liabilities and recognised as interest expense using the effective interest method. Consequently retained earning on date of transition date have increased by Rs. 19,322.18 lacs. The finance costs for the year ended March 31, 2018 decrease by Rs. 2,257.21 lacs and has been taken to Profit and loss.
- c. Unamortised expense on borrowing was recorded as an asset in the balance sheet under Indian GAAP. The same is reversed under Ind AS. As a result, the retained earnings as on the transition date has decreased by Rs. 589.71 lacs. Impact for the year ended March 31, 2018 was Rs. 562.42 lacs has been taken to the Profit and loss account.

2. Recording of impairment as per Expected Credit Loss ("ECL")

Under Indian GAAP, Non performing Assets ("NPA") provisioning was computed based on the RBI guidelines. Under Ind AS, the impairment is computed based on ECL model. Under ECL, the Company impaired its other receivable, investments and loans to customers by Rs. 58,553.54 lacs which has been eliminated against retained earnings. This has

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

resulted in an additional impairment provision of Rs. 58,553.54 lacs on the date of transition to Ind AS the impact of which was taken to retained earnings. Reversal of impairment for the year ended March 31, 2018 was Rs. 139,979.46 lacs has been taken to the statement of Profit and loss account.

3. Interest income on NPA

Under Indian GAAP, interest income on NPA was recognised on cash basis. However, under Ind AS interest income is recognised on credit impaired assets by applying the EIR on amortised cost of such assets net off ECL. As a result of recording interest income on NPA, the retained earnings as on transition date has increased by Rs. 30,957.11 lacs. The impact for the year was Rs. 4,866.53 lacs has been taken to Profit and loss.

4. Derivative adjustment

Under Indian GAAP, the premium received on Derivative contracts were amortised over the period of the contract. Under Ind AS, the premium amount is recorded in the statement of profit and loss on the date of contract. As a result, there was an increase in the retained earnings as on transition date by Rs. 200.52 lacs. Also, Credit Value Adjustment has been recorded under Ind AS for outstanding derivative liabilities under Ind AS. As a result, there was a decrease in the retained earnings as on transition date by Rs. 2.44 lacs. Under Ind AS, due to fair valuation of swaps, there was an increase in the retained earnings as on transition date by Rs. 1,703.16 lacs. The impact of Rs. 1,003.22 lacs for the year ended March 31, 2018 has been taken to the Statement of Profit and loss.

5. Fair valuation of Investment

Under Indian GAAP, the investments were carried at cost whereas under Ind AS, investments are measured based on the Company's business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The investments that meet the business model and contractual cash flow characteristics are measured at amortised cost and interest is recognised as per the EIR method. Those that do not meet these tests are measured at fair value. Consequently, retained earnings investments as on date of transition have increased by Rs. 543.31 lacs. Impact for the year ended March 31, 2018 was Rs. 747.25 lacs has been taken to the Statement of Profit and loss account.

6. Deferred Tax

Under Indian GAAP, deferred tax accounting was under the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 "Income-Taxes" approach has resulted in recognition of deferred taxes on temporary differences that were not required to be recorded under Previous GAAP. In addition, the various transitional adjustments have led to deferred tax implications that the Company has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction in either retained earnings or other comprehensive income, on the date of transition. As a result of Ind AS adjustments, the deferred tax credit/charge as on April 01, 2017 has increased by Rs. 13,279.20 lacs leading to increase in retained earnings. The impact for the year is Rs. 51,095.85 lacs which has been taken to the Profit and loss.

7. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. The Company has reconciled Indian GAAP profit or loss to Total Comprehensive Income as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

8. Others

- a. The Company has given interest free security deposit in the form of rental advance for branches taken on lease. Such deposits have been fair valued under Ind AS. As a result of the fair valuation, there has been an increase of Rs. 583.62 lacs in retained earnings as on April 01, 2017. The impact of Rs. 77.86 lacs for the year ended March 31, 2018 has been taken in Profit and loss. Also the Company has amortised deferred lease rental as on April 01, 2017 to the extent of Rs. 644.80 lacs, the impact of which was taken to retained earnings as on April 01, 2017. The impact of Rs. 59.85 lacs for the year ended March 31, 2018 has been taken in Profit and loss.
- b. Due to tax adjustment for earlier years there has been an increase of Rs. 4,998.41 lacs in retained earnings as on April 01, 2017 and impact of Rs. 3,087.49 lacs (gross of interest) taken to profit and loss.
- c. For ECL on financial guarantee obligation, There has been a decrease of Rs. 6,526.12 lacs in retained earnings as on April 01, 2017 and impact of Rs. 770.79 lacs (gross of interest expenses) taken to profit and loss.
- d. Due to reversal of unrealised gain of securitisation there has been an increase of Rs. 3,663.28 lacs in retained earnings as on April 01, 2017 and impact of Rs. 2,939.05 lacs taken to profit and loss.
- e. Unamortised expense on issue of equity share was recorded as an asset in the balance sheet under Indian GAAP. The same is reversed under Ind AS. As a result, the retained earnings as on the transition date has decreased by Rs. 416.18 lacs. Impact for the year ended March 31, 2018 was Rs. 416.18 lacs has been taken to the Profit and loss account.
- f. Retirement benefits of Rs. 200.85 lacs taken to other comprehensive income (OCI) in other equity on the transition date and Rs. 198.17 lacs taken to other comprehensive income (OCI) in profit and loss.

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

9. Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced by Rs. 128.92 lacs (Net of Tax).

Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2018

(Rs. in lacs)

Particulars	Note Reference	Previous GAAP	Adjustments	Ind AS
Net cash from/(used in) operating activities	1	(1,002,847.36)	(313,162.84)	(1,316,010.20)
Net cash from/(used in) investing activities	2	9,615.41	699.86	10,315.28
Net cash from/(used in) financing activities	3	989,449.10	312,237.28	1,301,686.38
Net increase/(decrease) in cash and cash equivalents		(3,782.85)	(225.69)	(4,008.54)
Cash and cash equivalents at the beginning of the year		114,163.08	(1,083.21)	113,079.87
Cash and cash equivalents at the end of the year		110,380.23	(1,308.90)	109,071.33

1. The adjustments are due to recognition of Securitisation under loans, investment in pass through certificates etc.
2. The adjustments are due to regrouping of sale or purchase of non-current investments from investing activities to operating activities.
3. The adjustments are due to recognition of Securitisation under borrowings other than debt securities, unamortised discount of debentures, Commercial paper and derivatives etc.

56 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, 2019	As at March 31, 2018	As at April 01, 2017
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	-	-	-

57 In addition to the auditors remuneration shown in note 43 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. 26.16 lacs (March 31, 2018: Rs. 26.16 lacs) [including out-of-pocket expenses of Rs. Nil (March 31, 2018: Rs. Nil)] shown under Legal and professional fees in note 43 Other expenses

58 In addition to the auditors remuneration shown under note 43 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 public issue of non-convertible debentures of Rs. 47.96 lacs (March 31, 2018: Rs. Nil) [including out-of-pocket expenses of Rs. Nil (March 31, 2018: Rs. Nil)] amortised portion of which is included in note 38 Finance Costs under interest on debentures and unamortised portion of which is included in note 23 Debt securities under Redeemable non-convertible debentures - Secured -Public issue.

59 The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.

60 TRANSFERRED FINANCIAL ASSETS THAT ARE NOT DERECOGNISED IN THEIR ENTIRETY

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Securitisations		
Carrying amount of transferred assets measured at amortised cost(Held as collateral)	1,777,051.91	1,684,635.05
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	1,773,852.50	1,683,816.34
Fair value of assets	1,635,538.67	1,582,679.40
Fair value of associated liabilities	1,591,857.04	1,527,028.42
Net position at Fair value	43,681.63	55,650.98

61 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Resource mobilisation	6,778.11	1,721.21
Legal and professional charges	60.38	-
Membership fees	0.17	0.16
Listing fees	-	12.24
Total	6,838.66	1,733.61

62 DETAILS OF CSR EXPENSES

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
a) Gross amount required to be spent by the Company during the year	3,950.84	3,699.14
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	4,005.50	1,881.50
Yet to be paid in cash	-	-
Total	4,005.50	1,881.50

63 During the year ended March 31, 2018, the Company had sold the controlling stake in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL) to the extent of 16,630,435 equity shares (representing 55.44% of paid-up capital) @ Rs. 94.03 per share for a total consideration of Rs.15,637.60 lacs to MXC Solutions India Private Limited (MXC). Consequently, SAMIL ceased to be a subsidiary and is an associate of the Company from February 07, 2018. Profit arising on the sale of SAMIL shares amounting to Rs 13,974.55 lacs has been disclosed as an exceptional item in the statement of profit and loss.

64 MOVEMENT IN PROVISIONS

(Rs. in lacs)

Particulars	As at March 31, 2018	Additional provision made during the year	Utilisation/ reversal during the year	As at March 31, 2019
Provision for service tax- contested	8,793.99	-	387.89	8,406.10
Provision for value added tax- contested	1,112.59	-	243.12	869.47

(Rs. in lacs)

Particulars	As at April 01, 2017	Additional provision made during the year	Utilisation/ reversal during the year	As at March 31, 2018
Provision for service tax- contested	8,793.99	-	-	8,793.99
Provision for value added tax- contested	1,092.88	19.71	-	1,112.59

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

65 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

- 66** 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 (face value) to the extent of Rs. 146,376.00 lacs (March 31, 2018: Rs. 140,376.00 lacs and April 01, 2017: Rs. 140,376.00 lacs) in favour of trustees representing the public deposit holders of the Company.

67 DISCLOSURE OF RESTRUCTURED ACCOUNTS

(Rs. in lacs)

Sr. No.	Type of restructuring		Others	
	Financial year		Year ended March 31, 2019	Year ended March 31, 2018
	Asset classification*			
1	Restructured accounts as on April 01	No. of borrowers	22,643	17,778
		Amount outstanding	92,948.68	56,243.04
		Provision thereon	19,886.80	12,574.00
2	Fresh restructuring during the year	No. of borrowers	9,208	14,370
		Amount outstanding	57,304.45	64,244.35
		Provision thereon	12,264.55	6,512.75
3	Upgradation	No. of borrowers	(8,514)	(883)
		Amount outstanding	(30,643.77)	(2,556.97)
		Provision thereon	(5,152.68)	(520.60)
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	No. of borrowers	-	-
		Amount outstanding	-	-
		Provision thereon	-	-
5	Downgradation of restructured accounts during the year	No. of borrowers	-	-
		Amount outstanding	-	-
		Provision thereon	-	-
6	Write-offs of restructured accounts during the year	No. of borrowers	(9,319)	(8,622)
		Amount outstanding	(38,483.73)	(24,981.74)
		Provision thereon	(304.48)	1,320.65
7	Restructured accounts as on March 31	No. of borrowers	14,018	22,643
		Amount outstanding	81,125.63	92,948.68
		Provision thereon	26,694.19	19,886.80

Note:

- i. The outstanding amount and number of borrowers as at March 31, 2019 and March 31, 2018 is after considering recoveries during the year.
- ii. Additional facilities availed by borrowers or addition in outstanding balance in existing restructured accounts and partial repayments in existing restructured accounts are adjusted and 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.
- iii. Asset classification as required by Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, is not disclosed as asset classification is not defined under Indian Accounting Standards.
- iv. The Company has classified all the restructured accounts under Stage 3 for ECL Calculations under Ind-AS and Provision for Impairment Loss on all the restructured accounts have been in the books accordingly.
- v. Since the disclosure of restructured accounts pertains to section “Others”, the first two sections namely “Under CDR Mechanism” and “Under SME Debt Restructuring Mechanism” as per the format prescribed in the Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit Taking Company (Reserve Bank) Directions 2016 as amended are not included above.
- vi. For the purpose of arithmetical accuracy, movement in provisions in the existing restructured account as compared to balance of provision as disclosed in opening balance and fresh restructuring on account sale/recovery/settlement (for any change in provision) is adjusted and disclosed under “Write-offs of restructured accounts” during the year.

Additional disclosures required by the Reserve Bank of India (RBI)

The additional disclosures required by RBI are prepared under Indian Accounting Standards (Ind AS) issued by MCA.

68 CREDIT RATING

Instruments	Credit rating agency	As on March 31, 2019	As on March 31, 2018
Bank Loan Long-term	CRISIL	CRISIL AA+/ Stable	CRISIL AA+/ Stable
Bank Loan Short-term	CRISIL	CRISIL A1+	CRISIL A1+
Commercial Paper	India Ratings & Research Private Limited (Formerly known as “FITCH”)	IND A1+	IND A1+
Commercial Paper	CARE	CARE A1+	CARE 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
Long-Term Issuer Default Rating	Fitch Ratings	BB+/Stable Outlook	BB+/Stable Outlook
Non-convertible debenture	CARE	CARE AA+/ Stable	CARE AA+/ Stable
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+	BB+
U.S. Dollar Senior Secured Notes	Standard & Poor’s Ratings	BB+	-

Instruments	Credit rating agency	As on March 31, 2019	As on March 31, 2018
Offshore Rupee Denominated Bond (Masala Bond)	Fitch Ratings	BB+	BB+
U.S. Dollar Senior Secured Notes	Fitch 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+/ Stable	CARE AA+/ Stable
Subordinated debt	India Ratings & Research Private Limited (Formerly known as FITCH [®])	IND AA+/Stable	IND AA+/Stable
Subordinated debt	CRISIL	CRISIL AA+/ Stable	CRISIL AA+/ Stable

69 CAPITAL

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
i) CRAR (%)	20.27	17.38
ii) CRAR - Tier I Capital (%)	15.62	14.46
iii) CRAR - Tier II Capital (%)	4.65	2.92
iv) Amount of subordinated debt raised as Tier-II capital*	604,074.12	454,529.81
v) Amount raised by issue of Perpetual Debt Instruments	-	-

*** Note:**

Discounted value of Rs. 468,816.69 lacs (March 31, 2018: Rs. 272,267.52 lacs) considered for Tier II capital against the book value of Rs. 604,074.12 lacs (March 31, 2018: Rs. 454,529.81 lacs).

70 INVESTMENTS

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
(1) Value of investments		
(i) Gross value of investments		
(a) In India	399,906.76	234,143.17
(b) Outside India,	-	-
(ii) Provisions for depreciation		
(a) In India	0.68	7.07
(b) Outside India,	-	-
(iii) Net value of investments		
(a) In India	399,906.08	234,136.10
(b) Outside India,	-	-

70 INVESTMENTS (Contd.)

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	7.07	7.71
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off/write-back of excess provisions during the year	6.39	0.64
(iv) Closing balance	0.68	7.07

71 DERIVATIVES

71.1 Forward rate agreement/Interest rate swap

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) The notional principal of swap agreements	283,219.25	97,482.17
(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	283,219.25	97,482.17

71.2 Exchange Traded interest rate (IR) derivatives : Nil

71.3 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.

Quantitative Disclosures

(Rs. in lacs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	283,219.25		97,482.17	
(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

72 DISCLOSURES RELATING TO SECURITISATION

72.1 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, 2019	As at March 31, 2018
1	No of SPVs sponsored by the NBFC for securitisation transactions (in No.)	65	68
2	Total amount of securitised assets as per books of the SPVs sponsored	1,637,603.18	1,557,117.75
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	984.73	984.73
	Others	-	-
	(b) On-Balance Sheet exposures		
	First loss	170,823.77	158,790.60
	Others	87,780.94	83,360.85
4	Amount of exposures to securitisation transactions other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Loss	91,043.43	124,085.10
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	First loss	-	-
	Others	96,435.36	53,987.58
	(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, 2019	As at March 31, 2018
1	No. of transactions assigned by the Company	27	24
2	Total amount outstanding	242,838.70	6,193.18
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	25,360.04	762.56
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	-	-

72 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, 2019	As at March 31, 2018
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	-	-

72.2 No financial assets are sold to securitisation / reconstruction company for asset reconstruction as on March 31, 2019 and March 31, 2018.

72.3 Details of assignment transactions undertaken by NBFCs

(Rs. in lacs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
i) No. of accounts	76,129	-
ii) Aggregate value (net of provisions) of accounts sold	272,545.88	-
iii) Aggregate consideration *	273,533.70	-
iv) Additional consideration realized in respect of accounts transferred in earlier years	184.76	1,899.81
v) Aggregate gain/loss over net book value	1,172.58	1,899.81

* Includes income on assignment transactions realized in respect of accounts transferred in current year.

72.4 The Company has not purchased/sold non-performing assets for the year ended March 31, 2019 and March 31, 2018.

73 ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2019

(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 *	50,886.22	19,777.56	19,900.84	60,606.92	111,509.43	584,407.24	201,759.93	-	1,048,848.14
Advances **	330,568.21	507,597.19	309,554.95	919,181.98	1,598,625.16	4,338,840.83	1,574,589.46	96,190.79	9,675,148.57
Investments	35,280.05	4,374.69	126,801.49	14,942.98	19,709.55	46,080.61	33,003.71	119,713.02	399,906.10
Borrowings ***	260,259.53	425,197.76	306,979.35	899,092.57	1,260,677.90	2,316,970.08	889,043.32	887,062.44	7,245,282.95
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	1,723.65	(149.10)	1,129.92	2,194.95	(938.45)	272,507.83	238,180.08	-	514,648.88

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2018

(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 *	50,367.57	20,172.77	22,675.18	76,083.25	156,553.77	387,655.94	164,119.02	-	877,627.50
Advances **	213,309.34	405,836.34	495,854.53	739,585.33	1,439,073.21	4,019,151.16	1,608,552.80	153,198.88	9,074,561.59
Investments	4,227.26	3,170.08	3,694.42	10,072.25	16,927.84	50,531.65	9,663.50	135,849.10	234,136.10
Borrowings ***	184,608.40	358,279.33	509,829.60	729,011.41	1,059,650.20	2,994,052.97	1,002,570.34	518,192.57	7,356,194.82
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

* includes deposits from corporates and unclaimed matured deposit.

** Net of Impairment loss allowance

*** excludes deposits which are shown separately and External commercial borrowings and external commercial bond which are shown separately under Foreign currency liabilities.

74 EXPOSURE TO REAL ESTATE SECTOR

The Company has no exposure to real estate sector.

75 EXPOSURE TO CAPITAL MARKET

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(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;	2,045.14	1,745.53
(ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-

75 EXPOSURE TO CAPITAL MARKET (Contd.)

(Rs. in lacs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
(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; *	-	87,176.01
(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)	96.99	426.49
Total exposure to capital market		2,142.13	89,348.03

*Amount of Rs. Nil (March 2018: Rs. 87,176.01 lacs) pertains to off Balance sheet item i.e. Corporate guarantee given by the Company which is secured by the shares of SVL Ltd.

76 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

The Company does not have any Parent Company, hence not applicable.

77 DETAILS OF SINGLE BORROWER LIMIT (SGL) / GROUP BORROWER LIMIT (GBL) EXCEEDED BY THE NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL).

78 UNSECURED ADVANCES

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

79 ADDITIONAL DISCLOSURES

79.1 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, 2019	Year ended March 31, 2018
Provisions for depreciation on investment	-	-
Provision towards NPA#	159,006.23	71,301.82
Provision made towards income tax	134,637.53	88,826.31
Provision for Standard Assets ##	-	-
Other Provision and contingencies (with details)		
Provision towards impairment of financial instruments other than provision for stage 3 assets	79,219.96	100,930.06
Provision for value added tax	-	19.71

Provision for stage 3 assets

Provision for standard assets is included in provision towards impairment of financial instruments other than provision for stage 3 assets.

79.2 Draw down from reserves

The draw down from reserves was Rs. Nil.

80 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs

80.1 Concentration of deposits (for deposit taking NBFCs)

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Total deposits of twenty largest depositors	73,567.07	64,327.78
Percentage of deposits of twenty largest depositors to total deposits of the NBFC	7.11%	7.51%

80.2 Concentration of advances

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Total advances to twenty largest borrowers *	32,821.18	25,824.16
Percentage of advances to twenty largest borrowers to total advances of the NBFC *	0.32%	0.27%

* Excludes retained interest on direct assignment Rs. 25,360.04 lacs (March 31, 2018: Rs. 762.56 lacs)

80.3 Concentration of exposures

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Total exposure to twenty largest borrowers/customers *	32,821.18	112,397.05
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers *	0.32%	1.16%

* Excludes retained interest on direct assignment Rs. 25,360.04 lacs (March 31, 2018: Rs. 762.56 lacs)

80.4 Concentration of NPAs

(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Total exposure to top four NPA accounts**	10,266.10	5,218.99

** NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND-AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

80.5 Sector-wise NPAs # \$

Sr. No.	Sector	As at March 31, 2019	As at March 31, 2018
		Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	8.07%	9.15%
7	Others	14.14%	12.05%

The loans mentioned above include loans given to corporates.

\$ NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND-AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

81 MOVEMENT OF NPAs \$

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Net NPAs to net advances (%)	5.68%	6.27%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	893,446.17	885,968.59
(b) Additions during the year	663,830.54	673,146.59
(c) Reductions during the year	(695,649.97)	(665,669.01)
(d) Closing balance	861,626.74	893,446.17
(iii) Movement of Net NPAs		
(a) Opening balance	584,007.49	564,192.45
(b) Additions during the year	439,699.32	534,089.49
(c) Reductions during the year	(459,053.57)	(514,274.45)
(d) Closing balance	564,653.24	584,007.49
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	309,438.68	321,776.14
(b) Provisions made during the year	224,131.22	139,057.10
(c) Write-off/write-back of excess provisions	(236,596.40)	(151,394.56)
(d) Closing balance	296,973.50	309,438.68

\$ NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND-AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

82 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

83 OFF-BALANCE SHEET SPVs SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS)

The Company has not sponsored any off-balance sheet SPV which are required to be consolidated as per accounting norms.

84 CUSTOMER COMPLAINTS

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Number of complaints pending at the beginning of the year	72	153
(b) Number of complaints received during the year	2,583	4,502
(c) Number of complaints redressed during the year	2,595	4,583
(d) Number of complaints pending at the end of the year	60	72

85 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud for the year ended March 31, 2019: (Rs.in lacs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Fraud committed by borrowers and outsiders	13	108.00	22.00	-

Instances of fraud for the year ended March 31, 2018: (Rs.in lacs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Fraud committed by staff	1	5.89	-	-

86 PENALTIES:

No penalties have been levied by any regulator on the Company.

87 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 **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

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, 2019	
Liabilities side:		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
(a) Debenture : Secured	2,491,651.05	1,833.42 #
: Unsecured	44,482.61	Nil
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	3,339,447.15	Nil
(d) Inter-corporate loans and borrowing	2,638.19	Nil
(e) Commercial Paper	350,380.08	Nil
(f) Public Deposits* @	1,034,316.36	16,485.73 #
(g) Other Loans - Subordinated debts	624,848.99	4,660.89 #
- Cash Credit	141,829.50	Nil
- Deposits from corporates	14,531.78	853.92 #
- Senior secured notes	256,499.04	Nil
- External commercial borrowing	237,653.23	Nil
- External commercial bond -Secured	276,995.65	Nil
@ excludes deposits from corporates		
*Please see note 1 below		
# Represent amounts unclaimed		

(Rs. in lacs)

(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	Amount outstanding	Amount overdue
(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 @	1,034,316.36	16,485.73 #
@ 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	9,944,461.53
(b) Unsecured	286,287.05

(Rs. in lacs)

(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities €	Amount outstanding
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	Nil
(b) Operating lease	Nil
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards asset financing activities : €	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil

€ The Company has not disclosed amount outstanding under assets financing activities under note 4(iii) and included entire loan amount outstanding under note 3 as RBI has merged Asset Financing Companies, Loan Companies and Investment companies in to a new category “NBFC - Investment and Credit Company” vide its circular no. DNBR (PD) CC. No. 097/03.10.001/2018-19 dated February 28, 2019.

(Rs. in lacs)

(5) Break-up of investments : \$	Amount outstanding
Current investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debenture and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	Nil
(v) Others (Please specify)	Nil
2. Unquoted :	
(i) Shares: (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	Nil
(v) Others (Please specify)	Nil
Long term investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	149,514.74
(v) Others (Please specify)	Nil
2. Unquoted :	
(i) Shares: (a) Equity	1,694.88
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	32,381.75
(iv) Government securities	Nil
(v) Others -Venture capital fund	96.99
Certificate of deposits	123,170.68
Pass through certificates (unquoted)	87,780.94
Investment in subordinated debts	5,266.10

\$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

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

Please see note 2 below

Category	(Rs. in lacs)	
	Amount (Net of provisions)	
	Secured	Unsecured
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	9,407,113.65	268,034.92

(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

Category	(Rs. in lacs)	
	Market Value / Break up or fair value or NAV*	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	4,240.41	1,336.96
(c) Other related parties	Nil	Nil
2. Other than related parties	396,728.54	399,099.83

* Disclosure is made in respect of available information.

** As per Indian Accounting Standard issued by MCA (Please see note 3)

\$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

(8) **Other information**

Sr. No.	Particulars	Amount
(i)	Gross non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	861,626.74
(ii)	Net non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	564,653.24
(iii)	Assets acquired in satisfaction of debt	Nil

₹ NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND-AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

Notes :

- As defined in point xxvi of paragraph 3 of Chapter II 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 Indian Accounting Standards by MCA.
- All Indian Accounting Standards issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

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 (Refer note 46 and 63)

The Company does not have any subsidiary.

Note: Details of Subsidiaries which have been sold during the year

Sr. No.	Name of the subsidiary	% of holding sold
1	Shriram Automall India Limited	Nil

Part B: Associates and joint venture (Refer note 46 and 63)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
1	Latest Audited Balance Sheet Date	March 31, 2019
2	Shares of Associate held by the company on the year end	
	No.	13,369,565
	Amount of Investment in Associate (Rs. in lacs)	1,336.96
	Extent of Holding %	44.56
3	Description of how there is significant influence	By virtue of holdings being 20% or more
4	Reason why the associate is not consolidated	N.A.
5	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. in lacs)	4,215.80
6	Profit/Loss for the year (Rs. in lacs)	
	i Considered in Consolidation	1,169.16
	ii Not Considered in Consolidation	1,454.31

The Company does not have any joint venture.

During the year ended March 31, 2018, the Company had sold the controlling stake in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL) to the extent of 16,630,435 equity shares (representing 55.44% of paid-up capital) @ Rs. 94.03 per share for a total consideration of Rs.15,637.60 lacs to MXC Solutions India Private Limited (MXC). Consequently, SAMIL ceased to be a subsidiary and is an associate of the Company from February 07, 2018.

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman
DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai
May 08, 2019

Umesh Revankar

Managing Director & CEO
DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai
May 08, 2019



CONSOLIDATED ACCOUNTS

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To the Members of
Shriram Transport Finance Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of Shriram Transport Finance Company Limited (hereinafter referred to as "the Holding Company") and its associate comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate Financial Statements and on the other financial information of the associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Holding Company and its Associate as at March 31, 2019, their consolidated profit including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional

judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Transition to Indian Accounting Standards ("Ind AS")

The Holding Company has adopted Ind AS notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2018 and the effective date of such transition is April 01, 2017. Ind AS are new and complex accounting standards which require considerable judgment and interpretation in its implementation. Further, Ind AS 101 ("First-time Adoption of Indian Accounting Standards") allows two categories of exceptions to the first-time adopters which mainly includes prohibition to retrospective application of certain requirements of Ind AS and exemption from some requirements of Ind AS. We consider this transition and the required disclosure to be a key audit matter because new accounting policies have been developed by the Company to comply with these standards and judgment. Note 6 "Significant Accounting Policies", Note 55 First-time adoption of Ind AS, Note 53 "Fair value measurement" and Note 54 "Risk management" to the Consolidated Ind AS Financial Statements provide detailed information on the significant policies, critical judgment and estimation along with details of exemptions applied from certain requirements under Ind AS based on which these Consolidated Financial Statements are prepared.

Principal Audit Procedures:

We have performed the following audit procedures in order to obtain sufficient audit evidence:

- Assessed the Company's process to identify the impact of adoption and transition to the new accounting standards.
- Evaluated the design of internal controls and tested the operating effectiveness of key internal controls around the process of preparation of Consolidated Financial Statements;
- Reviewed the exemptions availed by the Company from certain requirements under Ind AS;
- Obtained an understanding of the governance over the determination of key judgments;
- Evaluated and tested the key assumptions and judgments adopted by management
- Assessed the disclosures made against the relevant Ind AS; and

- Determined the appropriateness of the methodologies and models used along with the reasonability of the outputs.

2. Impairment loss allowance of loans and advances

Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Holding Company has significant credit risk exposure to a large number of lenders across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved for the Holding Company in estimating individual and collective credit impairment provisions and write-offs against these loans. The Holding Company's model to calculate expected credit loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward-looking information. ECL provision calculations require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.

Principal Audit Procedures:

We have started our audit procedures with understanding of the internal control environment related to impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Holding Company.

We also assessed whether the impairment methodology used by the Holding company is in line with Ind AS 109 "Financial instruments" requirements. Particularly we assessed the approach of the Holding Company regarding definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- We tested the reliability of key data inputs and related management controls;
- We checked the stage classification as at the balance sheet date as per definition of default of the Holding company;
- We validated the ECL model and calculation by involving our Information Technology Expert;
- We have also calculated the ECL provision manually for a selected sample; and

- We have assessed the assumptions made by the Holding Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Holding Company in this regards along with its compliance on sample basis.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Director's Report and Corporate Governance Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company and its Associate in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the Holding Company and its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its Associate 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 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

Consolidated 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.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Holding Company and its Associate are responsible for assessing the ability of the Holding Company and its Associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Holding Company and its Associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and its Associate are responsible for overseeing the financial reporting process of the Holding Company and its Associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its Associate, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies

used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its Associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its Associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its Associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and its Associate included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated

Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) The Consolidated Financial Statements include Holding Company's share of net profit of Rs.1,159.54 lakhs for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.
- (b) The comparative financial information of the Holding Company and its Associate for the year ended March 31, 2019 and the transition date opening balance sheet as at April 01, 2017 included in these Consolidated Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Accounting Standards Specified under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India audited by us in our report for the year ended March 31, 2018 dated April 27, 2018 and predecessor auditor whose report for the year ended March 31, 2017 dated April 27, 2017 respectively expressed an unmodified opinion on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the Holding Company and its Associate on transition to the Ind AS, which have been audited by us.

Our opinion on the Consolidated Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Holding Company and its Associate incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its Associate and the operating effectiveness of such controls, we give our separate report in the "Annexure".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Holding Company and its Associate to its directors during the year is in accordance with the provisions of section 197 of the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its Associate, Refer Note 50 to the Consolidated Financial Statements;
- (ii) The Company did not have any material foreseeable losses on long term contracts including derivative contracts during the year ended March 31, 2019;
- (iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company. As regards unpaid dividend amount of Rs. 27,778/- transferred subsequently to IEPF, reference is invited to Note 27 to the Consolidated Financial Statements.

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership No. 064225

Mumbai
May 08, 2019

[REFERRED TO UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Shriram Transport Finance Company Limited ("Company" or "Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company and its Associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to financial statements of the Holding Company and its Associate, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial

controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal 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 consolidated 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 Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditors as mentioned in Other Matter paragraph, the Holding Company and its

ANNEXURE

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

CONSOLIDATED ACCOUNTS

Associate, which are companies incorporated in India, have in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**

Chartered Accountants

Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 1 associate company, which is company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **Pijush Gupta & Co.**

Chartered Accountants

Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

(Rs. in lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
I ASSETS				
1 Financial assets				
Cash and cash equivalents	10	102,913.54	109,071.33	113,240.45
Bank balance other than above	11	295,233.14	258,384.45	341,357.83
Derivative financial instruments	12	2,171.64	1,054.13	2,641.73
Receivables	13			
(I) Trade receivables		848.44	1,398.10	1,255.07
(II) Other receivables		1,995.23	348.46	471.71
Loans	14	9,675,148.57	9,074,561.59	7,401,581.39
Investments	15	412,553.80	245,624.27	222,952.59
Other financial assets	16	4,176.47	3,748.33	4,196.41
2 Non-financial Assets				
Current tax assets (net)	17	10,657.77	10,426.15	10,864.51
Deferred tax assets (net)		7,570.07	5,218.68	49,721.54
Investment property	18	206.36	209.82	190.75
Property, plant and equipment	19	14,345.82	11,821.76	13,246.45
Other intangible assets	20	196.56	173.78	176.33
Other non-financial assets	21	13,878.44	13,952.01	13,058.19
Total assets		10,541,895.85	9,735,992.86	8,174,954.95
II LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial liabilities				
Derivative financial instruments	12	8,342.19	468.26	1,099.40
Payables				
(I) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	22	20,362.58	21,976.95	16,930.54
(II) Other payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt securities	23	3,418,175.01	3,243,261.27	2,136,124.76
Borrowings (other than debt securities)	24	3,718,929.88	3,610,854.45	3,447,829.36
Deposits	25	1,034,146.68	859,774.86	903,607.86
Subordinated liabilities	26	620,188.10	499,194.11	389,131.01
Other financial liabilities	27	73,129.47	65,067.78	70,894.78
2 Non-financial liabilities				
Current tax liabilities (net)	28	10,296.73	21,650.51	19,011.55
Provisions	29	13,327.01	12,733.43	12,078.59
Other non-financial liabilities	30	28,722.30	31,974.81	33,907.01
Total liabilities		8,945,619.95	8,366,956.43	7,030,614.86
3 Equity				
Equity share capital	31	22,690.67	22,690.67	22,690.67
Other equity	32	1,573,585.23	1,346,345.76	1,121,649.42
Total equity		1,596,275.90	1,369,036.43	1,144,340.09
Total liabilities and equity		10,541,895.85	9,735,992.86	8,174,954.95

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

Mumbai

May 08, 2019

CONSOLIDATED STATEMENT OF **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2019

CONSOLIDATED ACCOUNTS

Particulars	Notes	(Rs. in lacs)	
		Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations			
(i) Interest income	33	1,538,427.83	1,319,382.22
(ii) Dividend income		498.75	-
(iii) Rental income		21.86	20.90
(iv) Fee and commission income	34	7,130.97	15,210.99
(v) Net gain on fair value changes	35	-	8,177.32
(vi) Other operating income	36	6,164.94	1,603.64
(I) Total Revenue from operations		1,552,244.35	1,344,395.07
(II) Other income	37	2,325.77	6,225.02
(III) Total Income (I + II)		1,554,570.12	1,350,620.09
Expenses			
(i) Finance cost	38	751,125.94	636,647.83
(ii) Fee and commission expense	39	6,218.96	6,445.38
(iii) Net loss on fair value changes	35	258.47	-
(iv) Impairment of financial instruments	40	238,226.19	172,231.88
(v) Employee benefits expenses	41	88,305.12	74,470.20
(vi) Depreciation, amortisation and impairment	42	4,297.27	3,683.43
(vii) Other expenses	43	88,310.67	79,917.29
(IV) Total Expenses		1,176,742.62	973,396.01
(V) Profit/(loss) before exceptional items and tax (III - IV)		377,827.50	377,224.08
(VI) Exceptional items		-	12,347.88
(VII) Profit/(loss) before tax (V+ VI)		377,827.50	389,571.96
(VIII) Tax Expense:			
(1) Current tax		134,637.53	89,625.45
(2) Deferred tax		(2,226.96)	44,434.64
(3) Tax adjustment for earlier years		(10,981.74)	872.46
(IX) Profit/(loss) for the period from continuing operations (VII - VIII)		256,398.67	254,639.41
(X) Share of profit of associate		1,169.16	253.72
(XI) Profit/(loss) for the year (IX+X)		257,567.83	254,893.13
(XII) Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(369.58)	(199.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		128.33	69.25
Subtotal (A)		(241.25)	(129.97)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		(241.25)	(129.97)
(XIII) Total Comprehensive Income for the year (XI+XII)		257,326.58	254,763.16
(XIV) Earnings per equity share			
Basic (Rs.)		113.52	112.35
Diluted (Rs.)		113.52	112.35

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership No. 064225

Mumbai
May 08, 2019

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan
Chairman
DIN: 02808698

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

A. Equity share capital

Particulars	Number of shares	(Rs. in lacs)
As at April 01, 2017	226,882,736	22,690.67
Changes in Equity share capital during the year	-	-
As at March 31, 2018	226,882,736	22,690.67
Changes in Equity share capital during the year	-	-
As at March 31, 2019	226,882,736	22,690.67

B. Other equity

Particulars	Reserves and Surplus						Stock option outstanding	Retained earnings	Other comprehensive income-retirement benefits	Total
	Statutory reserve	Capital reserve	Securities premium account	Debt redemption reserve	Capital redemption reserve	General reserve				
Balance as at April 01, 2017	234,055.44	2,761.83	175,481.06	62,889.61	5,388.35	115,253.63	31.14	525,902.75	(114.39)	1,121,649.42
Profit for the year	-	-	-	-	-	-	-	254,893.13	-	254,893.13
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(127.87)	(127.87)
Transferred to/(from)	31,400.00	-	-	(41,230.76)	-	66,137.31	(31.14)	(56,306.55)	-	(31.14)
Total comprehensive income for the year	31,400.00	-	-	(41,230.76)	-	66,137.31	(31.14)	198,586.58	(127.87)	254,734.12
Dividends (Interim and final)	-	-	-	-	-	-	-	(24,957.10)	-	(24,957.10)
Tax on dividend (Interim and final)	-	-	-	-	-	-	-	(5,080.68)	-	(5,080.68)
Balance as at March 31, 2018	265,455.44	2,761.83	175,481.06	21,658.85	5,388.35	181,390.94	-	694,451.55	(242.26)	1,346,345.76
Balance as at April 01, 2018	265,455.44	2,761.83	175,481.06	21,658.85	5,388.35	181,390.94	-	694,451.55	(242.26)	1,346,345.76
Profit for the year	-	-	-	-	-	-	-	257,567.83	-	257,567.83
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(241.25)	(241.25)
Transferred to/from	51,400.00	-	-	15,802.81	-	35,044.44	-	(102,247.25)	-	-
Total comprehensive income for the year	51,400.00	-	-	15,802.81	-	35,044.44	-	155,320.58	(241.25)	257,326.58
Dividends (Interim and final)	-	-	-	-	-	-	-	(24,957.10)	-	(24,957.10)
Tax on dividend (Interim and final)	-	-	-	-	-	-	-	(5,130.01)	-	(5,130.01)
Balance as at March 31, 2019	316,855.44	2,761.83	175,481.06	37,461.66	5,388.35	216,435.38	-	819,685.02	(483.51)	1,573,585.23

See accompanying notes forming part of the consolidated financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048 ICAI Firm Registration No. 309015E

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

CONSOLIDATED **CASH FLOW STATEMENT**
FOR THE YEAR ENDED MARCH 31, 2019

CONSOLIDATED ACCOUNTS

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	377,827.50	389,571.96
Depreciation, amortisation and impairment	4,297.27	3,683.43
Profit arising on the sale of shares in subsidiary	-	(12,347.88)
Interest on income tax refund	(665.55)	(5,796.67)
Loss/(profit) on sale of fixed assets (net)	51.35	31.38
Employees stock option compensation cost	-	(31.14)
Impairment on loans	245,051.64	171,627.93
Impairment on investments	(6.39)	(0.63)
Impairment on undrawn loan commitment	671.23	485.37
Impairment on other assets	(7,490.29)	119.21
Net (gain)/loss on fair value changes on investment	(51.46)	746.20
Net (gain)/loss on fair value changes on derivatives	309.93	1,003.22
Fair value change of investment in associate	-	(9,926.74)
Operating profit before working capital changes	619,995.23	539,165.64
Movements in Working capital:		
Decrease/(increase) in loans	(845,638.64)	(1,844,924.95)
(Increase)/decrease in investments	(165,702.52)	(10,803.57)
Decrease/(increase) in receivables	(1,097.10)	(1,394.79)
Decrease/(increase) in bank deposits	(36,848.69)	82,651.46
Decrease/(increase) in other financial assets	7,062.15	550.63
Decrease/(increase) in other non-financial assets	143.35	(1,069.57)
Increase/(decrease) in interest accrued on borrowings	(30,457.56)	1,735.98
Increase/(decrease) in payables	(1,614.37)	9,349.54
Increase/(decrease) in other financial liabilities	8,715.17	(6,578.39)
Increase/(decrease) in non-financial liabilities	(3,252.51)	(1,537.80)
Increase/(decrease) other provision	222.22	5,891.59
Cash generated from operations	(448,473.27)	(1,226,964.23)
Direct taxes paid (net of refunds)	(135,241.19)	(87,236.92)
Net cash flows from/(used in) operating activities (A)	(583,714.46)	(1,314,201.15)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of subsidiary	-	15,637.60
Purchase of property, plant and equipment and intangible assets	(7,797.05)	(6,642.78)
Proceeds from sale of property, plant and equipment and intangible assets	181.79	72.92
Net cash flows from/(used in) investing activities (B)	(7,615.26)	9,067.74

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Derivatives	6,446.49	(46.76)
Amounts received from deposits (including ICDs)	500,609.67	338,206.09
Repayments of deposit	(331,518.70)	(375,681.97)
Amounts received from debt securities	905,752.94	1,089,340.00
Repayments of debt securities	(625,811.98)	(444,544.18)
Amounts received from subordinated debts	236,000.00	142,900.00
Repayments of subordinated debts	(86,455.69)	(36,448.17)
Amounts received from borrowings other than debt securities	5,682,488.31	5,101,615.72
Repayments of borrowings other than debt securities	(5,672,252.00)	(4,483,860.86)
Dividend paid	(24,957.10)	(24,957.10)
Tax on dividend	(5,130.01)	(5,080.68)
Net cash flows from financing activities (C)	585,171.93	1,301,442.09
Net increase in cash and cash equivalents (A+B+C)	(6,157.79)	(3,691.32)
Add: Adjustment on disposal of subsidiary	-	(477.80)
Cash and cash equivalents at the beginning	109,071.33	113,240.45
Cash and cash equivalents at the end of the year	102,913.54	109,071.33
Net cash provided by (used in) operating activities includes		
Interest received	1,484,290.78	1,256,452.22
Interest paid	581,296.68	520,010.68
Dividend received	498.75	-
		(Rs. in lacs)
Components of cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents at the end of the year		
i) Cash on hand	12,347.27	7,996.25
ii) Cheques on hand	1,817.73	2,542.76
iii) Balances with banks (of the nature of cash and cash equivalents)	76,166.90	92,946.60
iv) Bank deposit with original maturity less than three months	12,581.64	5,585.72
Total	102,913.54	109,071.33

See accompanying notes forming part of consolidated financial statements.

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

1 BASIS OF PREPARATION

The Consolidated financial statements relates to M/s. Shriram Transport Finance Company Limited (the “ Company”) and its subsidiary and associate company (together hereinafter referred to as “Group”). The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

The Consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except when otherwise indicated.

2 BASIS OF CONSOLIDATION

- (i) The financial statements of the associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2019 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 Ind AS 110- ‘Consolidated Financial Statements’ as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.
- (iii) The consolidated financial statements have been prepared on the following basis:
 - a) 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.
 - b) 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 under ‘Other Equity’ in the consolidated financial statements.
 - c) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets and liabilities as of the date of disposal is recognised in the Statement of Profit and Loss as profit or loss on disposal of subsidiary.
 - d) 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.
 - e) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on ‘Investments in Associates and Joint Ventures’ .
- (iv) The subsidiary/associate company considered in the consolidated financial statements are as below (refer note 46):

Name of the subsidiary/ associate company	Country of incorporation	Share of ownership interest as at March 31, 2019	Share of ownership interest as at March 31, 2018	Share of ownership interest as at April 01, 2017
Shriram Automall India Limited (SAMIL) (Subsidiary upto February 6, 2018, Associate w.e.f. February 07, 2018 #*)	India	44.56%	44.56%	100.00%

Consolidated results of SAMIL, which includes its wholly owned subsidiary, Adroit Inspection Services Private Limited, incorporated in India, has been accounted after February 07, 2018 till March 31, 2018.

*Consolidated results of SAMIL, which includes its wholly owned subsidiaries, Adroit Inspection Services Private Limited and Cartradeexchange Solutions Private Limited, incorporated in India, have been accounted for the year ended March 31, 2019.

3 PRESENTATION OF FINANCIAL STATEMENT

The Consolidated financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Group and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

4 STATEMENT OF COMPLIANCE

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE

The Standards that are issued, but not yet effective, are disclosed below. The Group intends to adopt these standards when they became effective:

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 on Leases. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. As the Group does not have any material leases, the adoption of this standard is not likely to have a material impact in its Financial Statements.

6 SIGNIFICANT ACCOUNTING POLICIES

6.1 Financial instruments

(i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- ▶ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- ▶ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- ▶ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- ▶ The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

Debt instruments

These financial assets comprise bank balances, Loans, Trade receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date, the Group does not have any financial instruments measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are no equity instruments measured at FVOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

(iv) Items at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest. As at the reporting date, the Group does not have any financial instruments measured at fair value through profit or loss.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Group does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

(v) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

- ▶ Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- ▶ It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- ▶ It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Group undertakes derivative transactions for hedging on-balance sheet liabilities. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

(vi) Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

(vii) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(viii) Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

- ▶ The premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

(ix) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in 2017-18 and until the year ended March 31, 2019.

(x) **Recognition and Derecognition of financial assets and liabilities**

Recognition:

- a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.
- b) Investments are initially recognised on the settlement date.
- c) Debt securities, deposits and borrowings are initially recognised when funds reach the Group.
- d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Group has transferred substantially all the risks and rewards of the asset, or
- ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

(xi) Impairment of financial assets

Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss as outlined in Note 5.6.2).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Business Loans, Secured loans for new vehicles, Secured loans for used vehicles and Equipment Finance Loans and large borrowers with exposure over Rs.1 crore.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties.

Financial guarantee contracts

The Group's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Group estimates ECLs by applying a credit conversion factor.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets. As at the reporting date, the Group does not have any debt instruments measured at fair value through OCI.

The mechanics of ECL:

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 54.

Exposure at Default (EAD)- The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 54.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 54.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

(xii) Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(xiii) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in note 6.1(iii) to 6.1(vi)) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

6.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Group satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 35), held by the Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Group does not have any financial instruments measured at FVTPL and debt instruments measured at FVOCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

6.3 Expenses

(i) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding

adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Group are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future 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.

b) Defined Benefit schemes

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'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

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.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Group's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Group presents the provision for compensated absences under provisions in the Balance Sheet.

(iii) Rent Expense

Identification of Lease:

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

For arrangements entered into prior to April 01, 2017 the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Recognition of lease payments:

Rent Expenses representing operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms.

Leases that do not transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased items are operating leases.

(iv) Other income and expenses

All other income and expense are recognized in the period they occur.

(v) Impairment of non-financial 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 recognized 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.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that it is probable 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 recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax 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.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

6.4 Foreign currency translation

(i) Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

6.6 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

6.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

The Group's intangible assets consist of computer software with definite life.

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

6.8 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs. For transition to Ind AS, the Group has elected to adopt as deemed cost, the carrying value of investment property as per Indian GAAP less accumulated depreciation and cumulative impairment, (if any) as on the transition date of April 01, 2017.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

6.9 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Group does not have any such provisions where the effect of time value of money is material.

6.10 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 recognized 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

6.11 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the diluted earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

6.12 Share Based Payment Transactions

As per Ind AS 101, the entity is encouraged, but not required, to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind-AS. The Group has decided to avail this exemption and have decided not to apply the requirements of Ind AS 102 to equity instruments that vested before date of transition to Ind-AS.

7 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

7.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

7.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

7.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 6.1(xi) Overview of ECL principles.

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

7.6 Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

7.7 Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

8 FIRST TIME ADOPTION

These financial statements, for the year ended 31 March 2019, are the first financial statements the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018 the Group prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019 together with the comparative period data as at and for the year ended March 31, 2018 as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2017 the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

8.1 Investment in Subsidiaries, associates

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Group's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Group has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

8.2 Lease arrangements

Appendix C to Ind AS 17 requires entity to assess whether contract or arrangement contains a lease. In accordance with same, this assessment should be carried out at the inception of arrangement. However, the Group has used exemption under Ind AS 101 and assessed all arrangements based on conditions in place as on date of transition.

8.3 Property, plant, equipment & intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on April 01, 2017.

8.4 Business Combination

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 01, 2017. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.

8.5 Derecognition of previously recognised financial instruments

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. For example, if a first-time adopter derecognised non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP as a result of a transaction that occurred before the date of transition to Ind ASs, it shall not recognise those assets and liabilities in accordance with Ind ASs (unless they qualify for recognition as a result of a later transaction or event). The Group has opted not to re-evaluate financial assets derecognised in the past. However, for loans and advances securitised, the Group has applied the derecognition requirements retrospectively.

8.6 Fair value measurement of financial assets or financial liabilities at initial recognition

Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognise the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Group has opted for this exemption to recognise the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to Ind AS.

8.7 Investment Property

For transition to Ind AS, the Group has elected to adopt as deemed cost, the carrying value of investment property as per Indian GAAP less accumulated depreciation and cumulative impairment (if any) as on the transition date of April 1, 2017.

9 MANDATORY EXCEPTIONS

Following mandatory exceptions are applicable to the Group:

9.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

9.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
10 CASH AND CASH EQUIVALENTS			
Cash on hand	12,347.27	7,996.25	7,910.29
Balances with banks (of the nature of cash and cash equivalents)	76,166.90	92,946.60	102,155.05
Cheques on hand	1,817.73	2,542.76	3,175.11
Bank deposit with original maturity less than three months	12,581.64	5,585.72	-
Total	102,913.54	109,071.33	113,240.45

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
11 BANK BALANCE OTHER THAN ABOVE			
Balances with banks			
Unclaimed dividend accounts	1,068.96	1,310.11	1,083.21
Bank deposit with original maturity for more than three months #	20,036.61	37,425.50	152,551.41
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments. *	274,127.57	219,648.84	187,723.21
Total	295,233.14	258,384.45	341,357.83

Fixed deposit and other balances with banks earns interest at fixed rate.

*Includes deposits Rs. 273,821.29 lacs (March 31, 2018: Rs. 219,040.91 lacs; April 01, 2017: Rs. 186,800.93 lacs) as margin for guarantees and Rs. 306.29 lacs (March 31, 2018: Rs. 607.93 lacs; April 01, 2017: Rs. 602.51 lacs) pledged as lien against loans taken.

Includes deposit of Rs. Nil (March 31, 2018: Rs. Nil; April 01, 2017: Rs. 0.71 lacs) pledged with VAT authorities.

12 DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Liabilities
	(i) Currency derivatives:											
-Spots and forwards	37,486.25	1,22.32	-	-	47,082.17	742.42	-	-	13,590.72	2.23	6,390.42	163.06
-Currency futures	-	-	-	-	-	-	-	-	-	-	-	-
-Currency swaps	240,233.00	1,866.55	284,990.00	8,304.80	-	-	-	-	-	-	-	-
-Options purchased	-	-	-	-	-	-	-	-	-	-	-	-
-Options sold (written)	-	-	-	-	-	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (i)	277,719.25	1,988.87	284,990.00	8,304.80	47,082.17	742.42	-	-	13,590.72	2.23	6,390.42	163.06
(ii) Interest rate derivatives:												
-Forward rate agreements and interest rate swaps	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
-Options purchased	-	-	-	-	-	-	-	-	-	-	-	-
-Options sold (written)	-	-	-	-	-	-	-	-	-	-	-	-
-Futures	-	-	-	-	-	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-	-	-	-	-	-
Sub total (ii)	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
(iii) Credit derivatives:	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Equity linked derivatives:	-	-	-	-	-	-	-	-	-	-	-	-
(v) Other derivatives:	-	-	-	-	-	-	-	-	-	-	-	-
Total derivative financial instruments (i-ii+iii+iv+v)	281,719.25	2,171.64	286,490.00	8,342.19	86,982.17	1,054.13	10,500.00	468.26	66,975.72	2,641.73	24,890.42	1,099.40

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 54.

Derivatives designated as hedging instruments

The Company has not designated any derivatives as hedging instruments.

12 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

Derivatives not designated as hedging instruments

The Company uses interest rate swaps to manage its interest rate risk arising from INR denominated borrowings and foreign exchange forward contracts to manage its foreign currency risk arising from borrowings in foreign currencies. The interest rate swaps a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions, generally from 6 to 36 months.

Details of the derivative instruments are given below:

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017			
	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities	Notional amounts	Derivative assets	Notional amounts	Derivative liabilities
	Interest rate risk:											
Interest rate swaps	4,000.00	182.77	1,500.00	37.39	39,900.00	311.71	10,500.00	468.26	53,385.00	2,639.50	18,500.00	936.34
Futures	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency risk:												
Currency swaps	240,233.00	1,866.55	284,990.00	8,304.80	-	-	-	-	-	-	-	-
Currency futures	-	-	-	-	-	-	-	-	-	-	-	-
Forward contracts	37,486.25	122.32	-	-	47,082.17	2,423.80	-	-	13,590.72	2.23	6,390.42	163.07
Total	281,719.25	2,171.64	286,490.00	8,342.19	86,982.17	2,735.51	10,500.00	468.26	66,975.72	2,641.73	24,890.42	1,099.41

13 RECEIVABLES

(I) Trade receivables

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivables considered good-secured	-	-	-
Trade receivables considered good-unsecured	848.44	1,398.10	1,255.07
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	56.20
Total	848.44	1,398.10	1,311.27
Allowances for impairment loss	-	-	56.20
Total	848.44	1,398.10	1,255.07

(II) Other receivables

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other receivables considered good-secured	-	-	-
Other receivables considered good-unsecured	1,995.23	348.46	471.71
Other receivables which have significant increase in credit risk	-	-	-
Other receivables - credit impaired	157.99	191.84	274.39
Total	2,153.22	540.30	746.10
Allowances for impairment loss	157.99	191.84	274.39
Total	1,995.23	348.46	471.71

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 days.

Trade receivables days past due		(Rs. in lacs)						Total
		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	
ECL rate		0%	0%	0%	0%	0%	0%	
March 31, 2019	Estimated total gross carrying amount at default	798.02	6.77	43.17	0.48	-	-	848.44
	ECL-Simplified approach	-	-	-	-	-	-	-
	Net carrying amount	798.02	6.77	43.17	0.48	-	-	848.44
March 31, 2018	Estimated total gross carrying amount at default	713.59	434.63	114.09	135.79	-	-	1,398.10
	ECL-Simplified approach	-	-	-	-	-	-	-
	Net carrying amount	713.59	434.63	114.09	135.79	-	-	1,398.10
April 01, 2017	Estimated total gross carrying amount at default	442.74	525.59	-	97.51	245.41	-	1,311.25
	ECL-Simplified approach	-	8.96	-	8.22	39.02	-	56.20
	Net carrying amount	442.74	516.63	-	89.29	206.39	-	1,255.05

13 RECEIVABLES (Contd.)

Reconciliation of impairment allowance on trade receivables:

(Rs. in lacs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2017	56.20
Add: Addition during the year	-
(Less): Reduction during the year	(56.20)
Impairment allowance as per April 01, 2018	-
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2019	-

The managements expects no default in receipt of trade receivables; also there is no history of default observed by the management. Hence no ECL has been recognised on trade receivables for the years ended March 31, 2019 and March 31, 2018.

(Rs. in lacs)

Other receivables days past due		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
ECL rate		0%	0%	0%	0%	100%	100%	
March 31, 2019	Estimated total gross carrying amount at default	24.21	1,930.10	34.48	6.44	8.41	149.58	2,153.22
	ECL-Simplified approach	-	-	-	-	8.41	149.58	157.99
	Net carrying amount	24.21	1,930.10	34.48	6.44	-	-	1,995.23
March 31, 2018	Estimated total gross carrying amount at default	23.77	272.64	47.49	4.56	-	191.84	540.30
	ECL-Simplified approach	-	-	-	-	-	191.84	191.84
	Net carrying amount	23.77	272.64	47.49	4.56	-	-	348.46
April 01, 2017	Estimated total gross carrying amount at default	-	191.63	117.38	162.70	-	274.39	746.10
	ECL-Simplified approach	-	-	-	-	-	274.39	274.39
	Net carrying amount	-	191.63	117.38	162.70	-	-	471.71

Reconciliation of impairment allowance on other receivables:

(Rs. in lacs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2017	274.39
Add: Addition during the year	-
(Less): Reduction during the year	(82.55)
Impairment allowance as per April 01, 2018	191.84
Add: Addition during the year	-
(Less): Reduction during the year	(33.85)
Impairment allowance as per March 31, 2019	157.99

14 LOANS

(Rs. in lacs)

Particulars	As at March 31, 2019					As at March 31, 2018					As at April 01, 2017				
	At Fair value		Sub-total	Total		At Fair value		Sub-total	Total		At Fair value		Sub-total	Total	
	Amortised Cost	Through Other Comprehensive Income				Through profit or loss	Designated at fair value through profit or loss				Amortised Cost	Through Other Comprehensive Income			
(A)															
i) Bills purchased and bills discounted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Loans repayable on demand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Term loans	9,944,461.53	-	-	9,944,461.53	-	-	-	9,439,075.44	-	-	-	-	-	-	7,784,535.12
iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Others	286,287.05	-	-	286,287.05	-	-	-	180,765.55	-	-	-	-	-	-	138,063.84
Total (A) - Gross	10,230,748.58	-	-	10,230,748.58	-	-	-	9,619,840.99	-	-	-	-	-	-	7,922,598.96
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	-	-	-	545,279.40	-	-	-	-	-	-	521,017.57
Total (A) - Net	9,675,148.57	-	-	9,675,148.57	-	-	-	9,074,561.59	-	-	-	-	-	-	7,401,581.39
(B)															
i) Secured by tangible assets	9,944,461.53	-	-	9,944,461.53	-	-	-	9,439,075.44	-	-	-	-	-	-	7,784,535.12
ii) Unsecured	286,287.05	-	-	286,287.05	-	-	-	180,765.55	-	-	-	-	-	-	138,063.84
Total (B) - Gross	10,230,748.58	-	-	10,230,748.58	-	-	-	9,619,840.99	-	-	-	-	-	-	7,922,598.96
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	-	-	-	545,279.40	-	-	-	-	-	-	521,017.57
Total (B) - Net	9,675,148.57	-	-	9,675,148.57	-	-	-	9,074,561.59	-	-	-	-	-	-	7,401,581.39
(C)															
i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	10,179,037.54	-	-	10,179,037.54	-	-	-	9,580,385.44	-	-	-	-	-	-	7,891,980.47
Corporates	51,711.04	-	-	51,711.04	-	-	-	39,455.55	-	-	-	-	-	-	30,618.49
Total (C) - Gross	10,230,748.58	-	-	10,230,748.58	-	-	-	9,619,840.99	-	-	-	-	-	-	7,922,598.96
Less: Impairment loss allowance	555,600.01	-	-	555,600.01	-	-	-	545,279.40	-	-	-	-	-	-	521,017.57
Total (C) - Net	9,675,148.57	-	-	9,675,148.57	-	-	-	9,074,561.59	-	-	-	-	-	-	7,401,581.39

14 LOANS (Contd.)

Credit quality of assets

The table below shows the credit quality and the maximum exposure to the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in note 54.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 54.2.2.6.

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 01, 2017						
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total
	Internal rating grade														
Performing															
High grade	5,283,457.30	-	-	-	5,283,457.30	5,435,475.43	-	-	-	5,435,475.43	4,672,218.68	-	-	-	4,672,218.68
Standard grade	2,126,518.33	-	-	-	2,126,518.33	1,602,779.11	-	-	-	1,602,779.11	1,321,604.11	-	-	-	1,321,604.11
Sub-standard grade	-	1,360,729.91	-	-	1,360,729.91	-	1,217,697.33	-	-	1,217,697.33	-	617,875.07	-	-	617,875.07
Past due but not impaired	-	598,397.21	-	-	598,397.21	-	468,149.66	-	-	468,149.66	-	424,926.27	-	-	424,926.27
Non-performing	13.44	5.65	861,626.74	-	861,645.83	1,573.38	719.91	893,446.17	-	895,739.46	-	885,974.83	-	-	885,974.83
Total	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99	5,993,822.79	1,042,801.34	885,974.83	-	7,922,598.96

An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2019				Year ended March 31, 2018					
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	Gross carrying amount opening balance	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99	5,993,822.79	1,042,801.34	885,974.83	-
New assets originated or purchased	4,076,297.26	924,096.98	233,934.45	-	5,234,328.69	4,351,151.69	824,724.70	221,817.44	-	5,397,693.83
Assets derecognised or repaid (excluding write offs)	(3,230,258.41)	(825,175.68)	(333,256.00)	-	(4,388,690.09)	(2,521,385.03)	(638,780.34)	(392,926.54)	-	(3,553,091.91)
Transfers to Stage 1	733,310.65	(629,238.11)	(104,072.54)	-	-	298,345.46	(218,971.75)	(79,373.71)	-	-
Transfers to Stage 2	(950,629.73)	1,037,479.76	(86,850.03)	-	-	(774,491.61)	884,926.96	(110,435.35)	-	-
Transfers to Stage 3	(218,645.22)	(211,250.87)	429,896.09	-	-	(262,834.35)	(188,494.80)	451,329.15	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Amounts written off	(39,913.40)	(23,346.21)	(171,471.40)	-	(234,731.01)	(44,781.03)	(19,639.21)	(82,939.65)	-	(147,359.89)
Gross carrying amount closing balance	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58	7,039,827.92	1,686,566.90	893,446.17	-	9,619,840.99

14 LOANS (Contd.)

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2019					Year ended March 31, 2018				
	General approach					General approach				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance - opening balance	139,304.67	96,536.05	309,438.68	-	545,279.40	135,910.03	63,325.16	321,782.38	-	521,017.57
New assets originated or purchased	192,956.36	66,444.22	94,920.66	-	354,321.24	97,614.79	65,148.58	53,701.71	-	216,465.08
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 1	73,199.00	(37,675.00)	(35,524.00)	-	-	42,464.77	(14,167.56)	(28,297.21)	-	-
Transfers to Stage 2	(19,227.00)	48,828.00	(29,601.00)	-	-	(17,702.45)	57,860.15	(40,157.70)	-	-
Transfers to Stage 3	(4,746.00)	(13,855.00)	18,601.00	-	-	(6,038.95)	(13,059.83)	19,098.78	-	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(194,293.29)	(25,585.89)	110,609.56	-	(109,269.62)	(68,162.50)	(42,931.25)	66,250.37	-	(44,843.38)
Unwinding of discount	-	-	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-	-	-
Changes to models and inputs used for ECL calculations	-	-	-	-	-	-	-	-	-	-
Amounts written off	(39,913.40)	(23,346.21)	(171,471.40)	-	(234,731.01)	(44,781.02)	(19,639.20)	(82,939.65)	-	(147,359.87)
ECL allowance - closing balance	147,280.34	111,346.17	296,973.50	-	555,600.01	139,304.67	96,536.05	309,438.68	-	545,279.40

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 180,216.50 lacs at March 31, 2019 (March 31, 2018: Rs. 92,754.97 lacs).

15 INVESTMENTS

(Rs. in lacs)

Particulars	As at March 31, 2019						As at March 31, 2018						As at April 01, 2017											
	Amortised Cost		At Fair value		Sub-total	Others	Total	Amortised Cost		At Fair value		Sub-total	Others	Total	Amortised Cost		At Fair value		Sub-total	Others	Total			
			Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss						Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				
i) Mutual funds	-	-	32,381.75	-	-	32,381.75	-	-	-	322.29	-	-	-	322.29	-	-	-	294.59	-	-	294.59	-	-	294.59
ii) Government securities	149,514.74	-	-	-	-	149,514.74	-	-	-	-	-	-	-	143,343.52	143,288.55	-	-	-	-	-	-	-	-	143,288.55
iii) Debt securities	5,266.78	-	-	-	-	5,266.78	-	-	-	-	-	-	-	5,266.78	5,353.61	-	-	-	-	-	-	-	-	5,297.55
iv) Equity instruments	-	-	357.92	-	-	357.92	-	-	-	86.28	-	-	-	86.28	-	-	-	-	-	-	-	-	-	86.29
v) Subsidiaries (At Cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Associates (At Cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	12,825.13	-	-	-	-	-	-	-	-	-	-
vii) Pass through certificates (unquoted)	87,780.94	-	-	-	-	87,780.94	-	-	-	-	-	-	-	83,360.85	68,213.22	-	-	-	-	-	-	-	-	68,213.22
viii) Certificate of deposits	-	-	123,170.68	-	-	123,170.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ix) Others (Venture Capital Fund)	-	-	96.99	-	-	96.99	-	-	-	426.49	-	-	-	426.49	-	-	-	-	-	-	-	-	-	426.49
Total Gross (A)	242,562.46	-	156,007.34	-	156,007.34	13,984.68	412,554.48	231,971.15	835.06	12,825.13	245,631.34	216,855.38	6,104.92	216,855.38	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	222,960.30
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	242,562.46	-	156,007.34	-	-	13,984.68	412,554.48	231,971.15	835.06	12,825.13	245,631.34	216,855.38	6,104.92	216,855.38	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	222,960.30
Total Gross (B)	242,562.46	-	156,007.34	-	156,007.34	13,984.68	412,554.48	231,971.15	835.06	12,825.13	245,631.34	216,855.38	6,104.92	216,855.38	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	222,960.30
Less : Allowance for impairment loss (C)	(0.68)	-	-	-	-	(0.68)	-	(7.07)	-	-	-	-	-	(7.07)	-	-	-	-	-	-	-	-	-	(7.71)
Total - Net D = (A) - (C)	242,561.78	-	156,007.34	-	156,007.34	13,984.68	412,553.80	231,964.08	835.06	12,825.13	245,624.27	216,848.67	6,104.92	216,848.67	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	6,104.92	222,952.59

More information regarding the valuation methodologies can be found in Note 53.10.1.

The Company received dividends of Rs. 498.75 lacs (March 31, 2018: Rs. Nil) from its FVTPL securities, recorded as dividend income.

15 INVESTMENTS (Contd.)

The table below shows the credit quality and the maximum exposure to credit risk per based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 54.2.

Internal Grade Rating	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Stage 1 Individual	Stage 2 Individual	Stage 3	Stage 1 Individual	Stage 2 Individual	Stage 3	
	Total	Total	Total	Total	Total	Total	Total	Total	Total	
Performing										
High Grade	412,554.48	-	-	240,364.56	5,266.78	-	217,693.52	5,266.78	-	222,960.30
Standard Grade	-	-	-	-	-	-	-	-	-	-
Non-Performing	-	-	-	-	-	-	-	-	-	-
Total	412,554.48	-	-	240,364.56	5,266.78	-	217,693.52	5,266.78	-	222,960.30

(Rs. in lacs)

15 INVESTMENTS (Contd.)

An analysis of changes in gross carrying amount and the corresponding ECLs is as follows :

Particulars	Year ended March 31, 2019			Year ended March 31, 2018				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - opening balance	240,364.56	5,266.78	-	245,631.34	217,693.52	5,266.78	-	222,960.30
New assets originated or purchased	2,376,516.42	-	-	2,376,516.42	74,258.97	-	-	74,258.97
Assets derecognised or matured (excluding write-offs)	(2,210,804.28)	-	-	(2,210,804.28)	(65,243.07)	-	-	(65,243.07)
Change in fair value	51.46	-	-	51.46	(746.20)	-	-	(746.20)
Transfers to Stage 1	5,266.78	(5,266.78)	-	-	-	-	-	-
Closing balance	412,554.48	-	-	412,554.48	240,364.56	5,266.78	-	245,631.34

Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2019			Year ended March 31, 2018				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance in ECL	-	7.07	-	7.07	-	7.71	-	7.71
New assets originated or purchased	-	-	-	-	-	-	-	-
Transfers to Stage 1	7.07	(7.07)	-	-	-	-	-	-
Unwinding of discount (recognised in interest income)	(0.34)	-	-	(0.34)	-	(0.03)	-	(0.03)
Changes to models and inputs used for ECL calculations	(6.05)	-	-	(6.05)	-	(0.61)	-	(0.61)
Closing balance in ECL	0.68	-	-	0.68	-	7.07	-	7.07

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
16 OTHER FINANCIAL ASSETS				
Security deposits	4,176.47	3,144.15	2,980.26	
Financial guarantee receivable	-	604.18	1,216.15	
Total	4,176.47	3,748.33	4,196.41	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
17 CURRENT TAX ASSETS (NET)				
Advance income tax (net of provision for tax) [net of provision for income tax Rs. 290,981.69 lacs (March 31, 2018: Rs. 235,687.55 lacs and April 01, 2017: Rs. 236,191.09 lacs)]	10,657.77	10,426.15	10,864.51	
Total	10,657.77	10,426.15	10,864.51	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017 *	
18 INVESTMENT PROPERTY				
Opening Balance	215.51	192.99	192.99	
Transferred to property, plant and equipment	-	(96.47)	-	
Transferred from property, plant and equipment	-	118.99	-	
Closing Balance	215.51	215.51	192.99	
Depreciation and impairment				
Opening Balance	5.69	2.24	-	
Charge for the year	3.46	3.45	2.24	
Closing Balance	9.15	5.69	2.24	
Net block	206.36	209.82	190.75	

*Deemed cost as at April 01,2017

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Rental income	21.86	20.90	
Direct operating expense from property that generated rental income	2.93	1.62	
Profit from investment properties before depreciation	18.93	19.28	
Depreciation	3.46	3.45	
Profit from investment properties	15.47	15.83	

(ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) Fair value

The fair valuation of investment property as at March 31, 2019 is Rs. 647.73 lacs.

(iv) Pledged details

Investment property is not pledged.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

19 PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in lacs)							
	Land-Freehold	Building	Plant and Machinery	Furniture & Fixtures	Office Equipment	Leasehold Improvement	Vehicles	Total
Deemed cost as at April 01, 2017	4,474.09	540.41	2,511.53	1,357.87	1,109.12	3,193.83	59.60	13,246.45
Additions	-	0.76	2,334.84	768.60	760.51	3,420.84	-	7,285.55
Disposals	-	3.21	639.79	40.74	56.23	275.99	5.04	1,021.00
Adjustment*	-	-	-	-	0.17	(0.17)	-	-
Transferred from investment property	-	96.47	-	-	-	-	-	96.47
Transferred to investment property	-	(118.99)	-	-	-	-	-	(118.99)
On account of sale of investment in Subsidiary	(4,458.67)	(258.83)	(428.67)	(136.36)	(68.38)	(364.30)	(3.64)	(5,718.85)
As at March 31, 2018	15.42	256.61	3,777.91	1,949.37	1,745.19	5,974.21	50.92	13,769.63
Additions	108.81	18.14	2,106.31	673.35	839.64	3,191.76	-	6,938.01
Disposals	-	110.84	884.67	116.75	160.13	578.87	26.91	1,878.17
Adjustment*	-	(0.02)	0.02	(0.01)	0.57	(0.57)	(0.01)	(0.02)
As at March 31, 2019	124.23	163.89	4,999.57	2,505.96	2,425.27	8,586.53	24.00	18,829.45
Accumulated Depreciation and impairment								
As at April 01, 2017	-	-	-	-	-	-	-	-
Charge for the year	-	9.49	1,094.05	239.61	518.38	1,718.80	7.92	3,588.25
Disposals	-	1.00	578.12	34.24	45.66	252.89	4.79	916.70
Adjustment*	-	-	-	-	0.17	(0.17)	-	-
On account of sale of investment in Subsidiary	-	(20.08)	(311.57)	(83.31)	(42.22)	(263.05)	(3.45)	(723.68)
As at March 31, 2018	-	(11.59)	204.36	122.06	430.67	1,202.69	(0.32)	1,947.87
Charge for the year	-	5.02	1,372.79	284.18	497.55	2,023.54	7.92	4,191.00
Disposals	-	17.38	806.73	100.49	148.13	556.82	25.68	1,655.23
Adjustment*	-	(0.02)	0.03	-	0.57	(0.59)	-	(0.01)
As at March 31, 2019	-	(23.97)	770.45	305.75	780.66	2,668.82	(18.08)	4,483.63
Net Carrying amount as at April 01, 2017	4,474.09	540.41	2,511.53	1,357.87	1,109.12	3,193.83	59.60	13,246.45
Net Carrying amount as at March 31, 2018	15.42	268.20	3,573.55	1,827.31	1,314.52	4,771.52	51.24	11,821.76
Net Carrying amount as at March 31, 2019	124.23	187.86	4,229.12	2,200.21	1,644.61	5,917.71	42.08	14,345.82

* Adjustment is on account of regrouping of property, plant and equipment and other intangible assets

Carrying value of property, plant and equipment pledged as collateral for liabilities or commitments as at March 31, 2019 is Rs. 33.80 lacs (March 31 2018: Rs. 31.35 lacs, April 01, 2017: Rs. 31.91 lacs).

(Rs. in lacs)

Particulars	Trademarks	Computer Software	Total
20 OTHER INTANGIBLE ASSETS #			
Deemed cost as at April 01, 2017	1.59	174.74	176.33
Additions	-	103.46	103.46
On account of sale of investment in Subsidiary	(4.64)	(189.30)	(193.94)
As at March 31, 2018	(3.05)	88.90	85.85
Additions	-	135.78	135.78
Disposals	-	193.15	193.15
Adjustments*	-	0.02	0.02
As at March 31, 2019	(3.05)	31.55	28.50
Accumulated amortisation and impairment:			
As at April 01, 2017	-	-	-
Charge for the year	0.39	91.33	91.72
On account of sale of investment in Subsidiary	(3.44)	(176.21)	(179.65)
As at March 31, 2018	(3.05)	(84.88)	(87.93)
Charge for the year	-	102.81	102.81
Disposals	-	182.95	182.95
Adjustments*	-	0.01	0.01
As at March 31, 2019	(3.05)	(165.01)	(168.06)
Net Carrying amount as at April 01, 2017	1.59	174.74	176.33
Net Carrying amount as at March 31, 2018	-	173.78	173.78
Net Carrying amount as at March 31, 2019	-	196.56	196.56

* Adjustment is on account of regrouping of property, plant and equipment and other intangible assets

Other than internally generated

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
21 OTHER NON-FINANCIAL ASSETS			
Plan Asset - Gratuity Fund	-	193.17	-
Deferred lease rental	866.65	878.43	719.50
Goods and service tax credit (input) receivable	5,206.27	4,637.59	4,398.30
Prepaid expenses	831.52	818.87	586.86
Capital advances	304.49	234.71	172.86
Duties paid under protest	5,980.21	6,385.31	5,985.73
Other non-financial assets	689.30	803.93	1,194.94
Total	13,878.44	13,952.01	13,058.19

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
22 TRADE PAYABLES			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20,362.58	21,976.95	16,930.54
Total	20,362.58	21,976.95	16,930.54

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017					
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
23 DEBT SECURITIES												
Senior Secured Notes	256,499.04	-	-	256,499.04	250,460.80	-	-	250,460.80	134,867.57	-	-	134,867.57
External commercial bond - Secured	276,995.65	-	-	276,995.65	-	-	-	-	-	-	-	-
Redeemable non-convertible debentures - Secured												
- Privately Placed	1,912,732.96	-	-	1,912,732.96	2,428,940.59	-	-	2,428,940.59	1,682,411.23	-	-	1,682,411.23
- Public issue	577,084.67	-	-	577,084.67	114,905.95	-	-	114,905.95	318,845.96	-	-	318,845.96
Redeemable non-convertible debentures - Unsecured												
- Privately Placed	44,482.61	-	-	44,482.61	-	-	-	-	-	-	-	-
Commercial papers - Unsecured	350,380.08	-	-	350,380.08	448,953.93	-	-	448,953.93	-	-	-	-
Total	3,418,175.01	-	-	3,418,175.01	3,243,261.27	-	-	3,243,261.27	2,136,124.76	-	-	2,136,124.76
Debt securities in India	2,884,680.32	-	-	2,884,680.32	2,992,800.47	-	-	2,992,800.47	2,001,257.19	-	-	2,001,257.19
Debt securities outside India	533,494.69	-	-	533,494.69	250,460.80	-	-	250,460.80	134,867.57	-	-	134,867.57
Total	3,418,175.01	-	-	3,418,175.01	3,243,261.27	-	-	3,243,261.27	2,136,124.76	-	-	2,136,124.76
24 BORROWINGS (other than debt securities)												
Secured												
Term Loan from Banks - INR	1,183,138.13	-	-	1,183,138.13	1,481,288.94	-	-	1,481,288.94	1,485,721.77	-	-	1,485,721.77
Term Loan from Banks - FCNR	41,152.45	-	-	41,152.45	95,835.51	-	-	95,835.51	90,749.68	-	-	90,749.68
Term loan from financial institutions/corporates - INR	341,304.07	-	-	341,304.07	281,874.73	-	-	281,874.73	218,916.58	-	-	218,916.58
External commercial borrowing - FCNR	237,653.23	-	-	237,653.23	-	-	-	-	-	-	-	-
Term loan from banks - INR - Securitisation	1,773,852.50	-	-	1,773,852.50	1,683,816.34	-	-	1,683,816.34	1,379,501.57	-	-	1,379,501.57
Loans repayable on demand from Banks (Cash Credit from banks)	141,829.50	-	-	141,829.50	68,038.93	-	-	68,038.93	246,926.33	-	-	246,926.33
Unsecured												
Term Loan from Banks - INR	-	-	-	-	-	-	-	-	26,013.43	-	-	26,013.43
Total	3,718,929.88	-	-	3,718,929.88	3,610,854.45	-	-	3,610,854.45	3,447,829.36	-	-	3,447,829.36
Borrowings in India	3,440,124.20	-	-	3,440,124.20	3,515,018.94	-	-	3,515,018.94	3,357,079.68	-	-	3,357,079.68
Borrowings outside India	278,805.68	-	-	278,805.68	95,835.51	-	-	95,835.51	90,749.68	-	-	90,749.68
Total	3,718,929.88	-	-	3,718,929.88	3,610,854.45	-	-	3,610,854.45	3,447,829.36	-	-	3,447,829.36

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017					
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
25 DEPOSITS												
Deposits												
i. Public deposits*	1,016,976.71	-	-	1,016,976.71	835,430.20	-	-	835,430.20	890,644.18	-	-	890,644.18
ii. From Corporate	14,531.78	-	-	14,531.78	21,459.38	-	-	21,459.38	12,963.68	-	-	12,963.68
iii. From Others (Inter-corporate deposits from subsidiary/associate)	2,638.19	-	-	2,638.19	2,885.28	-	-	2,885.28	-	-	-	-
Total	1,034,146.68	-	-	1,034,146.68	859,774.86	-	-	859,774.86	903,607.86	-	-	903,607.86

* includes Rs. 134.22 lacs (March 31, 2018 Rs. 75.65 lacs and April 01, 2017 Rs. 50.00 lacs) issued to director

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017					
	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
26 SUBORDINATED LIABILITIES												
Subordinated Debts (Unsecured) - Debentures	524,309.41	-	-	524,309.41	351,585.72	-	-	351,585.72	238,626.09	-	-	238,626.09
Subordinated Debts (Unsecured) - Bonds	95,878.69	-	-	95,878.69	147,608.39	-	-	147,608.39	150,504.92	-	-	150,504.92
Total	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,131.01	-	-	389,131.01
Subordinated Debts in India	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,131.01	-	-	389,131.01
Subordinated Debts outside India	-	-	-	-	-	-	-	-	-	-	-	-
Total	620,188.10	-	-	620,188.10	499,194.11	-	-	499,194.11	389,131.01	-	-	389,131.01

I DEBT SECURITIES

A) Senior secured notes

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

Terms of repayment

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Over 60 months	<10%	-	83,185.63	-
48-60 Months	<10%	88,296.57	-	-
24-36 months	<10%	31,748.07	31,660.37	134,867.57
12-24 months	<10%	136,454.40	135,614.80	-
Total		256,499.04	250,460.80	134,867.57

During the year ended March 31, 2018, the Company issued senior secured notes in offshore market (notes) aggregating to INR 116,000 lacs consisting of INR 84,000 lacs 8.10% notes due 2023 and INR 32,000 lacs 7.90% notes due 2021 payable in US dollars under INR 500,000 lacs Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST).

The Company has utilised the entire sum of Rs. 116,000.00 lacs raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

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.

The Company has utilised the entire sum of Rs. 135,000.00 lacs raised from Senior secured notes towards asset financing activities as per the objects stated in the prospectus for the issue.

Nature of security

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

B) External commercial bond (ED) Secured

Privately Placed Redeemable External commercial bond of Rs. 100,000/- each

Terms of repayment

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
24-36 months	>=10% <12%	276,995.65	-	-
Total		276,995.65	-	-

During the year ended March 31, 2019, the Company issued and allotted senior secured notes in offshore market (notes) aggregating to INR 284,990 lacs consisting of 5.70% notes due 2022 under INR 500,000 lacs Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST). The proceeds of the Issue have been utilized for the purpose of onward disbursements.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

Nature of security

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

C) Redeemable non-convertible debenture (NCD) -secured

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

Outstanding as at March 31, 2019 is Rs. Nil.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total *
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	-	2,422.07	-	2,422.07

I DEBT SECURITIES (Contd.)

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total *
	< 10%	>= 10% < 12% €	>= 12% < 14%	
12-24 months	-	2,302.04	-	2,302.04
Upto 12 months	-	11,023.39	5,795.41	16,818.80
Total	-	13,325.43	5,795.41	19,120.84

€ includes Rs. 2,585.98 lacs issued to related parties.

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.

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

Terms of repayment as on March 31, 2019

(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	69,222.76	133,479.88	-	-	202,702.64
48-60 months	21,024.21	19,084.48	-	-	40,108.69
36-48 months ^	152,275.74	-	14,576.60	-	166,852.34
24-36 months ^¥	468,765.68	22,002.27	-	-	490,767.95
12-24 months*^¥	222,777.89	98,084.95	19,910.64	1,361.23	342,134.71
Upto 12 months ¥^	670,166.63	-	-	-	670,166.63
Total	1,604,232.91	272,651.58	34,487.24	1,361.23	1,912,732.96

includes Rs. 5,420.00 lacs issued to related parties

includes Rs. 2,580.00 lacs issued to related parties

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

* Includes 3 NCD of Rs. 8,000.00 lacs partly paid to the extent of Rs. 50,000/-

* Includes 2 NCD of Rs. 9,000.00 lacs partly paid to the extent of Rs. 60,000/-

* Includes 1 NCD of Rs. 66,600.00 lacs partly paid to the extent of Rs. 666,000/-

* Includes 1 NCD of Rs. 2,500.00 lacs partly paid to the extent of Rs.111,111.11

* Includes 1 NCD of Rs. 1,500.00 lacs partly paid to the extent of Rs. 100,000/-

^NCD amounting to Rs. 217,700.00 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
3	8.79%	4,500.00	May 22, 2019
Total		45,500.00	

I DEBT SECURITIES (Contd.)

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10% *^¥#	>= 10% < 12% ^##	>= 12% < 14%	
Over 60 months	90,221.69	152,455.59	-	242,677.28
48-60 months	152,263.23	-	-	152,263.23
36-48 months ^	443,476.09	21,937.15	-	465,413.24
24-36 months ^¥	220,245.30	108,629.79	-	328,875.09
12-24 months*^¥	722,145.72	-	-	722,145.72
Upto 12 months ¥^	470,006.01	45,137.95	-	515,143.96
Total	2,098,358.04	328,160.48	-	2,426,518.52

includes Rs. 5,420.00 lacs issued to related parties

includes Rs. 3,080.00 lacs issued to related parties

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

* Includes 4 NCD of Rs. 15,500.00 lacs partly paid to the extent of Rs. 50,000/-

* Includes 2 NCD of Rs. 9,000.00 lacs partly paid to the extent of Rs. 60,000/-

^NCD amounting to Rs. 193,700.00 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	

¥ 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%	10,000.00	September 29, 2018
2	7.95%	25,000.00	July 12, 2018
3	8.25%	10,000.00	July 9, 2018
4	8.65%	25,000.00	July 9, 2018
5	9.31%	75,000.00	January 18, 2019
Total		145,000.00	

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10% *^¥#	>= 10% < 12% ^##	>= 12% < 14%	
Over 60 months	86,714.19	152,442.15	-	239,156.34
48-60 months^	241,457.30	21,627.58	-	263,084.88
36-48 months ¥^	58,428.56	108,570.62	-	166,999.18
24-36 months *^	405,571.94	1,065.11	-	406,637.05
12-24 months^	243,644.85	43,048.74	-	286,693.59
Upto 12 months* ¥^	196,136.27	102,558.00	753.62	299,447.89
Total	1,231,953.11	429,312.20	753.62	1,662,018.93

includes Rs. 3,920.00 lacs issued to related parties

includes Rs. 3,080.00 lacs issued to related parties

* 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.

I DEBT SECURITIES (Contd.)

₹ 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	
3	8.06%	50,000.00	November 1, 2017	
4	8.11%	25,000.00	March 29, 2018	
Total		116,000.00		

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.

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

Outstanding as at March 31, 2019 and March 31, 2018 is Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
Upto 12 months*	-	1,271.46	-	1,271.46
Total	-	1,271.46	-	1,271.46

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

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.

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

Terms of repayment

Outstanding as at March 31, 2019 and March 31, 2018: Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	724.11	3,709.48	-	4,433.59
Total	724.11	3,709.48	-	4,433.59

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 01, 2013 and Rs. 9,019.04 lacs were paid on July 05, 2013 in compliance with the terms of issue.

I DEBT SECURITIES (Contd.)

Put options were exercised for option II on June 01, 2015 and Rs. 1,440.95 lacs were paid on July 02, 2015 and Rs. 251.58 lacs were paid on July 03, 2015 in compliance with the terms of issue.

As per the terms of the issue Rs. 4,461.43 lacs were redeemed on June 01, 2017.

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

Terms of repayment

Outstanding as at March 31, 2019 and March 31, 2018: Rs. Nil.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
Upto 12 months	-	36,659.81	-	36,659.81
Total	-	36,659.81	-	36,659.81

* includes Rs. 0.50 lacs issued to related parties.

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 07, 2015 and Rs. 32,621.39 lacs were redeemed on August 09, 2017.

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

Terms of repayment

Outstanding as at March 31, 2019: Rs. Nil.

As per the terms of the issue NCD 2013 (1) Rs. 23,478.41 lacs were redeemed on July 31, 2018.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	24,992.16	-	-	24,992.16
Total	24,992.16	-	-	24,992.16

* includes Rs. 0.60 lacs issued to related parties.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	42,851.04	-	-	42,851.04
Total	42,851.04	-	-	42,851.04

* includes Rs. 1.20 lacs issued to related parties.

I DEBT SECURITIES (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. 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 and Rs. 17,581.39 lacs were redeemed on July 31, 2017.

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

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
12-24 months	-	10,098.92	-	10,098.92
Total	-	10,098.92	-	10,098.92

As per the terms of the issue NCD 2013 (2) Rs. 11,468.49 lacs were redeemed on Oct 23, 2018.

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
24-36 months	-	9,731.88	-	9,731.88
12-24 months	-	11,865.03	-	11,865.03
Total	-	21,596.91	-	21,596.91

* includes Rs. 160.50 lacs issued to related parties.

Terms of repayment as on April 01, 2017 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
24-36 months	-	9,393.54	-	9,393.54
12-24 months	-	11,546.84	-	11,546.84
Total	-	20,940.38	-	20,940.38

* includes Rs. 160.50 lacs issued to related parties.

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.

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

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	22,758.76	-	22,758.76
12-24 months	2,779.74	43,716.40	-	46,496.14
Total	2,779.74	66,475.16	-	69,254.90

I DEBT SECURITIES (Contd.)

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
36-48 Months	3,483.42	18,726.90	-	22,210.32
12-24 months	2,768.03	43,338.53	-	46,106.56
Total	6,251.45	62,065.43	-	68,316.88

Terms of repayment as on April 01, 2017 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
48-60 Months	3,472.84	18,244.64	-	21,717.48
12-24 months	45,704.40	-	-	45,704.40
upto 12 months	146,539.26	-	-	146,539.26
Total	195,716.50	18,244.64	-	213,961.14

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.

As per the terms of the issue Rs.134,832.63 lacs were redeemed on July 15, 2017.

ix) Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 1)

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	240,760.60	-	-	240,760.60
48-60 Months	81,337.37	-	-	81,337.37
Over 60 months	60,980.52	-	-	60,980.52
Total	383,078.49	-	-	383,078.49

* includes Rs. 5.40 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

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. 364,851.86 lacs raised from public issue (net off expenses) towards repayment of borrowings as per the objects stated in the prospectus for the issue.

x) Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 2)

Terms of repayment as on March 31, 2019 (Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	28,864.74	-	28,864.74
48-60 Months	25,412.24	-	-	25,412.24
Over 60 months	7,159.37	-	-	7,159.37
Total	32,571.61	28,864.74	-	61,436.35

* includes Rs. 1,375.45 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

I DEBT SECURITIES (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. 60,679.19 lacs raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

xi) Public issue of Non-convertible debentures (NCD) of Rs. 1000/- each-(IPO 2018 - 3)

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%*	>= 10% < 12%	>= 12% < 14%	
24-36 months	-	24,546.76	-	24,546.76
48-60 Months	22,696.15	-	-	22,696.15
Over 60 months	5,973.10	-	-	5,973.10
Total	28,669.25	24,546.76	-	53,216.01

* includes Rs. 5.00 lacs issued to related parties.

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

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. 53,731.89 lacs raised from public issue (net off expenses) for the purpose of onward disbursements as per the objects stated in the prospectus for the issue.

(Rs. in lacs)

Total non-convertible debentures- secured	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed (i+ii+iii)	1,912,732.96	2,428,940.59	1,682,411.23
Public issue (iv+v+vi+vii+viii+ix+x+xi)	577,084.67	114,905.95	318,845.96
Total non-convertible debentures- secured	2,489,817.63	2,543,846.54	2,001,257.19

D) Redeemable non-convertible debenture (NCD) -unsecured

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

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Over 60 months	-	-	44,482.61	44,482.61
Total	-	-	44,482.61	44,482.61

Outstanding as at March 31, 2018 and April 01, 2017: Rs. Nil.

E) Commercial paper (CP) Unsecured

Privately placed redeemable commercial paper of Rs. 500,000/- each

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	350,380.08	-	-	350,380.08

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%	>= 12% < 14%	
Upto 12 months	448,953.93	-	-	448,953.93

Outstanding as at April 01, 2017: Rs. Nil.

II BORROWINGS (other than debt securities)

A) Term loans from banks -secured (INR)

As at March 31, 2019

Terms of repayment#

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.50% to 10.74%	20 to 21 instalments of quarterly frequency	74,937.20
36-48 months	8.56% to 9.48%	20 instalments of quarterly frequency	234,358.95
24-36 months	8.30% to 9.85%	12 to 20 instalments of quarterly and specific frequency	216,960.84
12-24 months	8.45% to 10.35%	7 to 36 instalments of monthly, quarterly and specific frequency	225,654.46
upto 12 months	7.75% to 10.76%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	431,226.68
Total			1,183,138.13

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, 2018

Terms of repayment#

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.10% to 8.75%	20 instalments of quarterly frequency	296,989.13
36-48 months	8.30% to 9.20%	12 to 20 instalments of quarterly frequency	280,156.62
24-36 months	7.85% to 9.70%	10 to 36 instalments of monthly and quarterly frequency	297,224.04
12-24 months	8.20% to 9.60%	1 to 36 instalments of bullet, monthly and quarterly frequency	214,836.77
upto 12 months	7.10% to 9.70%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	392,082.38
Total			1,481,288.94

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment#			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 months	8.60% to 9.50%	12 to 20 instalments of quarterly frequency	322,247.04
36-48 months	8.10% to 9.95%	15 to 20 instalments of quarterly frequency	384,167.88
24-36 months	8.40% to 10.05%	6 to 36 instalments of monthly, quarterly and half-yearly frequency	209,948.60
12-24 months	2.59% to 10.65%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	310,964.21
upto 12 months	8.15% to 10.35%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly and yearly frequency	258,394.04
Total			1,485,721.77

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.

B) Term loans from banks -secured (FCNR)

As at March 31, 2019

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
upto 12 months	2.59% to 9.37%	1 to 10 instalments of bullet, quarterly and specific frequency	41,152.45
Total			41,152.45

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, 2018

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
24-36 months	8.25%	10 instalments of quarterly frequency	22,499.09
12-24 months	8.18% to 9.37%	7 to 10 instalments of quarterly frequency	15,902.30
upto 12 months	2.59% to 9.05%	1 to 3 instalments of bullet and specific frequency	57,434.12
Total			95,835.51

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
24-36 months	9.22% to 9.37%	10 instalments of quarterly frequency	18,500.29
12-24 months	2.56% to 9.05%	1 to 3 instalments of bullet and specific frequency	17,348.99
upto 12 months	3.16% to 9.37%	1 to 3 instalments of bullet and specific frequency	54,900.40
Total			90,749.68

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.

C) Term loans from financial institutions/corporates -secured (INR)

As at March 31, 2019

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	10.20%	11 instalments of half-yearly and specific frequency	32,035.77
48-60 months	10.50%	11 instalments of half-yearly and specific frequency	71,228.76
36-48 months	8.40% to 9.98%	11 to 20 instalments of quarterly and specific frequency	112,191.60
12-24 months	8.75% to 9.27%	1 to 20 instalments of bullet and quarterly frequency	77,175.92
upto 12 months	8.60% to 10.50%	1 to 20 instalments of bullet, quarterly and half-yearly frequency	48,672.01
Total			341,304.07

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, 2018

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 Months	8.25% to 8.85%	11 to 20 instalments of quarterly and half yearly frequency	159,615.40
24-36 months	8.75% to 9.25%	1 to 20 instalments of bullet and quarterly frequency	93,271.63
12-24 months	9.25%	20 instalments of quarterly frequency	10,501.91
upto 12 months	8.75% to 10.50%	6 instalments of bullet and half-yearly frequency	18,485.79
Total			281,874.73

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.

II BORROWINGS (other than debt securities) (Contd.)

As at April 01, 2017

Terms of repayment #			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
Over 60 months	8.60% to 8.85%	11 to 20 instalments of quarterly and half-yearly frequency	60,110.79
36-48 months	9.50%	20 instalments of quarterly frequency	59,322.28
24-36 months	9.10% to 9.50%	1 to 20 instalments of bullet and quarterly frequency	66,515.09
12-24 months	10.50%	6 instalments of half-yearly frequency	25,426.71
upto 12 months	9.50%	20 instalments of specific frequency	7,541.71
Total			218,916.58

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.

D) External commercial borrowing

As at March 31, 2019

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
48-60 Months	9.83% to 10.02%	Bullet frequency	237,653.23
Total			237,653.23

Outstanding as at March 31, 2018 and April 01, 2017 is Rs. Nil.

Nature of security

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

E) Term loan from banks - INR -Securitisation

As at March 31, 2019

Terms of repayment			(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount
12 - 24 months	7.54% to 8.30%	1 to 55 instalments of monthly frequency	29,882.03
24 - 36 months	7.00% to 8.51%	1 to 55 instalments of monthly frequency	217,032.05
36 - 48 months	6.90% to 8.81%	1 to 60 instalments of monthly frequency	579,592.03
48-60 months	8.31% to 10.38%	1 to 61 instalments of monthly frequency	947,346.38
Total			1,773,852.50

II BORROWINGS (other than debt securities) (Contd.)

As at March 31, 2018

Terms of repayment				(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount	
12 - 24 months	7.57% to 8.54%	1 to 55 instalments of monthly frequency	22,073.89	
24 - 36 months	7.43% to 9.23 %	1 to 55 instalments of monthly frequency	241,198.92	
36 - 48 months	7.00% to 9.11%	1 to 55 instalments of monthly frequency	537,641.32	
48 - 60 months	6.90% to 8.19%	1 to 60 instalments of monthly frequency	882,902.21	
Total			1,683,816.34	

As at April 01, 2017

Terms of repayment				(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount	
12 - 24 months	8.02% to 9.10%	1 to 55 instalments of monthly frequency	8,525.23	
24 - 36 months	7.57% to 8.77%	1 to 55 instalments of monthly frequency	110,352.88	
36 - 48 months	7.43% to 9.23%	1 to 55 instalments of monthly frequency	628,109.71	
48 - 60 months	7.26% to 9.11%	1 to 55 instalments of monthly frequency	632,513.75	
Total			1,379,501.57	

Nature of security

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

F) Loans repayable on demand from Banks (Cash Credit from banks)

(Rs. in lacs)

Particulars	Rate of interest	As at March 31, 2019
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.10 % to 11.95 %	141,829.50
Total		141,829.50

(Rs. in lacs)

Particulars	Rate of interest	As at March 31, 2018
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.10 % to 11.95 %	68,038.93
Total		68,038.93

(Rs. in lacs)

Particulars	Rate of interest	As at April 01, 2017
Secured by hypothecation of specific assets covered under hypothecation loan agreements	8.6 % to 11.95 %	246,926.33
Total		246,926.33

G) Term loans from banks- unsecured

Outstanding as at March 31, 2019 and March 31, 2018 : Rs. Nil.

As at April 01, 2017

Terms of repayment				(Rs. in lacs)
Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Amount	
upto 12 months	9.00% to 13.35%	Bullet frequency	26,013.43	
Total			26,013.43	

III DEPOSITS

A) Deposits from public - unsecured - [Refer note 66]

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months €	105,067.72	-	105,067.72
36-48 months €	94,476.24	-	94,476.24
24-36 months €	358,308.75	-	358,308.75
12-24 months €	220,138.86	-	220,138.86
Upto 12 months €	209,332.00	29,653.14	238,985.14
Total	987,323.57	29,653.14	1,016,976.71

€ includes Rs. 142.47 lacs issued to related parties.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months €	86,988.58	-	86,988.58
36-48 months €	75,277.56	-	75,277.56
24-36 months €	196,539.08	-	196,539.08
12-24 months €	154,785.50	28,032.03	182,817.53
Upto 12 months €	277,869.09	15,938.36	293,807.45
Total	791,459.81	43,970.39	835,430.20

€ includes Rs. 84.34 lacs issued to related parties.

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12% €	
48-60 months €	65,759.77	-	65,759.77
36-48 months €	61,375.51	-	61,375.51
24-36 months €	135,991.99	26,687.35	162,679.34
12-24 months €	233,418.65	15,005.78	248,424.43
Upto 12 months €	68,683.62	283,721.51	352,405.13
Total	565,229.54	325,414.64	890,644.18

€ includes Rs. 57.38 lacs issued to related parties.

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total Deposits from public	1,016,976.71	835,430.20	890,644.18

B) Deposits from corporates - unsecured

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months	1,654.22	-	1,654.22
36-48 months	613.34	-	613.34
24-36 months	2,402.35	-	2,402.35
12-24 months	3,516.50	-	3,516.50
Upto 12 months	6,311.64	33.73	6,345.37
Total	14,498.05	33.73	14,531.78

€ includes Rs. 1,498.76 lacs issued to related parties.

III DEPOSITS (Contd.)

Terms of repayment as on March 31, 2018 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	508.84	-	508.84
36-48 months	475.38	-	475.38
24-36 months	3,505.94	-	3,505.94
12-24 months	4,234.70	32.37	4,267.07
Upto 12 months	12,623.93	78.22	12,702.15
Total	21,348.79	110.59	21,459.38

Terms of repayment as on April 01, 2017

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	388.82	-	388.82
36-48 months	437.99	-	437.99
24-36 months	498.04	31.15	529.19
12-24 months	2,679.83	70.88	2,750.71
Upto 12 months	5,301.76	3,555.21	8,856.97
Total	9,306.44	3,657.24	12,963.68

C) Inter-corporate deposits from subsidiary/associate

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2019
Upto 12 months	9.50%	Bullet frequency	2,638.19
Total			2,638.19

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
Upto 12 months	9.50%	Bullet frequency	2,885.28
Total			2,885.28

Outstanding as at April 01, 2017: Rs. Nil.

IV SUBORDINATED LIABILITIES

A) Subordinated liabilities -unsecured - Bonds

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

Terms of repayment as on March 31, 2019

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
12-24 months €	-	49,266.89	-	49,266.89
Upto 12 months €	-	46,611.80	-	46,611.80
Total	-	95,878.69	-	95,878.69

€ includes Rs. 592.90 lacs issued to related parties.

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
24-36 months €	-	45,024.98	-	45,024.98
12-24 months €	-	43,281.73	-	43,281.73
Upto 12 months €	18.63	59,283.05	-	59,301.68
Total	18.63	147,589.76	-	147,608.39

€ includes Rs. 1,797.79 lacs issued to related parties.

IV SUBORDINATED LIABILITIES (Contd.)

(Rs. in lacs)

Terms of repayment as on April 01, 2017 Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10% €	>=10% <12% €	>=12% <14%	
36-48 months €	-	41,651.53	-	41,651.53
24-36 months €	-	40,023.55	-	40,023.55
12-24 months €	9.00	55,775.25	-	55,784.25
Upto 12 months €	2,491.84	10,553.75	-	13,045.59
Total	2,500.84	148,004.08	-	150,504.92

€ includes Rs. 1,404.76 lacs issued to related parties.

(Rs. in lacs)

Subordinated liabilities (unsecured) - Bonds	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed	95,878.69	147,608.39	150,504.92
Total Subordinated liabilities (unsecured) - Bonds	95,878.69	147,608.39	150,504.92

B) Subordinated liabilities -unsecured - Debentures

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

(Rs. in lacs)

Terms of repayment as on March 31, 2019 Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
12-24 months	-	7,491.96	-	7,491.96
Upto 12 months	-	6,704.31	-	6,704.31
Total	-	14,196.27	-	14,196.27

(Rs. in lacs)

Terms of repayment as on March 31, 2018 Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
24-36 months	-	7,491.96	-	7,491.96
12-24 months	-	6,699.56	-	6,699.56
Upto 12 months	-	-	4,722.98	4,722.98
Total	-	14,191.52	4,722.98	18,914.50

(Rs. in lacs)

Terms of repayment as on April 01, 2017 Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
36-48 months	-	7,491.96	-	7,491.96
24-36 months	-	6,698.82	-	6,698.82
12-24 months	-	-	4,699.56	4,699.56
Total	-	14,190.78	4,699.56	18,890.34

ii) Privately placed subordinated liabilities of Rs. 1,000,000/- each

(Rs. in lacs)

Terms of repayment as on March 31, 2019 Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%#	>=10% <12%##	>=12% <14%	
Over 60 months	161,101.44	66,207.75	158,012.41	385,321.60
48-60 months	-	33,209.77	-	33,209.77
36-48 months	-	30,859.31	-	30,859.31
24-36 months	-	-	5,176.61	5,176.61
12-24 months	-	48,133.34	-	48,133.34
Upto 12 months	-	7,412.51	-	7,412.51
Total	161,101.44	185,822.68	163,189.02	510,113.14

includes Rs. 11,900.00 lacs issued to related parties.

includes Rs. 32,610.00 lacs issued to related parties.

IV SUBORDINATED LIABILITIES (Contd.)

Terms of repayment as on March 31, 2018 (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	161,028.22	52,663.82	-	213,692.04
48-60 months	-	22,349.57	-	22,349.57
36-48 months	-	2,570.89	5,169.31	7,740.20
24-36 months	-	45,501.48	-	45,501.48
12-24 months	-	7,410.30	-	7,410.30
Upto 12 months	2,705.66	31,535.06	1,736.91	35,977.63
Total	163,733.88	162,031.12	6,906.22	332,671.22

includes Rs. 8,990.00 lacs issued to related parties.

includes Rs. 30,610.00 lacs issued to related parties.

Terms of repayment as on April 01, 2017 (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	17,807.17	75,059.16	-	92,866.33
48-60 months	-	-	5,172.34	5,172.34
36-48 months	-	48,067.23	-	48,067.23
24-36 months	-	7,409.08	-	7,409.08
12-24 months	-	28,822.63	7,130.71	35,953.34
Upto 12 months	26,795.94	519.05	-	27,314.99
Total	44,603.11	159,877.15	12,303.05	216,783.31

includes Rs. 1,740.00 lacs issued to related parties.

includes Rs. 28,820.00 lacs issued to related parties.

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

Outstanding as at March 31, 2019 and March 31, 2018 is Rs. Nil.

As per the terms of the issue Rs. 2,877.23 lacs were redeemed on June 01, 2017.

Terms of repayment as on April 01, 2017 (Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
Upto 12 months €	-	2,952.44	-	2,952.44
Total	-	2,952.44	-	2,952.44

€ includes Rs.23.47 lacs issued to related parties

(Rs. in lacs)

Subordinated liabilities (unsecured) - Debentures	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Privately placed (i+ii)	524,309.41	351,585.72	235,673.65
Public issue (iii)	-	-	2,952.44
Total Subordinated liabilities (unsecured) - Debentures	524,309.41	351,585.72	238,626.09

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
27 OTHER FINANCIAL LIABILITIES				
Sundry creditors other than micro, small and medium enterprises				
- for fixed assets	-	-		0.86
Investor education and protection fund shall be credited by the following amounts (as and when due) #				
- Unclaimed dividend	1,068.96	1,310.11		1,083.21
- Unclaimed matured deposits and interest accrued thereon	17,339.65	20,737.92		15,530.53
- Unclaimed matured debentures and interest accrued thereon	1,833.42	3,539.22		5,755.28
- Unclaimed matured subordinated debts and interest accrued thereon	4,660.89	1,928.31		1,140.75
Temporary credit balance in bank accounts	6,895.30	10,550.58		8,137.03
Financial guarantee obligation	-	8,063.15		7,902.54
Payable on account of assignment	13,166.57	4,853.05		18,180.53
Insurance premium payable	43.80	1,857.19		3,002.36
Payable to dealers	619.80	3,820.36		1,601.93
Creditors for capital expenditure	272.05	925.53		117.45
Other liabilities (including Bonus payable)	27,229.03	7,482.36		8,442.31
Total	73,129.47	65,067.78		70,894.78

#There are no amounts due to be transferred to Investor Education and Protection Fund (IEPF). At the request of few members, the Company issued demand drafts in lieu of stale dividend warrants. However, the members failed to encash the demand drafts and as a result the amount of the stale dividend warrants aggregating to Rs. 27,778/- were credited by the bank after the Company transferred the unpaid dividend amount to IEPF on due date. Subsequently, on May 08, 2019, the Company transferred the said amount to IEPF.

Financial guarantee obligation

Credit quality of exposure

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
Financial guarantee	-	87,176.01		78,360.46
Total	-	87,176.01		78,360.46

An analysis of changes in the gross carrying amount in relation to financial guarantee exposure is, as follows:

Gross exposure reconciliation

		(Rs. in lacs)	
Particulars	As at March 31, 2019	As at March 31, 2018	
Opening balance of outstanding exposure	87,176.01	78,360.46	
Additions	-	8,815.55	
Deletions	(87,176.01)	-	
Closing balance of outstanding exposure	-	87,176.01	

Reconciliation of ECL on financial guarantee obligation is given below:

		(Rs. in lacs)	
Particulars	As at March 31, 2019 Simplified approach	As at March 31, 2018 Simplified approach	
Financial guarantee obligation - opening balance	7,292.90	6,526.12	
Additions	-	766.78	
Deletions	(7,292.90)	-	
Financial guarantee obligation - closing balance	-	7,292.90	

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
28	CURRENT TAX LIABILITIES (NET)			
For taxation [net of advance tax Rs. 263.60 lacs (March 31, 2018: Rs. 447,970.42 lacs and April 01, 2017: Rs. 362,038.61 lacs)]	10,296.73	21,650.51		19,011.55
Total	10,296.73	21,650.51		19,011.55

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
29	PROVISIONS			
For employee benefits				
For gratuity	128.35	-		65.49
For compensated absences (leave encashment and availment)	2,747.01	2,322.00		2,106.75
For others				
For undrawn loan commitment	1,176.08	504.85		19.48
For service tax- contested	8,406.10	8,793.99		8,793.99
For value added tax- contested	869.47	1,112.59		1,092.88
Total	13,327.01	12,733.43		12,078.59

Loan commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in Note 54.2 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 54.2.2.6.

		(Rs. in lacs)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017	
	Stage 1 Collective	Stage 1 Collective	Stage 1 Collective	
Internal rating grade				
Performing				
High grade	47,191.99	12,485.78		846.72
Total	47,191.99	12,485.78		846.72

29 PROVISIONS (Contd.)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to other undrawn loan commitments is, as follows:

Gross exposure reconciliation

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
	Stage 1	Stage 1
Opening balance of outstanding exposure	12,485.78	846.72
New exposures	44,901.71	12,477.24
Exposures derecognised or matured/repaid (excluding write offs)	(10,195.50)	(838.18)
Closing balance of outstanding exposure	47,191.99	12,485.78

Reconciliation of ECL balance in relation to other undrawn loan commitments is given below:

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
	General approach Stage 1	General approach Stage 1
ECL allowance - opening balance	504.85	19.48
New exposures	1,113.27	504.69
Exposures derecognised or matured (excluding write offs)	(442.04)	(19.33)
ECL allowance - closing balance	1,176.08	504.84

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
30 OTHER NON-FINANCIAL LIABILITIES			
Statutory dues payable	5,487.12	4,291.65	3,973.12
Advance from Customers	1,462.50	3,040.06	3,262.35
Retention money and other sundry liabilities	21,772.68	24,643.10	26,671.54
Total	28,722.30	31,974.81	33,907.01

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
31 EQUITY SHARE CAPITAL			
Authorised:			
647,000,000 (March 31, 2018 and April 01, 2017: 647,000,000) equity shares of Rs.10/- each	64,700.00	64,700.00	64,700.00
95,000,000 (March 31, 2018 and April 01, 2017: 95,000,000) preference shares of Rs.100/- each	95,000.00	95,000.00	95,000.00
	159,700.00	159,700.00	159,700.00
Issued share capital			
226,936,877 (March 31, 2018 and April 01, 2017: 226,936,877) equity shares of Rs. 10/- each	22,693.69	22,693.69	22,693.69
Subscribed share capital			
226,930,736 (March 31, 2018 and April 01, 2017: 226,930,736) equity shares of Rs. 10/- each	22,693.07	22,693.07	22,693.07
Paid up (fully paid up)			
Equity shares			
226,882,736 (March 31, 2018 and April 01, 2017: 226,882,736) equity shares of Rs. 10/- each fully paid up	22,688.27	22,688.27	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	2.40
Total Equity	22,690.67	22,690.67	22,690.67

31 EQUITY SHARE CAPITAL (Contd.)

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in lacs)
As at April 01, 2017	226,882,736	22,688.27
Issued during the year	-	-
As at March 31, 2018	226,882,736	22,688.27
Issued during the year	-	-
As at March 31, 2019	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, 2019, the amount of per equity share dividend proposed in total for distributions to equity shareholders is Rs. 12.00 (March 31, 2018 : Rs. 11.00). Out of the said total dividend proposed for the year ended March 31, 2019, amount of interim dividend paid during the year was Rs. 5.00 (March 31, 2018 : Rs. 5.00) per equity share and amount of final dividend proposed by the Board of Directors is Rs. 7.00 (March 31, 2018: Rs. 6.00) per equity share.

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. 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 Nil (March 31, 2018 : 18,800, April 01, 2017 : 582,168) equity shares 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 Nil (March 31, 2018 : Nil, April 01, 2017 : 500,868) equity shares issued on account of merger of Shriram Holdings (Madras) Private Limited.

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

Details of shareholding	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number of shares	% holding in the class	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%	59,173,023	26.08%	59,173,023	26.08%
Piramal Enterprises Limited	22,600,000	9.96%	22,600,000	9.96%	22,600,000	9.96%

e. Refer note 52- Capital for the Group's objectives, policies and processes for managing capital

f. Proposed dividends on equity shares:

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
The Board proposed dividend on equity shares			
Proposed dividend on equity shares for the year ended on March 31, 2019: Rs. 7.00 per share (March 31, 2018: Rs. 6.00 per share)	15,881.79	13,612.96	13,612.96
Tax on proposed dividend	3,264.55	2,798.18	2,771.28
Total	19,146.34	16,411.14	16,384.24

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
32 OTHER EQUITY			
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)			
Opening Balance	265,455.44	234,055.44	
Add: Transfer from retained earnings	51,400.00	31,400.00	
Closing balance	316,855.44	265,455.44	234,055.44
Securities premium account	175,481.06	175,481.06	175,481.06
Capital reserve	2,761.83	2,761.83	2,761.83
Capital redemption Reserve	5,388.35	5,388.35	5,388.35
Debenture redemption Reserve			
Opening Balance	21,658.85	62,889.61	
Add: Transfer from retained earnings	25,147.25	9,206.55	
Less: Transfer to general reserve on account of redemption	(9,344.44)	(50,437.31)	
Closing balance	37,461.66	21,658.85	62,889.61
Stock option outstanding			
Employee stock option outstanding	-	-	
Less : Deferred employee compensation outstanding	-	-	
Closing balance	-	-	31.14
General reserve			
Opening Balance	181,390.94	115,253.63	
Add: Transfer from retained earnings	25,700.00	15,700.00	
Add: Transfer from debenture redemption reserve	9,344.44	50,437.31	
Closing balance	216,435.38	181,390.94	115,253.63
Other comprehensive income			
Opening	(242.26)	(114.39)	
Add: Transfer from retained earnings	(369.58)	(197.12)	
Deferred tax	128.33	69.25	
Closing balance	(483.51)	(242.26)	(114.39)
Retained earnings			
Opening balance	694,451.55	525,902.75	
Add: Profit for the current year	257,567.83	254,893.13	
Add / Less: Appropriations			
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(51,400.00)	(31,400.00)	
Transfer to general reserve	(25,700.00)	(15,700.00)	
Transfer to/from debenture redemption reserve	(25,147.25)	(9,206.55)	
Interim dividend [amount Rs. 5.00 per share (March 31, 2018: Rs. 5.00 per share)]	(11,344.14)	(11,344.14)	
Tax on interim dividend	(2,331.83)	(2,309.40)	
Final dividend for the year ended March 31, 2018: Rs. 6.00 per share	(13,612.96)	(13,612.96)	
Tax on final dividend	(2,798.18)	(2,771.28)	
Total appropriations	(132,334.36)	(86,344.33)	
Retained earnings	819,685.02	694,451.55	525,902.75
Total	1,573,585.23	1,346,345.76	1,121,649.42

Nature and purpose of Reserves

Securities premium account: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Capital Reserve: Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.

Capital Redemption Reserve: The Group has recognised Capital Redemption Reserve on redemption of Non-Convertible Redeemable Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Non-Convertible Redeemable Preference Shares redeemed. The Group may issue fully paid up bonus shares to its members out of the capital redemption reserve account.

32 OTHER EQUITY (Contd.)

Debenture redemption reserve: (1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the Balance sheet date. (2) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 25,147.25 lacs (March 31, 2018: Rs. 9,206.55 lacs). The Company subsequent to the year end has deposited a sum of Rs. 7,000.00 lacs (March 31, 2018: Rs. 6,200.00 lacs, April 01, 2017: Rs. 31,750.00 lacs) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Statutory reserve: Every year the Company transfers a of sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in The Reserve Bank of India Act, 1934:

- (1) Every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividends distributions paid to shareholders and transfer from debenture redemption reserve.

Proposed dividends on equity shares:

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
The Board proposed dividend on equity shares			
Proposed dividend on equity shares for the year ended on March 31, 2019: Rs. 7.00 per share (March 31, 2018: Rs. 6.00 per share)	15,881.79	13,612.96	13,612.96
Tax on proposed dividend	3,264.55	2,798.18	2,771.28
Total	19,146.34	16,411.14	16,384.24

(Rs. in lacs)

Particulars	Year ended March 31, 2019				Year ended March 31, 2018			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit or loss	Total
33 INTEREST INCOME								
Interest on loans	-	1,502,756.98	-	1,502,756.98	-	1,290,013.06	-	1,290,013.06
Interest income from investments	-	18,227.15	97.75	18,324.90	-	17,289.70	96.82	17,386.52
Interest on deposits with banks								
- Margin money deposit	-	15,977.79	-	15,977.79	-	11,637.45	-	11,637.45
- Deposits with banks	-	407.89	-	407.89	-	917.51	-	917.51
Other interest income								
- unwinding of security deposit	-	46.33	-	46.33	-	(77.86)	-	(77.86)
- direct assignment	-	913.94	-	913.94	-	(494.46)	-	(494.46)
Total	-	1,538,330.08	97.75	1,538,427.83	-	1,319,285.40	96.82	1,319,382.22

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
34 FEE AND COMMISSION INCOME		
Income from commission services- life insurance	2,367.70	2,229.44
Income from commission services- general insurance	4,079.99	3,932.10
Income from commission services- others	683.28	1,529.33
Buyer/seller facilitation fees	-	7,520.12
Total	7,130.97	15,210.99

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to profit and loss account

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Type of Services or Service		
Fee and commission income	7,130.97	15,210.99
Total revenue from contract with customers	7,130.97	15,210.99
Geographical markets		
India	7,130.97	15,210.99
Outside India	-	-
Total revenue from contract with customers	7,130.97	15,210.99
Timing of revenue recognition		
Services transferred at a point in time	7,130.97	15,210.99
Services transferred over time	-	-
Total revenue from contracts with customers	7,130.97	15,210.99

34 FEE AND COMMISSION INCOME (Contd.)

Contract Balance

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Trade receivables	848.44	1,398.10
Contract assets	-	-

The Group does not have any contract assets or liability, hence disclosures related to it has not been presented.

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018

35 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	51.46	(746.20)
- Derivatives	(309.93)	(1,003.22)
- Others (Fair value change of investment in associate)	-	9,926.74
Total Net gain/(loss) on fair value changes	(258.47)	8,177.32
Fair Value changes:		
- Realised	-	-
- Unrealised	(258.47)	8,177.32
Total Net gain/(loss) on fair value changes	(258.47)	8,177.32

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018

36 OTHER OPERATING INCOME

Bad debt recovery	2,416.66	1,205.09
Short Term Capital Gain on sale of Current Investments	3,748.28	398.55
Total	6,164.94	1,603.64

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018

37 OTHER INCOME

Interest on income tax refund	665.55	5,796.67
Miscellaneous income	1,660.22	428.35
Total	2,325.77	6,225.02

(Rs. in lacs)

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at amortised cost	Total
38 FINANCE COSTS						
Interest on deposits	-	84,165.99	84,165.99	-	81,648.52	81,648.52
Interest on borrowings (other than debt securities)						
- Loans from banks	-	139,207.62	139,207.62	-	152,654.21	152,654.21
- Loans from institutions and others	-	29,805.74	29,805.74	-	23,212.20	23,212.20
- External commercial borrowings	-	14,864.63	14,864.63	-	-	-
- Interest paid on securitisation	-	132,014.06	132,014.06	-	106,798.48	106,798.48
Interest on debt securities						
- Debentures	-	225,732.29	225,732.29	-	197,019.73	197,019.73
- Senior secured notes	-	23,116.12	23,116.12	-	12,961.66	12,961.66
- External commercial bond	-	2,710.45	2,710.45	-	-	-
- Commercial paper	-	44,519.96	44,519.96	-	14,798.33	14,798.33
Interest on subordinated liabilities	-	54,989.08	54,989.08	-	41,045.60	41,045.60
Other interest expense						
- Income tax	-	-	-	-	-	6,509.10
Total	-	751,125.94	751,125.94	-	630,138.73	636,647.83

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	39 FEE AND COMMISSION EXPENSE	
Brokerage	1,478.11	1,010.60
Professional charges-resource mobilisation	2,424.97	3,600.32
Processing charges on loans	220.31	73.31
Professional charges on securitisation	2,095.57	1,761.15
Total	6,218.96	6,445.38

(Rs. in lacs)

Particulars	Year ended March 31, 2019			Year ended March 31, 2018		
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at amortised cost	Total	On Financial instruments measured at fair value through OCI	On Financial instruments measured at amortised cost	Total
40 IMPAIRMENT OF FINANCIAL INSTRUMENTS						
Loans	-	245,051.64	245,051.64	-	171,627.93	171,627.93
Investments	-	(6.39)	(6.39)	-	(0.63)	(0.63)
Others						
Undrawn commitments	-	671.23	671.23	-	485.37	485.37
Other assets	-	(7,490.29)	(7,490.29)	-	119.21	119.21
Total	-	238,226.19	238,226.19	-	172,231.88	172,231.88

40 IMPAIRMENT OF FINANCIAL INSTRUMENTS (Contd.)

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

Year ended March 31, 2019

(Rs. in lacs)

Particulars	General approach				Simplified approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI		
40 IMPAIRMENT OF FINANCIAL INSTRUMENTS						
Loans and advances to customers	47,889.08	38,156.33	159,006.23	-	-	245,051.64
Debt instruments measured at amortised cost	-	-	-	-	(6.39)	(6.39)
Undrawn commitments	671.23	-	-	-	-	671.23
Others	-	-	-	-	(7,490.29)	(7,490.29)
Total impairment loss	48,560.31	38,156.33	159,006.23	-	(7,496.68)	238,226.19

Year ended March 31, 2018

(Rs. in lacs)

Particulars	General approach				Simplified approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI		
Loans and advances to customers	48,175.65	52,850.09	71,301.82	-	(699.63)	171,627.93
Debt instruments measured at amortised cost	-	-	-	-	(0.63)	(0.63)
Undrawn commitments	485.37	-	-	-	-	485.37
Others	-	-	-	-	119.21	119.21
Total impairment loss	48,661.02	52,850.09	71,301.82	-	(581.05)	172,231.88

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
41 EMPLOYEE BENEFITS EXPENSES		
Salaries, other allowance and bonus	81,422.82	67,961.31
Contribution to provident and other funds	4,637.03	4,619.00
Staff welfare expenses	1,788.37	1,434.53
Employee Stock Option Scheme	-	(31.14)
Gratuity expenses	456.90	486.50
Total	88,305.12	74,470.20

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
42 DEPRECIATION, AMORTISATION AND IMPAIRMENT		
Depreciation of tangible assets	4,194.46	3,594.07
Amortisation of intangible assets	102.81	89.36
Total	4,297.27	3,683.43

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
43 OTHER EXPENSES			
Rent	10,124.71	9,660.96	
Lease rent for parking yards	-	318.71	
Rates and taxes	483.78	228.57	
Energy costs	1,828.41	1,755.88	
Repairs and maintenance			
- Plant	-	0.36	
- Others	4,579.40	4,867.01	
Communication costs	4,904.57	4,912.03	
Printing and stationery	1,362.27	1,701.38	
Advertisement and publicity	1,570.47	86.80	
Directors' sitting fees and commission	64.31	50.35	
Auditor fees and expenses			
As Auditor:			
- Audit fees	84.00	92.93	
- Tax audit fees	9.00	11.21	
- Out of pocket	6.25	0.91	
In any other manner:			
- Certification	3.73	3.27	
Legal and professional charges	4,582.29	4,511.82	
Other expenditure:			
Travelling and conveyance	12,754.47	13,250.46	
Business promotion	4,372.35	4,045.56	
Outsourcing expenses	4,217.20	3,622.16	
Royalty	16,944.81	13,617.91	
Insurance	236.09	237.43	
Bank charges	5,253.77	4,265.42	
Loss on sale of fixed assets (net)	51.35	31.38	
Service charges	4,349.10	4,130.13	
CSR expenses [Refer note 62]	4,005.50	1,881.50	
Buyer/seller facilitation expenses	-	690.02	
Security charges	-	54.19	
Miscellaneous expenses	6,522.84	5,888.94	
Total	88,310.67	79,917.29	

44 INCOME TAX

The components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are:

		(Rs. in lacs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Current tax	134,637.53	89,625.45	
Adjustment in respect of current income tax of prior years	(10,981.74)	872.46	
Deferred tax relating to origination and reversal of temporary differences	(2,226.96)	44,434.64	
Total tax charge	121,428.83	134,932.55	
Current tax	123,655.79	90,497.91	
Deferred tax	(2,226.96)	44,434.64	

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2019 and March 31, 2018 is, as follows:

44 INCOME TAX (Contd.)

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Accounting profit before tax	377,827.50	389,571.96
At India's statutory income tax rate of 34.944% (2018: 34.608%)	132,028.04	134,823.06
Adjustment in respect of current income tax of prior years	(10,981.74)	872.46
Income not subject to tax		
Long term capital gain on shares	-	(1,612.10)
Fair valuation of loss in control of subsidiary	-	(2,872.49)
Others	(1,151.07)	(2.17)
Non-deductible expenses		
Corporate social responsibility expenditure not allowable for tax purpose	55.71	230.09
Deduction under chapter VIA of the Income Tax Act(section 80G)	637.04	210.53
Interest under section 234D	-	2,100.97
Others	840.85	1,182.20
Income tax expense reported in the statement of profit and loss	121,428.83	134,932.55

The Company controls distribution of dividends by SAMIL till February 06, 2018

The effective income tax rate for March 31, 2019 is 32.14% (March 31, 2018: 34.64%).

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	(Rs. in lacs)			
	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2019	As at March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2019
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	2,351.85	-	(305.06)	-
Provision for post retirement benefits	1,004.77	-	(74.80)	(124.43)
Expenses allowable for tax purposes when paid	3,533.69	-	125.18	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	3,644.23	-	2,468.19	-
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	-	3,791.30	(3,749.40)	-
Impairment allowance for undrawn commitments	410.97	-	(234.55)	-
Fair Valuation of Derivative Financial instrument	-	205.50	(108.30)	-
Other temporary differences	622.86	1.50	(348.22)	-
Total	11,568.37	3,998.30	(2,226.96)	(124.43)

Particulars	(Rs. in lacs)			
	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2018	As at March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2018
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	2,046.68	-	303.31	-
Provision for post retirement benefits	805.54	-	103.67	(69.25)
Expenses allowable for tax purposes when paid	3,658.90	-	376.36	-
ECL provision	-	-	41,016.43	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	6,112.43	-	1,666.98	-

44 INCOME TAX (Contd.)

(Rs. in lacs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	As at March 31, 2018	As at March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2018
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	-	7,540.70	(788.76)	-
Impairment allowance for undrawn commitments	176.41	-	169.61	-
Fair Valuation of Derivative Financial instrument	-	313.80	350.57	-
Other temporary differences	526.33	253.11	1,236.47	-
Total	13,326.29	8,107.61	44,434.64	(69.25)

(Rs. in lacs)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities
	April 01, 2017	April 01, 2017
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	1,780.44	-
Provision for post retirement benefits	742.06	-
Expenses allowable for tax purposes when paid	3,250.97	-
ECL provision	47,788.20	-
EIR impact on debt instrument in the nature of advances measured at Amortised Cost	-	6,687.02
EIR impact on debt instrument in the nature of borrowings measured at Amortised Cost	4,402.70	-
Impairment allowance for undrawn commitments	6.74	-
Reversal of premium under forward contract	-	657.98
Other temporary differences	548.58	1,453.15
Total	58,519.69	8,798.15
Net	49,721.54	

Amounts recognised in respect of current tax / deferred tax directly in equity:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Amounts recognised in respect of current tax / deferred tax directly in equity	-	-	-

Tax losses and Tax credits

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unused Capital Gains tax losses for which no deferred tax asset has been recognised	-	-	-
Unused Tax Credits – MAT credit entitlement	-	-	1,781.08

45 EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

45 EARNINGS PER SHARE (Contd.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit after tax as per Statement of Profit and Loss (Rs. in lacs) (A)	257,567.83	254,893.13
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)	113.52	112.35
Diluted earnings per equity share (in Rupees) (face value of Rs. 10/- per share) (A) / (C)	113.52	112.35

46 INVESTMENT IN SUBSIDIARIES AND STRUCTURED ENTITIES

During the year ended March 31, 2018, the Company sold the controlling stake in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL) to the extent of 16,630,435 equity shares (representing 55.44% of paid-up capital) @ Rs. 94.03 per share for a total consideration of Rs. 1,565.76 lacs to MXC Solutions India Private Limited (MXC). Consequently, SAMIL ceased to be a subsidiary and is an associate of the Company from February 07, 2018.

Associates and subsidiaries of the Company are:

Name of the subsidiary/ associate	Country of incorporation	Principal place of business	Principal activities	% equity interest March 31, 2019	% equity interest March 31, 2018	% equity interest April 01, 2017
Shriram Automall India Limited (SAMIL) (Subsidiary Upto February 06, 2018)	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	Not applicable	Not applicable	100%
Shriram Automall India Limited (SAMIL) (Associate w.e.f. February 07, 2018)	India	New Delhi		44.56%	44.56%	Not applicable

47 RETIREMENT BENEFIT PLAN

Defined Contribution Plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Group in a fund under the control of trustees. The Group makes Provident Fund, Leave encashment and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs. 4,489.04 lacs (March 31, 2018: Rs. 3,721.29 lacs, April 01, 2017: Rs. 2,821.10 lacs) for Provident Fund contributions, Rs. 1,451.82 lacs (March 31, 2018: Rs. 1,292.33 lacs, April 01, 2017: Rs. 1,135.50 lacs) for Leave encashment and Rs. 1,429.81 lacs (March 31, 2018: Rs. 1,177.35 lacs, April 01, 2017: Rs. 575.94 lacs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the Schemes.

Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by some third party fund managers. Each year, the Board of Trustees reviews the level of funding in the India gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments, property and debt instruments. Generally equity instruments and property should not exceed 30% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

47 RETIREMENT BENEFIT PLAN (Contd.)

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows :

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows :		
Current Service Cost	471.97	407.94
Net interest expense	322.16	254.70
Interest Income	(337.23)	(252.26)
Past service cost	-	46.89
Components of defined benefit costs recognised in profit or loss (A)	456.90	457.27*
Remeasurement of gains/(losses) in other comprehensive income :		
Return on plan assets (excluding amounts included in net interest expense)	73.54	(76.85)
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	56.18	(179.90)
Experience adjustments	226.35	454.92
Components of defined benefit costs recognised in other comprehensive income (B)	356.07	198.17
Total (A+B)	812.97	655.44

*Gratuity expenses as per note 41 of statement of profit and loss is after netting of Nil (March 31, 2018 Rs. 8.32 lacs) on account of amount paid to trust towards relieved employees.

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

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	4,130.31	3,527.72
Expenses recognised in profit and loss account :		
Current Service Cost	471.97	407.94
Interest expense/(income)	322.16	254.70
Recognised in other comprehensive income remeasurement gains/(losses)	282.53	275.02
Past service cost	-	46.89
Liability transferred in/acquisitions	9.51	15.49
Benefits paid from the fund	(273.24)	(397.44)
Present value of defined obligation at the end of the year	4,943.24	4,130.32

Change in the Fair value of plan assets :

Particulars	(Rs. in lacs)	
	As at March 31, 2019	As at March 31, 2018
Fair value of plan assets at the beginning of the period	4,323.48	3,493.91
Interest Income	337.23	252.26
Contributions by the Employer	500.96	897.90
Benefits paid from the fund	(273.24)	(397.44)
Return on plan assets excluding interest income	(73.54)	76.85
Fair value of plan assets at the end of the period	4,814.89	4,323.48

Calculation of benefit liability/(asset) :

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Defined benefit obligation	4,943.24	4,130.32	3,761.17
Fair value of plan assets	4,814.89	4,323.48	3,705.97
Benefit liability	128.35	(193.16)	55.20

47 RETIREMENT BENEFIT PLAN (Contd.)

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

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Expected return on Plan assets	7.64%	7.80%	7.22%
Rate of discounting	7.64%	7.80%	7.22%
Expected rate of salary increase	5.00%	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.	For service 4 years and below 20.00% p.a. and for service 5 years and above 7.50% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

Investments quoted in active markets:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment funds	4,814.89	4,323.48	3,705.97
Total	4,814.89	4,323.48	3,705.97

(Rs. in lacs)

Assumptions	Discount rate		Future salary increases		Attrition rate	
	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(332.14)	380.58	380.67	(337.12)	72.14	(82.07)

(Rs. in lacs)

Expected payment for future years	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	498.55	399.30
Between 2 and 5 years	1,842.01	1,554.04
Between 5 and 10 years	2,151.98	1,825.62
Beyond 10 years	5,602.17	4,841.71
Total expected payments	10,094.71	8,620.67

The Group expects to contribute Rs. 673.02 lacs to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2019 is 9 years (March 31, 2018: 9 years)

Asset Liability Matching Strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(Rs. in lacs)								
Assets									
Financial assets									
Cash and cash equivalents	102,913.54	-	102,913.54	109,071.33	-	109,071.33	113,240.45	-	113,240.45
Bank Balance other than above	223,305.00	71,928.14	295,233.14	258,113.42	271.03	258,384.45	334,134.31	7,223.52	341,357.83
Derivative financial instruments	2,171.64	-	2,171.64	1,054.13	-	1,054.13	2,641.73	-	2,641.73
Receivables									
(I) Trade receivables	848.44	-	848.44	1,398.10	-	1,398.10	1,255.07	-	1,255.07
(II) Other receivables	1,995.23	-	1,995.23	348.46	-	348.46	444.88	26.83	471.71
Loans	3,665,527.49	6,009,621.08	9,675,148.57	3,293,658.75	5,780,902.84	9,074,561.59	2,741,834.51	4,659,746.88	7,401,581.39
Investments	201,108.76	2,11,445.04	412,553.80	38,091.85	207,532.42	245,624.27	40,289.19	182,663.40	222,952.59
Other financial assets	-	4,176.47	4,176.47	604.18	3,144.15	3,748.33	1,216.15	2,980.26	4,196.41
Non-financial Assets									
Current tax asset	-	10,657.77	10,657.77	-	10,426.15	10,426.15	-	10,864.51	10,864.51
Deferred tax assets (net)	-	7,570.07	7,570.07	-	5,218.68	5,218.68	-	49,721.54	49,721.54
Investment property	-	206.36	206.36	-	209.82	209.82	-	190.75	190.75
Property, plant and equipment	-	14,345.82	14,345.82	-	11,821.76	11,821.76	-	13,246.45	13,246.45
Other intangible assets	-	196.56	196.56	-	173.78	173.78	-	176.33	176.33
Other non financial assets	6,200.06	7,678.38	13,878.44	5,676.23	8,275.78	13,952.01	5,817.84	7,240.35	13,058.19
Total assets	4,204,070.16	6,337,825.69	10,541,895.85	3,708,016.45	6,027,976.41	9,735,992.86	3,240,874.13	4,934,080.82	8,174,954.95
Liabilities									
Financial Liabilities									
Derivative financial liabilities	8,342.19	-	8,342.19	468.26	-	468.26	1,099.40	-	1,099.40
Payables									
(I) Trade payables	-	-	-	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20,362.58	-	20,362.58	21,976.95	-	21,976.95	16,930.54	-	16,930.54

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

(Rs. in lacs)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
Debt Securities	1,304,482.30	2,113,692.71	3,418,175.01	1,072,313.78	2,170,947.49	3,243,261.27	574,903.01	1,561,221.75	2,136,124.76
Borrowings (other than debt securities)	1,782,025.96	1,936,903.92	3,718,929.88	1,656,975.58	1,953,878.87	3,610,854.45	1,741,665.74	1,706,163.62	3,447,829.36
Deposits	247,979.51	786,167.17	1,034,146.68	307,999.90	551,774.96	859,774.86	359,102.06	544,505.80	903,607.86
Subordinated Liabilities	67,020.55	553,167.55	620,188.10	109,204.30	389,989.81	499,194.11	52,640.12	336,490.89	389,131.01
Other Financial liabilities	71,624.13	1,505.34	73,129.47	55,174.83	9,892.95	65,067.78	54,723.59	16,171.19	70,894.78
Non-financial Liabilities									
Current tax liabilities (net)	10,296.73	-	10,296.73	21,650.51	-	21,650.51	19,011.55	-	19,011.55
Provisions	10,758.14	2,568.87	13,327.01	10,569.43	2,164.00	12,733.43	10,116.82	1,961.77	12,078.59
Other non-financial liabilities	20,963.61	7,758.69	28,722.30	16,468.53	15,506.28	31,974.81	18,816.28	15,090.73	33,907.01
Total Liabilities	3,543,855.70	5,401,764.25	8,945,619.95	3,272,802.07	5,094,154.36	8,366,956.43	2,849,009.11	4,181,605.75	7,030,614.86
Net	660,214.46	936,061.44	1,596,275.90	435,214.38	933,822.05	1,369,036.43	391,865.04	752,475.05	1,144,340.09

49 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars						(Rs. in lacs)
	As at March 31, 2018	Cash Flows	Changes in fair value	Exchange difference	Other	As at March 31, 2019
Debt Securities	3,243,261.27	198,442.90	-	-	(23,529.16)	3,418,175.01
Borrowings (other than debt securities)	3,610,854.45	40,255.52	-	-	67,819.91	3,718,929.88
Deposits	859,774.86	173,321.35	-	-	1,050.47	1,034,146.68
Subordinated Liabilities	499,194.11	143,162.63	-	-	(22,168.64)	620,188.10
Total liabilities from financing activities	8,213,084.69	555,182.40	-	-	23,172.58	8,791,439.67

Particulars						(Rs. in lacs)
	As at April 01, 2017	Cash Flows	Changes in fair value	Exchange difference	Other	As at March 31, 2018
Debt Securities	2,136,124.76	1,106,651.11	-	-	485.40	3,243,261.27
Borrowings (other than debt securities)	3,447,829.36	342,184.40	-	-	(179,159.31)	3,610,854.45
Deposits	903,607.86	(41,388.24)	-	-	(2,444.76)	859,774.86
Subordinated Liabilities	389,131.01	110,056.78	-	-	6.32	499,194.11
Total liabilities from financing activities	6,876,692.99	1,517,504.05	-	-	(181,112.35)	8,213,084.69

50 CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS

(A) Contingent Liabilities

Particulars	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a. In respect of Income tax demands where the Group has filed appeal before various authorities #	7,879.20	7,516.72	15,105.47
b. VAT demand where the Group has filed appeal before various Appellates #	12,505.76	12,775.93	11,112.10
c. Service tax demand #	19,852.81	31,131.75	12,882.57
d. Guarantees and counter guarantees	100,019.24	221,391.36	163,921.07
Total	140,257.01	272,815.76	203,021.21

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. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Disputed income tax demands are on account of royalty, disallowance of ESOP expenses, 14A, derivatives etc.

SAMIL 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 SAMIL. SAMIL has provided for service tax demands on refurbishment income and reimbursement of expenses including interest thereon. The Management of SAMIL believes that the ultimate outcome of this proceeding will not have a material effect on SAMIL's financial position and results of operations. Proportionate share of the Company on account of above show cause notices amounts to Rs. 31.15 lacs.

50 CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS (Contd.)

(B) Commitments not provided for

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a. Estimated amount of contracts remaining to be executed on capital account, net of advances #	577.87	598.44	492.24
b. Uncalled amount in investment in ICICI Investment Management Company Limited	-	-	747.02
c. Commitments related to loans sanctioned but undrawn	47,191.99	12,485.78	846.72

Includes proportionate share in contingent liabilities and commitments of associate as of March 31, 2018 and March 31, 2019.

(C) Lease Disclosures

As a lessee

Operating 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. 10,124.71 lacs (March 31, 2018: Rs. 9,660.96 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.

Future minimum lease payments under non-cancellable operating leases as at March 31, 2019 are as follows:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Within one year	3,094.82	3,105.81	2,482.34
After one year but not more than five years	9,516.91	9,835.17	5,300.09
More than five years	2,998.85	3,372.07	2,280.51
Total	15,610.58	16,313.05	10,062.94

As a lessor

Operating Lease :

The Company has given office premises under operating lease. The income from operating lease recognised in the Statement of Profit and Loss are Rs. 21.86 lacs (March 31, 2018: Rs. 20.90 lacs). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement is for a period of 108 months.

Future minimum lease payments under non-cancellable operating leases as at March 31, 2019 are as follows:

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Within one year	14.66	14.66	-
After one year but not more than five years	57.89	64.12	-
More than five years	-	8.43	-
Total	72.55	87.21	-

51 RELATED PARTY DISCLOSURE

Relationship	Name of the party
A. Enterprises exercising control	
(i) Enterprises having significant influence over the Company	: Shriram Capital Limited Shriram Ownership Trust Shriram Financial Ventures (Chennai) Private Limited
B. Enterprises where Control Exists	
(i) Associates	: Shriram Automall India Limited (SAMIL) (from February 7, 2018) Insight Commodities and Futures Private Limited* Shriram Asset Management Company Limited* Shriram Credit Company Limited* Shriram Financial Products Solutions (Chennai) Private Limited * Shriram Fortune Solutions Limited* Shriram General Insurance Company Limited* Shriram Insight Share Brokers Limited* Shriram Life Insurance Company Limited* Shriram Overseas Investments Private Limited* Shriram Wealth Advisors Limited* Shriram Value Services Limited* Bharath Investments Pte. Ltd., Singapore* SGI Philippines General Insurance Co. Inc. * Cartradeexchange Solutions Private Limited # Adroit Inspection Service Private Limited #
(ii) Key Management Personnel	: Mr. Umesh Revankar, Managing Director & CEO Mr. Amitabh Chaudhry (upto October 25, 2018) Mr. S. Lakshminarayanan Mrs. Kishori Udeshi Mr. S Sridhar Mr. Sumatiprasad M Bafna (upto March 31, 2019) Mr. Pradeep Kumar Panja (from October 25, 2018) Mr. D.V. Ravi Mr. Puneet Bhatia Mr. Gerrit Lodewyk Van Heerde
(iii) Relatives of Key Management Personnel	: Mrs. Suchita U. Revankar (spouse of Managing Director & CEO) Mr. Shreyas U. Revankar (son of Managing Director & CEO) Mrs. Geeta G. Revankar (mother of Managing Director & CEO) Mr. Anil G. Revankar (brother of Managing Director & CEO) Mr. Shirish U. Revankar (son of Managing Director & CEO)
(iv) Employees' Benefit Plans where there is significant influence	: Shriram Transport Finance Co. Ltd. Employees Group Gratuity Assurance Scheme

* The Company neither hold any shares in the following entities nor these entities hold any shares in the Company. However these entities are "subsidiaries" of Shriram Capital Limited and hence these entities are treated as "associates" as per paragraph 9(b)(ii) of IND- AS 24 and transactions made with these entities are disclosed.

The Company neither hold any shares in the following entities nor these entities hold any shares in the Company. However these entities are "subsidiaries" of Shriram Automall India Limited and hence these entities are treated as "associates".

51 RELATED PARTIES DISCLOSURES (Contd.)

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Payments/Expenses												
Payment to key management personnel	-	-	-	-	-	-	125.97	112.62	-	-	125.97	112.62
Royalty	15,545.70	12,500.42	-	-	-	-	-	-	-	-	15,545.70	12,500.42
Service charges	3,990.00	3,800.00	-	-	-	-	-	-	-	-	3,990.00	3,800.00
I.T & BPO charges	-	-	3,800.34	3,394.12	-	-	-	-	-	-	3,800.34	3,394.12
Rent	-	99.63	443.97	85.28	-	-	-	-	-	-	443.97	184.91
Business mobilisation expenses	-	-	147.15	78.98	-	-	-	-	-	-	147.15	78.98
Other administrative expenses	-	85.78	82.18	7.45	-	-	-	-	-	-	82.18	93.23
Insurance premium	-	-	759.68	805.07	-	-	-	-	-	-	759.68	805.07
Commission	-	-	4,335.28	4,044.06	-	-	-	-	-	-	4,335.28	4,044.06
Interest on inter corporate deposit	-	-	199.33	35.35	-	-	-	-	-	-	199.33	35.35
Interest	38.04	39.52	5,303.15	4,842.47	-	-	16.41	5.41	0.91	0.99	5,358.51	4,888.39
Equity dividend	6,509.03	6,509.03	14.29	13.94	-	-	-	-	0.02	0.02	6,523.34	6,522.99
Non-convertible debenture matured	-	-	160.00	2,360.50	-	-	-	-	1.10	1.10	161.10	2,361.60
Fixed deposit matured	-	-	-	-	-	-	-	50.00	3.26	1.96	3.26	51.96
Subordinated debt matured	54.27	48.34	821.70	-	-	-	-	-	0.80	-	876.77	48.34
Unsecured loan and advances	-	-	786.48	-	-	-	-	-	-	-	786.48	-
Refund of security deposit	-	100.41	-	-	-	-	-	-	-	-	-	100.41
Purchase of fixed asset	-	568.34	-	-	-	-	-	-	-	-	-	568.34
Reimbursement of petty cash	-	8.90	-	-	-	-	-	-	-	-	-	8.90
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	500.96	897.90	-	-	-	-	500.96	897.90
Inter corporate deposit repaid	-	-	2,835.00	360.00	-	-	-	-	-	-	2,835.00	360.00
Receipts/Income												
Common sharing expenses	1.40	1.42	168.11	103.89	-	-	-	-	-	-	169.51	105.31
Rent and electricity	17.79	31.54	414.26	36.38	-	-	-	-	-	-	432.05	67.92
Other administrative expenses	-	-	255.21	17.80	-	-	-	-	-	-	255.21	17.80
Commission	-	-	6,108.22	5,971.78	-	-	-	-	-	-	6,108.22	5,971.78
Sale of Trade mark	-	-	5.90	-	-	-	-	-	-	-	5.90	-
Subordinated debt	-	-	2,500.00	6,000.00	-	-	-	-	-	-	2,500.00	6,000.00
Non-convertible debenture	-	-	1,173.85	-	-	-	200.00	-	-	-	1,373.85	-
Fixed deposit	-	-	1,400.00	14.93	-	-	50.00	75.00	3.11	2.62	1,453.11	77.62
Unsecured loan and advances repaid	-	-	741.10	14.93	-	-	-	-	-	-	741.10	14.93
Inter corporate deposit received	-	-	2,595.00	-	-	-	-	-	-	-	2,595.00	-
Balance outstanding at the period end												
Share capital	5,917.30	5,917.30	12.49	13.28	-	-	-	-	0.02	0.02	5,929.81	5,930.60
Investment in equity shares	-	-	1,336.96	1,336.96	-	-	-	-	-	-	1,336.96	1,336.96
Unsecured loan and advances recoverable	-	-	57.70	12.31	-	-	-	-	-	-	57.70	12.31

51 RELATED PARTIES DISCLOSURES (Contd.)

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Rent receivable	1.32	2.71	1.69	1.69	-	-	-	-	-	-	3.01	4.40
Commission receivable	-	-	765.28	1,238.20	-	-	-	-	-	-	765.28	1,238.20
Commission payable	-	-	262.02	277.39	-	-	-	-	-	-	262.02	277.39
Prepaid for insurance premium	-	-	214.75	180.21	-	-	-	-	-	-	214.75	180.21
Outstanding expenses	5,260.08	4,750.93	118.30	91.36	-	-	-	-	-	-	5,378.38	4,842.29
Fixed deposit	-	-	1,498.76	-	-	-	134.22	75.65	8.25	8.69	1,641.23	84.34
Subordinated debt	313.96	354.51	47,318.36	43,399.88	-	-	-	-	-	1.26	47,632.32	43,755.65
Non-convertible debenture	-	-	9,501.16	8,957.40	-	-	207.84	-	-	1.22	9,709.00	8,958.62
Expenses recoverable	0.12	0.12	20.61	32.93	-	-	-	-	-	-	20.73	33.05
Inter corporate deposit	-	-	2,595.00	2,835.00	-	-	-	-	-	-	2,595.00	2,835.00
Interest payable on inter corporate deposit	-	-	43.19	50.28	-	-	-	-	-	-	43.19	50.28

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Payments/Expenses												
Employee benefits for key management personnel	-	-	-	-	-	-	-	-	-	-	-	-
- Short term benefits	-	-	-	-	-	-	52.90	50.20	-	-	52.90	50.20
- Post employment benefits	-	-	-	-	-	-	14.07	17.57	-	-	14.07	17.57
- Other long term benefits	-	-	-	-	-	-	-	-	-	-	-	-
- Termination benefits	-	-	-	-	-	-	-	-	-	-	-	-
Commission and sitting fee paid to directors	-	-	-	-	-	-	-	-	-	-	-	-
- Mr. Amitabh Chaudhry	-	-	-	-	-	-	10.25	7.50	-	-	10.25	7.50
- Mr. S. Lakshminarayanan	-	-	-	-	-	-	11.90	9.90	-	-	11.90	9.90
- Mrs. Kishori Udeshi	-	-	-	-	-	-	12.15	9.90	-	-	12.15	9.90
- Mr. S. Sridhar	-	-	-	-	-	-	11.90	9.40	-	-	11.90	9.40
- Mr. Sumatiprasad M. Bafna	-	-	-	-	-	-	11.15	8.15	-	-	11.15	8.15
- Mr. Pradeep Kumar Panja	-	-	-	-	-	-	1.65	-	-	-	1.65	-
Royalty to Shriram Ownership Trust	15,545.70	12,500.42	-	-	-	-	-	-	-	-	15,545.70	12,500.42
Service charges to Shriram Capital Limited	3,990.00	3,800.00	-	-	-	-	-	-	-	-	3,990.00	3,800.00
I.T & BPO charges - Shriram Value Services Limited	-	-	3,800.34	3,394.12	-	-	-	-	-	-	3,800.34	3,394.12
Rent	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	443.97	85.28	-	-	-	-	-	-	443.97	85.28
- Shriram Capital Limited	-	99.63	-	-	-	-	-	-	-	-	-	99.63
Business mobilisation expenses - Shriram Automall India Limited	-	-	147.15	78.98	-	-	-	-	-	-	147.15	78.98
Other administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Capital Limited	-	85.78	-	-	-	-	-	-	-	-	-	85.78
- Shriram Automall India Limited	-	-	82.18	7.45	-	-	-	-	-	-	82.18	7.45
Insurance premium	-	-	-	-	-	-	-	-	-	-	-	-

51 RELATED PARTIES DISCLOSURES (Contd.)

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
- Shriram Life Insurance Company Limited	-	-	529.80	601.87	-	-	-	-	-	-	529.80	601.87
- Shriram General Insurance Company Limited	-	-	229.88	203.20	-	-	-	-	-	-	229.88	203.20
Commission	-	-	3,392.22	3,529.56	-	-	-	-	-	-	3,392.22	3,529.56
- Shriram Fortune Solutions Limited	-	-	274.41	88.23	-	-	-	-	-	-	274.41	88.23
- Shriram Financial Products Solutions (Chennai) Private Limited	-	-	668.65	426.27	-	-	-	-	-	-	668.65	426.27
- Shriram Insight Share Brokers Limited	-	-	199.33	35.35	-	-	-	-	-	-	199.33	35.35
Interest on Inter Corporate Deposit - Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-
Interest on fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	8.57	5.41	-	-	8.57	5.41
- Relative of key management personnel	-	-	-	-	-	-	-	-	0.73	0.68	0.73	0.68
- Shriram Fortune Solutions Limited	-	-	98.76	-	-	-	-	-	-	-	98.76	-
Interest on subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	0.12	0.13	0.12	0.13
- Shriram Automall India Limited	-	-	36.84	5.23	-	-	-	-	-	-	36.84	5.23
- Shriram Capital Limited	38.04	39.52	-	-	-	-	-	-	-	-	38.04	39.52
- Shriram Asset Management Company Limited	-	-	69.77	117.24	-	-	-	-	-	-	69.77	117.24
- Shriram Life Insurance Company Limited	-	-	769.20	555.80	-	-	-	-	-	-	769.20	555.80
- Shriram General Insurance Company Limited	-	-	3,475.80	3,102.61	-	-	-	-	-	-	3,475.80	3,102.61
Interest on non convertible debenture	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	7.84	-	-	-	7.84	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	0.05	0.19	0.05	0.19
- Shriram Capital Limited	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	585.47	840.23	-	-	-	-	-	-	585.47	840.23
- Shriram General Insurance Company Limited	-	-	221.36	221.36	-	-	-	-	-	-	221.36	221.36
- Shriram Asset Management Company Limited	-	-	45.93	-	-	-	-	-	-	-	45.93	-
- Shriram Insight Share Brokers Limited	-	-	0.03	-	-	-	-	-	-	-	0.03	-
Equity dividend	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02
- Shriram Capital Limited	6,509.03	6,509.03	-	-	-	-	-	-	-	-	6,509.03	6,509.03
- Shriram Insight Share Brokers Limited	-	-	14.29	13.94	-	-	-	-	-	-	14.29	13.94
Non-convertible debenture matured	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	1.10	1.10	1.10	1.10
- Shriram Life Insurance Company Limited	-	-	160.00	2,360.50	-	-	-	-	-	-	160.00	2,360.50
Fixed deposit matured	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	50.00	-	-	50.00	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	3.26	1.96	3.26	1.96
Subordinated debt matured	-	-	-	-	-	-	-	-	-	-	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	0.80	-	0.80	-
- Shriram Capital Limited	54.27	48.34	-	-	-	-	-	-	-	-	54.27	48.34
- Shriram Automall India Limited	-	-	114.57	-	-	-	-	-	-	-	114.57	-
- Shriram Asset Management Company Limited	-	-	707.13	-	-	-	-	-	-	-	707.13	-

51 RELATED PARTIES DISCLOSURES (Contd.)

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)	(Rs. in lacs)
Unsecured loan and advances received - Shriram Automall India Limited	-	-	786.48	-	-	-	-	-	-	-	786.48	-
Refund of security deposit - Shriram Capital Limited	-	100.41	-	-	-	-	-	-	-	-	-	100.41
Purchase of fixed asset - Shriram Capital Limited	-	568.34	-	-	-	-	-	-	-	-	-	568.34
Reimbursement of petty cash - Shriram Capital Limited	-	8.90	-	-	-	-	-	-	-	-	-	8.90
Employer contribution to employees group gratuity assurance scheme	-	-	-	-	500.96	897.90	-	-	-	-	500.96	897.90
Inter corporate deposit repaid	-	-	2,835.00	360.00	-	-	-	-	-	-	2,835.00	360.00
Receipts/Income												
Recovery of common sharing expenses	-	-	51.53	6.02	-	-	-	-	-	-	51.53	6.02
- Shriram Automall India Limited	1.40	1.42	-	-	-	-	-	-	-	-	-	1.42
- Shriram Capital Limited	-	-	6.00	6.00	-	-	-	-	-	-	6.00	6.00
- Shriram Asset Management Company Limited	-	-	3.03	3.11	-	-	-	-	-	-	3.03	3.11
- Shriram Insight Share Brokers Limited	-	-	107.29	88.75	-	-	-	-	-	-	107.29	88.75
- Shriram Fortune Solutions Limited	-	-	0.26	-	-	-	-	-	-	-	0.26	-
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
Rent and electricity	17.79	31.54	-	-	-	-	-	-	-	-	17.79	31.54
- Shriram Capital Limited	-	-	41.4.26	36.38	-	-	-	-	-	-	41.4.26	36.38
- Shriram Automall India Limited	-	-	255.21	17.80	-	-	-	-	-	-	255.21	17.80
Other administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-
Commission	-	-	3,740.52	3,742.34	-	-	-	-	-	-	3,740.52	3,742.34
- Shriram General Insurance Company Limited	-	-	2,367.70	2,229.44	-	-	-	-	-	-	2,367.70	2,229.44
- Shriram Life Insurance Company Limited	-	-	5.90	-	-	-	-	-	-	-	5.90	-
Sale of Trade mark	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Life Insurance Company Limited	-	-	2,500.00	1,500.00	-	-	-	-	-	-	2,500.00	1,500.00
Non-convertible debenture	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	200.00	-	-	-	200.00	-
- Shriram Asset Management Company Limited	-	-	1,173.40	-	-	-	-	-	-	-	1,173.40	-
- Shriram Insight Share Brokers Limited	-	-	0.45	-	-	-	-	-	-	-	0.45	-
Fixed deposit	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	50.00	75.00	-	-	50.00	75.00
- Relative of key management personnel	-	-	-	-	-	-	-	-	3.11	2.62	3.11	2.62
- Shriram Fortune Solutions Limited	-	-	1,400.00	-	-	-	-	-	-	-	1,400.00	-
Unsecured loan and advances repaid by	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	741.10	14.93	-	-	-	-	-	-	741.10	14.93
Inter corporate deposit - Shriram Automall India Limited	-	-	2,595.00	-	-	-	-	-	-	-	2,595.00	-

Income /expenses are presented excluding service tax / GST

51 RELATED PARTIES DISCLOSURES (Contd.)

(Rs. in lacs)

Particulars	Enterprises having significant influence over the company		Associate		Employees' Benefit Plans where there is significant influence		Key management personnel		Relative of key management personnel		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	April 01, 2017	March 31, 2019	April 01, 2017	March 31, 2019	April 01, 2017	March 31, 2019	April 01, 2017	March 31, 2018	April 01, 2017
-Shriram Capital Limited	313.96	354.51	-	-	-	-	-	-	-	-	354.51	390.25
-Shriram Asset Management Company Limited	-	-	-	1,038.19	-	-	-	-	-	-	1,155.44	1,038.19
-Shriram Life Insurance Company Limited	-	-	10,313.95	4,600.60	-	-	-	-	-	-	10,313.95	4,600.60
-Shriram General Insurance Company Limited	-	-	36,725.47	27,841.69	-	-	-	-	-	-	36,725.47	27,841.69
Expenses recoverable												
-Shriram Capital Limited	0.12	0.12	-	-	-	-	-	-	-	-	0.12	0.10
-Shriram Insight Share Brokers Limited	-	-	0.28	1.49	-	-	-	-	-	-	0.28	1.49
-Shriram Fortune Solutions Limited	-	-	20.34	32.66	-	-	-	-	-	-	20.34	32.66
Inter corporate deposit received from Shriram Automall India Limited	-	-	2,595.00	2,835.00	-	-	-	-	-	-	2,595.00	2,835.00
Interest payable on inter corporate deposit to Shriram Automall India Limited	-	-	43.19	50.28	-	-	-	-	-	-	43.19	50.28

Income /expenses are presented excluding service tax/GST

52 CAPITAL

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

Capital Management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

53 FAIR VALUE MEASUREMENT

53.1 Valuation Principle

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 6.1 (xiii).

53.2 Fair Value Hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2019

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	122.32	-	122.32
Currency swaps	-	1,866.55	-	1,866.55
Interest rate swaps	-	182.77	-	182.77
Total derivative financial instruments	-	2,171.64	-	2,171.64
<i>Financial assets held for trading</i>				
Mutual funds	-	32,381.75	-	32,381.75
Equity instruments	-	-	357.92	357.92
Pass through certificates	-	-	-	-
Certificate of deposits	-	123,170.68	-	123,170.68
Venture capital fund	-	96.99	-	96.99
Total financial assets held for trading	-	155,649.42	357.92	156,007.34
Total assets measured at fair value on a recurring basis	-	157,821.06	357.92	158,178.98
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	157,821.06	357.92	158,178.98
Liabilities measured at fair value on a recurring basis				
<i>Derivative financial instruments</i>				
Currency swaps	-	8,304.80	-	8,304.80
Interest rate swaps	-	37.39	-	37.39
Total derivative financial instruments	-	8,342.19	-	8,342.19

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	8,342.19	-	8,342.19
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	8,342.19	-	8,342.19

As at March 31, 2018

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward Contracts	-	742.42	-	742.42
Interest rate swaps	-	311.71	-	311.71
Total derivative financial instruments	-	1,054.13	-	1,054.13
<i>Financial assets held for trading</i>				
Mutual funds	-	322.29	-	322.29
Equity instruments	-	-	86.29	86.29
Pass through certificates	-	-	-	-
Venture capital fund	-	426.49	-	426.49
Total financial assets held for trading	-	748.78	86.29	835.07
Total assets measured at fair value on a recurring basis	-	1,802.91	86.29	1,889.20
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	1,802.91	86.29	1,889.20
Liabilities measured at fair value on a recurring basis				
<i>Derivative financial instruments</i>				
Interest rate swaps	-	468.26	-	468.26
Total derivative financial instruments	-	468.26	-	468.26
Total financial liabilities measured at fair value on a recurring basis	-	468.26	-	468.26
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	468.26	-	468.26

53 FAIR VALUE MEASUREMENT (Contd.)

As at April 01, 2017

(Rs. in lacs)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward Contracts	-	2.23	-	2.23
Interest rate swaps	-	2,639.50	-	2,639.50
Total derivative financial instruments	-	2,641.73	-	2,641.73
<i>Financial assets held for trading</i>				
Mutual funds	-	294.59	-	294.59
Equity instruments	-	-	86.29	86.29
Debt securities	-	5,297.55	-	5,297.55
Venture capital fund	-	426.29	-	426.29
Total financial assets held for trading	-	6,018.43	86.29	6,104.72
Total assets measured at fair value on a recurring basis	-	8,660.16	86.29	8,746.45
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	-	8,660.16	86.29	8,746.45
Liabilities measured at fair value on a recurring basis				
<i>Derivative financial instruments</i>				
Forward Contracts	-	163.06	-	163.06
Interest rate swaps	-	936.34	-	936.34
Total derivative financial instruments	-	1,099.40	-	1,099.40
Total financial liabilities measured at fair value on a recurring basis	-	1,099.40	-	1,099.40
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	1,099.40	-	1,099.40

53.3 Valuation techniques

Equity instruments

Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3.

Foreign exchange contracts

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Group classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole). Other valuation adjustments and inputs that may impact the fair value of these instruments are discussed below in Note 53.4.

Certificate of deposits

Certificate of Deposits are short-term financial instruments issued by Banks. FBIL has developed the FBIL- CD, a new benchmark for the money market based on traded CDs reported on the FTRAC platform of CCIL. FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For Valuation, Group use FBIL-CD benchmark and based on that benchmark Group interpolate and calculate CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

53.4 Valuation adjustments and other inputs and considerations

The Group applies the following fair value adjustments to its base valuation procedures to better reflect the individual characteristics of trades that market participants would consider when trading in or setting specific prices for these instruments.

53 FAIR VALUE MEASUREMENT (Contd.)

Credit and debit valuation adjustments

The Group calculates Credit Value Adjustments (CVA) / Debit Value Adjustments (DVA) on a counterparty basis over the entire life of the exposure. CVA is calculated by multiplying the probability of default (PD), the loss given default (LGD) and the expected exposure (EE) at the time of default.

A debit valuation adjustment (DVA) is applied to incorporate the Group's own credit risk in the fair value of derivatives (i.e., the risk that the Group might default on its contractual obligations), using the same methodology as for CVA (i.e., applying the Group's PD and multiplying it with LGD and EE). The Group applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses and DVA to all relevant (not fully collateralised) over-the-counter positions and positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Group concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2018 or 2019.

53.5 Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

Type of adjustment	(Rs. in lacs)		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Credit value adjustment	-	-	2.44
Total Risk related	-	-	2.44
Other Adjustments	-	-	-
Total	-	-	2.44

53.6 During the year there were no transfers between level 1 and level 2. Similarly, there were no transfers from or transfer to level 3.

53.7 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. Transfers from Level 3 to Level 2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level 3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Group requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in lacs)	
	At March 31, 2019	At March 31, 2018
Opening Balance	86.28	86.29
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into Level 3	-	-
Transfers from Level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Closing Balance	357.92	86.29
Unrealised gains and losses related to balances held at the end of the year	271.64	-

53.8 Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)

	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2019	As at March 31, 2019		
Equity Instruments	357.92	-	Based on the net worth of the investee company	net worth of the investee company

(Rs. in lacs)

	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2018	As at March 31, 2018		
Equity Instruments	86.28	-	Based on the net worth of the investee company	net worth of the investee company

53.9 Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, instruments classified as FVTPL would be reflected in the Statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level 3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Group is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

(Rs. in lacs)

	As at March 31, 2019		As at March 31, 2018	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Equity Instruments	373.94	338.32	88.72	80.27

53.10 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non financial liabilities.

(Rs. in lacs)

	Carrying Amount	Fair value			
		Level-1	Level-2	Level-3	Total
As at March 31, 2019					
Financial assets:					
Cash and cash equivalents	90,331.90	90,331.90	-	-	90,331.90
Bank balance other than cash and cash equivalents	306,745.82	-	294,927.60	-	294,927.60
Loans	10,230,748.58	-	-	10,124,841.70	10,124,841.70
Investments at amortised cost	242,562.46	153,986.20	86,735.00	-	240,721.20
Other financial assets	4,176.47	-	-	3,206.36	3,206.36
Total financial assets	10,874,565.23	244,318.10	381,662.60	10,128,048.06	10,754,028.76
Financial liabilities:					
Debt securities	3,418,175.01	-	2,903,063.66	-	2,903,063.66
Borrowings (other than debt securities)	3,718,929.88	-	3,352,651.36	-	3,352,651.36
Deposits	1,034,146.68	-	-	996,868.27	996,868.27
Subordinated liabilities	620,188.10	-	549,275.93	124,957.95	674,233.88
Total financial liabilities	8,791,439.67	-	6,804,990.95	1,121,826.22	7,926,817.17
Off balance sheet items					
Other commitments	47,191.99	-	-	41,631.57	41,631.57
Total off-balance sheet items	47,191.99	-	-	41,631.57	41,631.57

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in lacs)					
	Carrying Amount	Fair value			Total
		Level-1	Level-2	Level-3	
As at March 31, 2018					
Financial assets:					
Cash and cash equivalents	103,485.61	103,485.61	-	-	103,485.61
Bank balance other than cash and cash equivalents	262,660.06	-	255,377.95	-	255,377.95
Loans	9,619,840.99	-	-	9,558,591.31	9,558,591.31
Investments at amortised cost	231,971.15	146,056.19	82,993.00	-	229,049.19
Other financial assets	3,748.33	-	-	2,811.11	2,811.11
Total financial assets	10,221,706.14	249,541.80	338,370.95	9,561,402.42	10,149,315.17
Financial liabilities:					
Debt securities	3,243,261.27	-	3,198,155.33	-	3,198,155.33
Borrowings (other than debt securities)	3,610,854.45	-	3,367,365.34	-	3,367,365.34
Deposits	859,774.86	-	-	951,642.69	951,642.69
Subordinated liabilities	499,194.11	-	375,140.92	219,081.10	594,222.02
Total financial liabilities	8,213,084.69	-	6,940,661.59	1,170,723.79	8,111,385.38
Off balance sheet items					
Other commitments	12,485.78	-	-	10,126.07	10,126.07
Total off-balance sheet items	12,485.78	-	-	10,126.07	10,126.07

(Rs. in lacs)

(Rs. in lacs)					
	Carrying Amount	Fair value			Total
		Level-1	Level-2	Level-3	
As at April 01, 2017					
Financial assets:					
Cash and cash equivalents	113,240.45	113,240.45	-	-	113,240.45
Bank balance other than cash and cash equivalents	340,274.62	-	332,385.25	-	332,385.25
Loans	7,922,598.96	-	-	7,993,316.49	7,993,316.49
Investments at amortised cost	216,855.38	150,101.34	68,286.83	-	218,388.17
Other financial assets	4,196.41	-	-	3,555.57	3,555.57
Total financial assets	8,597,165.82	263,341.79	400,672.08	7,996,872.06	8,660,885.93
Financial liabilities:					
Debt securities	2,136,124.76	-	1,897,197.76	318,845.96	2,216,043.72
Borrowings (other than debt securities)	3,447,829.36	-	3,286,967.66	-	3,286,967.66
Deposits	903,607.86	-	-	1,050,591.01	1,050,591.01
Subordinated liabilities	389,131.01	-	287,966.46	212,923.39	500,889.85
Total financial liabilities	6,876,692.99	-	5,472,131.88	1,582,360.36	7,054,492.24
Off balance sheet items					
Other commitments	846.72	-	-	521.47	521.47
Total off-balance sheet items	846.72	-	-	521.47	521.47

53.10.1 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Note 6.1.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, other receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

53 FAIR VALUE MEASUREMENT (Contd.)

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. Therefore, the Group uses a variety of valuation techniques to measure their fair values. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including prepayment rates, default rates and other economic drivers such as loan-to-value ratios, emergence period estimation, indebtedness and rental income levels. Securities with no significant unobservable valuation inputs are classified as Level 2, while instruments with no comparable instruments or valuation inputs are classified as Level 3.

Financial assets at amortised cost

The fair values financial assets held-to-maturity investments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued debt

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Group's own credit risk. The Group estimates and builds its own credit spread from market-observable data such as secondary prices for its traded debt and the credit spread on credit default swaps and traded debt of itself.

Borrowings

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Group's own credit risk. The Group estimates and builds its own credit spread from market-observable data.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on market prices for similar instruments or on discounted cash flow models, as explained above, which incorporate the credit risk element through the discount factor.

54 RISK MANAGEMENT

Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

54.1 Introduction and Risk Profile

54.1.1 Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee which is responsible for monitoring the overall risk process within the Company.

The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels.

The Chief Risk officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The Risk Owners within each department will report to the Risk Committee.

The Risk Owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.

The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Company's compliance

54 RISK MANAGEMENT (Contd.)

with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to Risk Management Committee.

54.1.2 Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

54.1.3 Risk measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the Risk Management Committee and the head of each department.

The Risk Management Committee receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.

54.1.4 Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/Group.

54.2 Credit Risk

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

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

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

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non-performing	90+ dpd

54 RISK MANAGEMENT (Contd.)

54.2.1 Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

54.2.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Company's definition and assessment of default (Note 54.2.2.1).

- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Notes 54.2.2.2 to 54.2.2.4)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 54.2.2.5)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 54.2.2.6)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Note 6.1.xi)

54.2.2.1 Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- The debtor (or any legal entity within the debtor's Company) filing for bankruptcy application/protection.
- All the facilities of a borrower are treated as Stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.

54.2.2.2 PD estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

54.2.2.3 Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

54.2.2.4 Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

54 RISK MANAGEMENT (Contd.)

54.2.2.5 Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in Note 54.2.2.1 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets (as set out in Note 54.2.2.6), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

54.2.2.6 Grouping financial assets measured on a collective basis

As explained in Note 6.1.xi dependant on the factors below, the Company calculates ECLs only on a collective basis

The Company segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as described below.

1. New Vehicle finance
2. Pre owned vehicle finance
3. Small business Loans

54.2.3 Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2019 was Rs. 4,969.55 lacs (March 31, 2018: Rs. 3,143.94 lacs).

Credit risk exposure analysis

(Rs. in lacs)

Particulars	As at March 31, 2019				
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	POCI	Total
Normal	7,342,564.57	1,866,325.69	622,466.18	-	9,831,356.44
Restructured	-	-	81,125.63	-	81,125.63
Equipment finance	280.83	5.65	2,009.28	-	2,295.76
Repossessed	-	-	60,608.44	-	60,608.44
Exposure > 1 crore	61,290.17	36,205.24	27,477.77	-	124,973.18
Forced	5,853.50	56,596.19	67,939.44	-	130,389.13
Total	7,409,989.07	1,959,132.77	861,626.74	-	10,230,748.58

54.3 Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month.

Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

54 RISK MANAGEMENT (Contd.)

54.3.1. Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31. All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2019:

Particulars	Less than 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
Financial assets							
Cash and cash equivalents	102,913.54	-	-	-	-	-	102,913.54
Bank balance other than above	90,338.14	113,113.00	19,854.00	71,928.00	-	-	295,233.14
Derivative assets	2,171.64	-	-	-	-	-	2,171.64
Financial assets at fair value through profit and loss	155,202.05	-	-	-	-	805.29	156,007.34
Loans	1,522,446.87	1,260,928.58	2,169,397.24	5,537,468.14	1,794,190.68	108,713.65	12,393,145.16
Financial investments at FVOCI	-	-	-	-	-	-	-
Financial investments at amortised cost	11,253.06	14,942.98	19,709.55	46,080.61	33,003.71	117,571.88	242,561.78
Trade receivables	848.44	-	-	-	-	-	848.44
Other receivables	1,995.23	-	-	-	-	-	1,995.23
Other financial assets	-	-	-	-	-	4,176.47	4,176.47
Total undiscounted financial assets	1,887,168.97	1,388,984.56	2,208,960.79	5,655,476.75	1,827,194.39	231,267.29	13,199,052.74
Financial liabilities							
Deposits	89,168.00	77,818.61	149,829.74	720,938.43	257,091.09	-	1,294,845.87
Debt securities	496,851.34	591,448.13	491,605.60	1,812,386.24	501,381.56	335,100.56	4,228,773.43
Borrowings (other than debt securities)	588,743.14	512,805.58	918,754.02	1,304,062.14	677,454.06	166,106.40	4,167,925.34
Subordinated Liabilities	25,173.59	40,922.88	87,904.87	257,002.91	120,472.62	433,299.11	964,775.98
Trade payables	20,362.58	-	-	-	-	-	20,362.58
Other financial liabilities	65,619.43	566.43	5,438.19	(286.40)	-	1,791.82	73,129.47
Derivative liabilities	8,342.19	-	-	-	-	-	8,342.19
Total undiscounted financial liabilities	1,294,260.27	1,223,561.63	1,653,532.42	4,094,103.32	1,556,399.33	936,297.89	10,758,154.86
Net undiscounted financial assets/ (liabilities)	592,908.70	165,422.93	555,428.37	1,561,373.43	270,795.06	(705,030.60)	2,440,897.88

(Rs. in lacs)

54 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2018:

Particulars	(Rs. in lacs)							Total
	Less than 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		
Financial assets								
Cash and cash equivalents	109,071.33	-	-	-	-	-	-	109,071.33
Bank balance other than above	90,220.90	120,753.71	47,138.81	271.03	-	-	-	258,384.45
Derivative assets	1,054.13	-	-	-	-	-	-	1,054.13
Financial assets at fair value through profit and loss	-	-	-	-	-	-	835.06	835.06
Loans	1,353,257.60	1,186,923.40	1,985,639.08	5,202,078.50	1,854,881.12	172,267.45	-	11,755,047.15
Financial investments at FVOCI	-	-	-	-	-	-	-	-
Financial investments at amortised cost	11,091.76	10,072.25	16,927.84	50,531.65	9,663.50	133,677.08	-	231,964.08
Trade receivables	1,398.10	-	-	-	-	-	-	1,398.10
Other receivables	348.46	-	-	-	-	-	-	348.46
Other financial assets	604.18	-	-	-	-	-	3,144.15	3,748.33
Total undiscounted financial assets	1,567,046.46	1,317,749.36	2,049,705.73	5,252,881.18	1,864,544.62	309,923.74		12,361,851.09
Financial liabilities								
Deposits	87,047.81	93,495.93	192,504.99	478,231.90	205,736.62	-	-	1,057,017.25
Debt securities	652,111.84	359,707.50	308,846.24	1,582,181.98	709,884.56	321,175.05	-	3,933,907.17
Borrowings (other than debt securities)	486,264.81	527,065.03	851,729.86	1,745,939.84	346,182.34	-	-	3,957,181.88
Subordinated Liabilities	24,679.14	44,435.04	96,218.58	272,939.07	87,007.15	242,488.83	-	767,767.81
Trade payables	21,976.49	-	-	-	-	-	-	21,976.49
Other financial liabilities	51,713.02	1,528.90	1,934.77	7,760.35	-	2,131.20	-	65,068.24
Derivative liabilities	468.26	-	-	-	-	-	-	468.26
Total undiscounted financial liabilities	1,324,261.37	1,026,232.40	1,451,234.44	4,087,053.14	1,348,810.67	565,795.08		9,803,387.10
Net undiscounted financial assets/ (liabilities)	242,785.09	291,516.96	598,471.29	1,165,828.04	515,733.95	(255,871.34)		2,558,463.99

Maturity pattern of assets and liabilities as on April 01, 2017:

Particulars	(Rs. in lacs)						Total
	Less than 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	
Financial assets							
Cash and cash equivalents	113,240.45	-	-	-	-	-	113,240.45
Bank balance other than above	68,492.85	200,369.30	65,272.16	7,223.52	-	-	341,357.83
Derivative assets	2,641.73	-	-	-	-	-	2,641.73
Financial assets at fair value through profit and loss	5,297.55	-	-	-	-	807.37	6,104.92
Loans	911,235.89	1,110,369.90	1,743,759.63	4,265,979.82	1,414,400.95	116,152.22	9,561,898.41
Financial investments at FVOCI	-	-	-	-	-	-	-
Financial investments at amortised cost	10,084.83	9,362.83	15,543.97	39,739.64	5,761.96	136,354.44	216,847.67
Trade receivables	1,255.07	-	-	-	-	-	1,255.07
Other receivables	444.90	-	-	26.83	-	-	471.73
Other financial assets	1,216.15	-	-	-	-	2,980.26	4,196.41
Total undiscounted financial assets	1,113,909.42	1,320,102.03	1,824,575.76	4,312,969.81	1,420,162.91	256,294.29	10,248,014.22
Financial liabilities							
Deposits	111,878.29	115,607.45	212,613.00	502,141.65	164,574.59	-	1,106,814.98
Debt securities	68,562.66	467,636.24	262,586.62	1,181,116.10	522,584.41	252,692.53	2,755,178.56
Borrowings (other than debt securities)	478,700.55	450,328.53	1,027,987.35	1,537,913.17	295,422.28	2,100.00	3,792,451.88
Subordinated Liabilities	13,042.86	53,721.54	26,934.05	238,189.46	142,195.15	95,343.88	569,426.94
Trade payables	16,930.54	-	-	-	-	-	16,930.54
Other financial liabilities	51,803.14	1,318.80	1,601.67	12,434.50	3,615.22	121.45	70,894.78
Derivative liabilities	1,099.40	-	-	-	-	-	1,099.40
Total undiscounted financial liabilities	742,017.44	1,088,612.56	1,531,722.69	3,471,794.88	1,128,391.65	350,257.86	8,312,797.08
Net undiscounted financial assets/ (liabilities)	371,891.98	231,489.47	292,853.07	841,174.93	291,771.26	(93,963.57)	1,935,217.14

54 RISK MANAGEMENT (Contd.)

The table below shows the contractual expiry by maturity of the Group's contingent liabilities and commitments: Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Particulars	(Rs. in lacs)							Total
	Less than 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		
As at March 31, 2019								
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	-	7,879.20	7,879.20
VAT demand where the Group has filed appeal before various Appellates	-	-	-	-	-	-	12,505.76	12,505.76
Service tax demand	-	-	-	-	-	-	19,852.81	19,852.81
Guarantees and counter guarantees	-	-	-	67,125.40	25,540.13	-	7,353.71	100,019.24
Estimated amount of contracts remaining to be executed on capital account, net of advances	577.87	-	-	-	-	-	-	577.87
Commitments related to loans sanctioned but undrawn	47,191.99	-	-	-	-	-	-	47,191.99
Total commitments	47,746.54	-	-	67,125.40	25,540.13	-	47,485.19	188,026.87
As at March 31, 2018								
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	-	7,516.72	7,516.72
VAT demand where the Group has filed appeal before various Appellates	-	-	-	-	-	-	12,775.93	12,775.93
Service tax demand	-	-	-	-	-	-	31,131.75	31,131.75
Guarantees and counter guarantees	-	-	-	148,825.14	60,613.85	-	11,952.37	221,391.36
Estimated amount of contracts remaining to be executed on capital account, net of advances	598.44	-	-	-	-	-	-	598.44
Commitments related to loans sanctioned but undrawn	12,485.78	-	-	-	-	-	-	12,485.78
Total commitments	13,084.22	-	-	148,825.14	60,613.85	-	63,376.77	285,899.99
As at April 01, 2017								
In respect of Income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	-	15,105.47	15,105.47
VAT demand where the Group has filed appeal before various Appellates	-	-	-	-	-	-	11,112.10	11,112.10
Service tax demand	-	-	-	-	-	-	12,882.57	12,882.57
Guarantees and counter guarantees	-	-	-	120,837.16	30,689.07	-	12,394.84	163,921.07
Estimated amount of contracts remaining to be executed on capital account, net of advances	492.24	-	-	-	-	-	-	492.24
Uncalled amount in investment in ICICI Investment Management Company Limited	747.02	-	-	-	-	-	-	747.02
Commitments related to loans sanctioned but undrawn	846.72	-	-	-	-	-	-	846.72
Total commitments	2,085.98	-	-	120,837.16	30,689.07	-	51,494.98	205,107.19

54 RISK MANAGEMENT (Contd.)

54.4 Market Risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

54.4.1 Total market risk exposure

(Rs. in lacs)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017			Primary risk sensitivity
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	
Assets										
Cash and cash equivalents and other bank balances	398,146.68	-	398,146.68	367,455.78	-	367,455.78	454,116.14	-	454,116.14	interest rate
Derivative financial instruments	2,171.64	-	2,171.64	1,054.13	-	1,054.13	2,641.73	-	2,641.73	interest rate/ FX
Trade receivables	2,843.67	-	2,843.67	1,746.56	-	1,746.56	861.81	-	861.81	interest rate
Loans	9,675,148.57	-	9,675,148.57	9,074,561.59	-	9,074,561.59	7,401,567.61	-	7,401,567.61	interest rate
Financial investments at amortised cost	242,561.78	-	242,561.78	231,964.08	-	231,964.08	216,760.84	-	216,760.84	interest rate
Financial investments at FVTPL	156,007.34	156,007.34	-	835.06	835.06	-	807.37	807.37	-	interest rate and equity price
Debt securities at FVTPL	-	-	-	-	-	-	5,297.55	5,297.55	-	interest rate
Other financial assets	4,176.47	-	4,176.47	3,748.33	-	3,748.33	4,123.24	-	4,123.24	interest rate
Total	10,481,056.15	156,007.34	10,325,048.81	9,681,365.53	835.06	9,680,530.47	8,086,176.29	6,104.92	8,080,071.37	
Liabilities										
Derivative financial instruments	8,342.19	-	8,342.19	468.26	-	468.26	1,099.40	-	1,099.40	interest rate/ FX
Trade payables	20,362.58	-	20,362.58	21,976.95	-	21,976.95	13,443.91	-	13,443.91	interest rate
Debt securities	3,418,175.01	-	3,418,175.01	3,243,261.27	-	3,243,261.27	2,136,124.76	-	2,136,124.76	interest rate
Borrowings (other than debt securities)	3,718,929.88	-	3,718,929.88	3,610,854.45	-	3,610,854.45	3,447,829.36	-	3,447,829.36	interest rate
Deposits	1,034,146.68	-	1,034,146.68	859,774.86	-	859,774.86	906,554.36	-	906,554.36	interest rate
Subordinated liabilities	620,188.10	-	620,188.10	499,194.11	-	499,194.11	389,313.60	-	389,313.60	interest rate
Other financial liabilities	73,129.47	-	73,129.47	65,067.78	-	65,067.78	70,882.87	-	70,882.87	interest rate
Total	8,893,273.91	-	8,893,273.91	8,300,597.68	-	8,300,597.68	6,965,248.26	-	6,965,248.26	

55 FIRST-TIME ADOPTION OF IND AS

These financial statements, for the year ended March 31, 2019, are the first financial statements which have been prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The parent Company follows directions prescribed by the Reserve Bank of India ('RBI') for Non-Banking Finance Company ('NBFC').

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2017, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

> Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 01, 2017. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS. The Group recognises all assets acquired and liabilities assumed in a past business combination, except (i) certain financial assets and liabilities that were derecognised and that fall under the derecognition exception, and (ii) assets and liabilities that were not recognised in the acquirer's consolidated balance sheet under its previous GAAP and that would not qualify for recognition under Ind AS in the individual balance sheet of the acquiree. Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS balance sheet. The Group did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

> Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

> The Group has not designated any investments held at April 01, 2017 as fair value through OCI investments.

> A first-time adopter may opt to continue with the carrying value for all of its PPE as recognised in its previous GAAP financial as deemed cost at the transition date. However, it makes necessary adjustments for decommissioning liabilities to be included in the carrying value of PPE. The Group has used Ind AS 101 exemption and continued with the carrying value as recognised in previous GAAP as deemed cost on the transition date.

> In separate financial statements, a first-time adopter that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind AS balance sheet.

Selection of fair value or previous GAAP carrying amount for determining deemed cost can be done for each subsidiary, associate and joint venture.

Accordingly, the Group has opted to measure its investment in associate at previous GAAP carrying amount which is considered to be the deemed cost.

> Under Ind AS 109, if an entity measures a financial instrument on initial recognition based on valuation techniques that only use observable market data or current market transactions in the same instrument, and the fair value at initial recognition is different from the transaction price, then it is required to recognise the 'day one' gain or loss at initial recognition of this financial instrument. Ind AS 101 allows an entity to apply the 'day one' gain or loss recognition requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS.

The Group has opted for this exemption to recognise the 'day one' gain or loss on initial recognition arising due to difference in transaction cost and fair value prospectively for transactions entered into on or after the date of transition to Ind AS.

> Ind AS 109 requires a financial asset to be measured at amortised cost if it meets two tests that deal with the nature of the business that holds the assets and the nature of the cash flows arising on those assets. A first-time adopter must assess whether a financial asset meets the conditions on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Ind AS 101 also contains mandatory exception related to classification of financial asset which states that conditions for classifying financial assets to be tested on the basis of facts and circumstances existing at the date of transition to Ind AS instead of the date on which it becomes party to the contract. The Group has opted to classify all financial assets and liabilities based on facts and circumstances existing on transition date.

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

> As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of “Derecognition of financial assets and financial liabilities” wherein a first-time adopter shall apply the Derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs. The Group has opted not to re-evaluate financial assets derecognized in the past including those sold to asset restructuring companies.

Estimates:

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- > FVTPL / FVOCI – equity and debt instrument
- > Impairment of financial assets based on expected credit loss model.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018.

Non-controlling interests

The following requirements of Ind AS 110 are applied prospectively from the date of transition to Ind AS (provided that Ind AS 103 is not applied retrospectively to past business combinations):

- > To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance
- > To treat changes in a parents ownership interest as equity transactions
- > To apply Ind AS 110 to loss of control of a subsidiary

Equity reconciliation for April 01, 2017

(Rs. in lacs)

Particulars	Previous GAAP*	Adjustments	Ind AS
ASSETS			
Financial Assets			
Cash and cash equivalents	113,240.45	-	113,240.45
Bank Balance other than above	338,440.78	2,917.05	341,357.83
Derivative financial instruments	-	2,641.73	2,641.73
Receivables			
(I) Trade Receivable	443.42	811.65	1,255.07
(II) Other Receivable	9,567.75	(9,096.04)	471.71
Loans	6,361,071.07	1,040,510.32	7,401,581.39
Investments	151,826.90	71,125.69	222,952.59
Other financial assets	3,804.10	392.31	4,196.41
Total (A)	6,978,394.47	1,109,302.71	8,087,697.18
Non-financial assets			
Current tax assets (net)	8,547.34	2,317.17	10,864.51
Deferred tax assets (net)	36,348.80	13,372.74	49,721.54
Investment Property	190.75	-	190.75
Property, plant and equipment	13,246.45	-	13,246.45
Other Intangible assets	176.33	-	176.33
Other non-financial assets	11,412.96	1,645.23	13,058.19
Total (B)	69,922.63	17,335.14	87,257.77
Total Assets (A+B)	7,048,317.10	1,126,637.85	8,174,954.95
Liabilities and equity			
Liabilities			
Financial liabilities			
Derivative financial instruments	-	1,099.40	1,099.40
Payables			
(I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17,167.28	(236.74)	16,930.54

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

Equity reconciliation for April 01, 2017		(Rs. in lacs)	
Particulars	Previous GAAP *	Adjustments	Ind AS
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Debt securities	2,044,768.23	91,356.53	2,136,124.76
Borrowings (other than debt securities)	2,067,855.43	1,379,973.93	3,447,829.36
Deposits	847,418.19	56,189.67	903,607.86
Subordinated Liabilities	347,917.37	41,213.64	389,131.01
Other financial liabilities	521,269.04	(450,374.26)	70,894.78
Total (C)	5,846,395.54	1,119,222.17	6,965,617.71
Non-financial liabilities			
Current tax liabilities (net)	21,692.80	(2,681.25)	19,011.55
Provisions	12,059.11	19.48	12,078.59
Other non-financial liabilities	34,976.46	(1,069.45)	33,907.01
Total (D)	68,728.37	(3,731.22)	64,997.15
Total Liabilities (C+D)	5,915,123.91	1,115,490.95	7,030,614.86
Equity			
Equity share capital	22,690.67	-	22,690.67
Other Equity	1,110,502.52	11,146.90	1,121,649.42
Total equity	1,133,193.19	11,146.90	1,144,340.09
Total liabilities and equity	7,048,317.10	1,126,637.85	8,174,954.95

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Equity reconciliation for March 31, 2018		(Rs. in lacs)	
Particulars	Previous GAAP *	Adjustments	Ind AS
ASSETS			
Financial Assets			
Cash and cash equivalents	109,070.12	1.21	109,071.33
Bank Balance other than above	254,925.00	3,459.45	258,384.45
Derivative financial instruments	-	1,054.13	1,054.13
Receivable			
(I) Trade receivables	1,398.10	-	1,398.10
(II) Other receivables	9,046.18	(8,697.72)	348.46
Loans	7,691,429.68	1,383,131.91	9,074,561.59
Investments	149,309.97	96,314.30	245,624.27
Other financial assets	10,132.51	(6,384.18)	3,748.33
Total (A)	8,225,311.56	1,468,879.10	9,694,190.66
Non-financial assets			
Current tax assets (net)	8,405.89	2,020.26	10,426.15
Deferred tax assets (net)	42,896.57	(37,677.89)	5,218.68
Investment Property	209.82	-	209.82
Property, plant and equipment	11,821.76	-	11,821.76
Other Intangible assets	173.78	-	173.78
Other non-financial assets	5,911.63	8,040.38	13,952.01
Total (B)	69,419.45	(27,617.25)	41,802.20
Total Assets (A+B)	8,294,731.01	1,441,261.85	9,735,992.86
LIABILITIES AND EQUITY			
Financial liabilities			
Derivative financial instruments	-	468.26	468.26
Payables			
(I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

Equity reconciliation for March 31, 2018		(Rs. in lacs)	
Particulars	Previous GAAP *	Adjustments	Ind AS
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21,976.95	-	21,976.95
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
Debt securities	3,138,665.64	104,595.63	3,243,261.27
Borrowings (other than debt securities)	1,925,888.07	1,684,966.38	3,610,854.45
Deposits	812,832.31	46,942.55	859,774.86
Subordinated liabilities	454,529.81	44,664.30	499,194.11
Other financial liability	614,613.27	(549,545.49)	65,067.78
Total (C)	6,968,506.05	1,331,623.37	8,300,597.68
Non-financial liabilities			
Current tax liabilities (net)	21,541.16	109.35	21,650.51
Provisions	12,228.58	504.85	12,733.43
Other non-financial liabilities	33,656.21	(1,681.40)	31,974.81
Total (D)	67,425.95	614.20	66,358.75
Total Liabilities (C+D)	7,035,932.00	1,332,237.57	8,366,956.43
Equity			
Equity share capital	22,690.67	-	22,690.67
Other equity	1,236,108.34	110,237.42	1,346,345.76
Total equity	1,258,799.01	110,237.42	1,369,036.43
Total liabilities and equity	8,294,731.01	1,442,474.99	9,735,992.86

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Profit reconciliation for the year ended March 31, 2018		(Rs. in lacs)	
Particulars	Previous GAAP*	Adjustments	Ind AS
Revenue from operations			
Interest income	1,227,716.81	91,665.41	1,319,382.22
Dividend income	-	-	-
Rental income	20.90	-	20.90
Fee and commission income	-	15,210.99	15,210.99
Net gain on fair value changes	-	8,177.32	8,177.32
Other operating income	-	1,603.64	1,603.64
Total revenue from operations	1,227,737.71	116,657.36	1,344,395.07
Other income	6,218.74	6.28	6,225.02
Total Income	1,233,956.45	116,663.64	1,350,620.09
Expenses			
Finance costs	537,001.16	99,646.67	636,647.83
Fees and commission expense	-	6,445.38	6,445.38
Net loss on fair value changes	-	-	-
Impairment on financial instruments	312,211.32	(139,979.44)	172,231.88
Employee benefits expenses	74,667.32	(197.12)	74,470.20
Depreciation, amortisation and impairment	3,683.43	-	3,683.43
Other expenses	82,076.06	(2,158.77)	79,917.29
Total expenses	1,009,639.29	(36,243.28)	973,396.01
Profit/(loss) before exceptional items and tax	224,317.16	152,906.92	377,224.08
Exceptional items	12,309.12	38.76	12,347.88
Profit/(loss) before tax	236,626.28	152,945.68	364,876.20
Tax Expense:			
(1) Current tax	89,625.45	-	89,625.45
(2) Deferred tax (credit)	(6,668.71)	51,103.35	44,434.64

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

(Rs. in lacs)			
Profit reconciliation for the year ended March 31, 2018			
Particulars	Previous GAAP*	Adjustments	Ind AS
(3) Tax paid for earlier years	(1,776.68)	2,649.14	872.46
Profit/(loss) for the period from continuing operations	155,446.22	99,193.19	229,943.65
Share of profit of associate	228.52	25.20	253.72
Profit/(loss) for the period	155,674.74	99,218.39	254,893.13
Other comprehensive income			
(i) Items that will not be classified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan	-	(199.22)	(199.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	69.25	69.25
Subtotal (A)	-	(129.97)	(129.97)
(i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Subtotal (B)	-	-	-
Other Comprehensive Income	-	(129.97)	(129.97)
Total comprehensive income	155,674.74	99,063.22	254,763.16

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018

(Rs. in lacs)				
Particulars	Note Reference	Reconciliation of equity		Reconciliation of profit
		As at March 31, 2018	As at April 01, 2017	Year ended March 31, 2018
Equity As per IGAAP		1,258,799.01	1,133,193.19	
Profit after tax as per IGAAP				155,674.74
EIR impact on Financial Assets ("Loans to customer")	1	3,239.73	2,606.89	632.84
EIR impact on Borrowings	1	21,552.11	18,732.48	2,819.63
ECL on Financial Assets	2	81,354.85	(58,609.74)	139,964.59
Recognition of Interest on NPA	3	35,823.64	30,957.11	4,866.53
Derivative	4	898.02	1,901.24	(1,003.22)
Fair valuation of Investment	5	9,798.54	555.09	9,243.45
Others	8	(4,330.16)	1,869.56	(6,199.72)
Deferred Tax Impact on above adjustments	6	(37,857.05)	13,248.66	(51,105.71)
Sub Total		110,479.68	11,261.29	99,218.39
Other Comprehensive Income (Net of Tax)	7, 9	(242.26)	(114.39)	(129.97)
Total		1,369,036.43	1,144,340.09	254,763.16

Note:

1. Effective Interest Rate ("EIR")

- Under Indian GAAP, transaction costs charged to customers was recognised upfront while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Consequently loan to customers on date of transition date have decreased by Rs. 2,606.89 lacs . The interest income for the year ended March 31, 2018 increased by Rs. 632.84 lacs and has been taken to Profit and loss.
- Under Indian GAAP, transaction costs incurred on borrowings was charged to statement of profit and loss upfront while under Ind AS, such costs are included in the initial recognition amount of financial liabilities and recognised as interest expense using the effective interest method. Consequently borrowings on date of transition date have decreased by Rs. 19,322.18 lacs. The finance costs for the year ended March 31, 2018 decrease by Rs. 2,257.21 lacs and has been taken to Profit and loss.
- Unamortised expense on borrowing was recorded as an asset in the balance sheet under Indian GAAP. The same is reversed under Ind AS. As a result, the retained earnings as on the transition date has decreased by Rs. 589.71 lacs. Impact for the year ended March 31, 2018 was Rs. 562.42 lacs has been taken to the Profit and loss account.

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

2. Recording of impairment as per ECL

Under Indian GAAP, Non performing Assets (“NPA”) provisioning was computed based on the RBI guidelines. Under Ind AS, the impairment is computed based on ECL model. Under ECL, the Group impaired its other receivable, investments and loans to customers by Rs. 58,609.74 lacs which has been eliminated against retained earnings. This has resulted in an additional impairment provision of Rs. 58,609.74 lacs on the date of transition to Ind AS the impact of which was taken to retained earnings. Reversal of impairment for the year ended March 31, 2018 was Rs. 139,964.59 lacs has been taken to the statement of Profit and loss account.

3. Interest income on NPA

Under Indian GAAP, interest income on NPA was recognised on cash basis. However, under Ind AS interest income is recognised on credit impaired assets by applying the EIR on amortised cost of such assets net off ECL. As a result of recording interest income on NPA, the retained earnings as on transition date has increased by Rs. 30,957.11 lacs. The impact for the year was Rs. 4,866.53 lacs has been taken to Profit and loss

4. Derivative adjustment

Under Indian GAAP, the premium received on Derivative contracts were amortised over the period of the contract. Under Ind AS, the premium amount is recorded in the statement of profit and loss on the date of contract. As a result, there was an increase in the retained earnings as on transition date by Rs. 200.52 lacs. Also, Credit Value Adjustment has been recorded under Ind AS for outstanding derivative liabilities under Ind AS. As a result, there was a decrease in the retained earnings as on transition date by Rs. 2.44 lacs. Under Ind AS, due to fair valuation of swaps, there was an increase in the retained earnings as on transition date by Rs. 1,703.16 lacs. The impact of Rs. 1,003.22 lacs for the year ended March 31, 2018 has been taken in the Statement of Profit and loss.

5. Fair valuation of Investment

Under Indian GAAP, the investments were carried at cost whereas under Ind AS, investments are measured based on the Group’s business model for managing the financial assets and contractual cash flow characteristics of the financial asset. The investments that meet the business model and contractual cash flow characteristics are measured at amortised cost and interest is recognised as per the EIR method. Those that do not meet these tests are measured at fair value. Consequently, retained earning as on date of transition have increased by Rs. 555.09 lacs. Impact for the year ended March 31, 2018 was Rs. 9,243.45 lacs (including fair value change of investment in associate of Rs. 9,926.74 lacs) has been taken to the Statement of Profit and loss.

6. Deferred Tax

Under Previous GAAP, deferred tax accounting was under the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 “Income-Taxes” approach has resulted in recognition of deferred taxes on temporary differences that were not required to be recorded under Previous GAAP.

In addition, the various transitional adjustments have led to deferred tax implications that the Group has accounted for. Deferred tax adjustments are recognised in correlation to the underlying transaction in either retained earnings or other comprehensive income, on the date of transition. As a result of Ind AS adjustments, the deferred tax credit/charge as on April 01, 2017 has increased by Rs. 13,348.66 lacs leading to decrease in retained earnings. The impact for the year is Rs. 51,105.71 lacs which has been taken to the Profit and loss.

7. Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. The Group has reconciled Indian GAAP profit or loss to Total Comprehensive Income as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

8. Others

- a. The Group has given interest free security deposit in the form of rental advance for branches taken on lease. Such deposits have been fair valued under Ind AS. As a result of the fair valuation, there has been a reduction in the balance of security deposits to the extent of Rs. 617.60 lacs impact of which was taken to retained earnings as on April 01, 2017. The impact of Rs. 84.09 lacs for the year ended March 31, 2018 has been taken in Profit and loss. Also the Group has amortised deferred lease rental as on April 01, 2017 to the extent of Rs. 694.04 lacs, the impact of which was taken to retained earnings as on April 01, 2017. The impact of Rs. 65.43 lacs for the year ended March 31, 2018 has been taken in Profit and loss.
- b. Due to tax adjustment for earlier years there has been an increase of Rs. 4,998.41 lacs in retained earnings as on April 01, 2017 and impact of Rs. 3,087.49 lacs (gross of interest) taken to profit and loss.
- c. For ECL on financial guarantee obligation, There has been a decrease of Rs. 6,526.12 lacs in retained earnings as on April 01, 2017 and impact of Rs. 770.79 lacs (gross of interest expenses) taken to profit and loss.
- d. Due to reversal of unrealised gain of securitisation there has been an increase of Rs.3,663.28 lacs in retained earnings as on April 01, 2017 and impact of Rs. 2,939.05 lacs taken to profit and loss.

55 FIRST-TIME ADOPTION OF IND AS (Contd.)

- e. Unamortised expense on issue of equity share was recorded as an asset in the balance sheet under Indian GAAP. The same is reversed under Ind AS. As a result, the retained earnings as on the transition date has decreased by Rs. 416.18 lacs. Impact for the year ended March 31, 2018 was Rs. 416.18 lacs has been taken to the Profit and loss account.
- f. Retirement benefits of Rs. 183.90 lacs taken to other comprehensive income (OCI) in other equity on the transition date and Rs. 197.12 lacs taken to other comprehensive income (OCI) in profit and loss.

9. Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced by Rs. 129.97 lacs (net of tax).

Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2018

(Rs. in lacs)				
Particulars	Note Reference	Previous GAAP	Adjustments	Ind AS
Net cash from/(used in) operating activities	1	(1,001,338.20)	(312,862.95)	(1,314,201.15)
Net cash from/(used in) investing activities	2	8,667.76	399.98	9,067.74
Net cash from/(used in) financing activities	3	989,204.81	312,237.28	1,301,442.09
Net increase/(decrease) in cash and cash equivalents		(3,465.63)	(225.69)	(3,691.32)
Add: adjustment on disposal of subsidiary		(477.80)	-	(477.80)
Cash and cash equivalents at the beginning of the year		114,323.66	(1,083.21)	113,240.45
Cash and cash equivalents at the end of the year		110,858.03	(1,308.90)	109,549.13

1. The adjustments are due to recognition of Securitisation under loans, investment in pass through certificates etc.
2. The adjustments are due to regrouping of sale or purchase of non-current investments from investing activities to operating activities.
3. The adjustments are due to recognition of Securitisation under borrowings other than debt securities, unamortised discount of debentures, Commercial paper and derivatives etc.

56

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, 2019	As at March 31, 2018	As at April 01, 2017
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	-	-	-

57 In addition to the auditors remuneration shown in note 43 Other expenses, the Group 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. 26.16 lacs (March 31, 2018: Rs. 26.16 lacs) [including out-of-pocket expenses of Rs. Nil (March 31, 2018: Rs. Nil)] shown under Legal and professional fees in note 43 Other expenses.

58 In addition to the auditors remuneration shown under note 43 other expenses, the Group has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with public issue of non-convertible debentures of Rs. 47.96 lacs (March 31, 2018: Rs. Nil) [including out-of-pocket expenses of Rs. Nil (March 31, 2018: Rs. Nil)] amortised portion of which is included in note 38 Finance Costs under interest on debentures and unamortised portion of which is included in note 23 Debt securities under Redeemable non-convertible debentures - Secured -Public issue.

59 The Group is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.

60 TRANSFERRED FINANCIAL ASSETS THAT ARE NOT DERECOGNISED IN THEIR ENTIRETY

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Securitisations		
Carrying amount of transferred assets measured at amortised cost(Held as collateral)	1,777,051.91	1,684,635.05
Carrying amount of associated liabilities (Borrowings (other than debt securities)- measured at amortised cost)	1,773,852.50	1,683,816.34
Fair value of assets	1,635,538.67	1,582,679.40
Fair value of associated liabilities	1,591,857.04	1,527,028.42
Net position at Fair value	43,681.63	55,650.98

61 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Resource mobilisation	6,778.11	1,721.21
Legal and professional charges	60.38	-
Membership fees	0.17	0.16
Listing fees	-	12.24
Total	6,838.66	1,733.61

62 DETAILS OF CSR EXPENSES

Particulars	(Rs. in lacs)	
	Year ended March 31, 2019	Year ended March 31, 2018
a) Gross amount required to be spent by the Group during the year	3,950.84	3,699.14
b) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	4,005.50	1,881.50
Yet to be paid in cash	-	-
Total	4,005.50	1,881.50

63 During the year ended March 31, 2018, the Company had sold the controlling stake in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL) to the extent of 16,630,435 equity shares (representing 55.44% of paid-up capital) @ Rs. 94.03 per share for a total consideration of Rs. 15,637.60 lacs to MXC Solutions India Private Limited (MXC). Consequently, SAMIL ceased to be a subsidiary and is an associate of the Company from February 07, 2018. Profit arising on the sale of SAMIL shares amounting to Rs. 12,347.88 lacs has been disclosed as an exceptional item in the statement of profit and loss.

64 MOVEMENT IN PROVISIONS

(Rs. in lacs)

Particulars	As at March 31, 2018	Additional provision made during the year	Utilisation/ reversal during the year	As at March 31, 2019
Provision for service tax- contested	8,793.99	-	387.89	8,406.10
Provision for value added tax- contested	1,112.59	-	243.12	869.47

(Rs. in lacs)

Particulars	As at April 01, 2017	Additional provision made during the year	Utilisation/ reversal during the year	As at March 31, 2018
Provision for service tax- contested	8,793.99	-	-	8,793.99
Provision for value added tax- contested	1,092.88	19.71	-	1,112.59

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

65 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

- 66** 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 (face value) to the extent of Rs. 146,376.00 lacs (March 31, 2018: Rs. 140,376.00 lacs and April 01, 2017: Rs. 140,376.00 lacs) in favour of trustees representing the public deposit holders of the Company.

67 PREVIOUS YEAR COMPARATIVES

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

As per our report of even date

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Sumant Sakhardande

Partner

Membership No. 034828

Mumbai

May 08, 2019

For **Pijush Gupta & Co.**

Chartered Accountants

ICAI Firm Registration No. 309015E

Sangeeta Gupta

Partner

Membership No. 064225

Mumbai

May 08, 2019

For and on behalf of the Board of Directors of

Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman

DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai

May 08, 2019

Umesh Revankar

Managing Director & CEO

DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai

May 08, 2019

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

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 (Rs. in lacs)	As % of Consolidated profit or loss	Amount (Rs. in lacs)
1	2	3	4	5
Parent				
Shriram Transport Finance Company Limited	99.21%	1,583,628.18	99.55%	256,398.67
Subsidiaries				
Indian	-	-	-	-
Foreign	Not applicable	Not applicable	Not applicable	Not applicable
Minority interests in all subsidiaries	Not applicable	Not applicable	Not applicable	Not applicable
Associates (Investment as per the equity method)				
Indian				
Shriram Automall India Limited (from February 07, 2018)	0.72%	11,488.17	0.45%	1,169.16
Foreign	Not applicable	Not applicable	Not applicable	Not applicable
Inter-company eliminations and consolidation adjustments	0.07%	1,159.55	0.00%	-
Joint Ventures (as per proportionate consolidation / investment as per the equity method)				
Indian	Not applicable	Not applicable	Not applicable	Not applicable
Foreign	Not applicable	Not applicable	Not applicable	Not applicable
Total	100.00%	1,596,275.90	100.00%	257,567.83

For and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

S. Lakshminarayanan

Chairman
DIN: 02808698

Parag Sharma

Executive Director & CFO

Mumbai
May 08, 2019

Umesh Revankar

Managing Director & CEO
DIN: 00141189

Vivek M. Achwal

Company Secretary

Mumbai
May 08, 2019



A WINNING RELATIONSHIP

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

CIN: L65191TN1979PLC007874

Regd. Office: Mookambika Complex, 3rd Floor, No.4, Lady Desika Road, Mylapore, Chennai - 600 004 Tel No: +91 44 2499 0356 Fax: +91 44 2499 3272.

Website: www.stfc.in Email id: secretarial@stfc.in

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the Members of SHRIRAM TRANSPORT FINANCE COMPANY LIMITED (the Company) will be held on Thursday, June 27, 2019 at 10.30 a.m. at Narada Gana Sabha (Main Hall), No. 314, TTK Road, Alwarpet, Chennai - 600 018, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:
 - (a) **“RESOLVED THAT** the audited financial statements including Balance Sheet of the Company as at March 31, 2019, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”
 - (b) **“RESOLVED THAT** the audited consolidated financial statements including Balance Sheet of the Company as at March 31, 2019, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”
2. To declare a Final Dividend of Rs.7/- per Equity Share of Rs. 10/- each and to confirm the payment of Interim Dividend of Rs.5/- per Equity Share of Rs. 10/- each for the financial year ended March 31, 2019 and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Company do declare and pay a final dividend of Rs. 7/- per equity share of face value of Rs.10/- each absorbing Rs.19,146.34/- lacs including dividend distribution tax, for the financial year ended March 31, 2019 to those Members whose names appeared in the Register of Members or who were beneficial owners of equity shares of the Company as on June 20, 2019.

RESOLVED FURTHER THAT an Interim Dividend of Rs.5/- per equity share of face value of Rs.10/- each absorbing Rs.13,675.97/-lacs including dividend distribution tax, for the financial year ended March 31, 2019 paid on November 16, 2018 be and is hereby noted and confirmed.”

3. To appoint Mr. D. V. Ravi (DIN 00171603), who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. D. V. Ravi (DIN 00171603), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

4. To fix remuneration of joint Auditors of the Company and in this regard, pass the following resolutions as Ordinary Resolutions:

- (a) **“RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Haribhakti & Co. LLP, Chartered Accountants Firm (Firm Registration No.103523W/W100048), who were appointed as joint Auditors of the Company at the 38th Annual General Meeting (AGM) held on June 29, 2017 to hold office from conclusion of 38th AGM until the conclusion of 43rd AGM of the Company, be paid remuneration of Rs. 55,00,000/- (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the financial year 2019-20.”

- (b) **“RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Pijush Gupta & Co. Chartered Accountants, Gurugram (Firm Registration No. 309015E), who were appointed as joint Auditors of the Company at the 38th Annual General Meeting (AGM) held on June 29, 2017 to hold office from conclusion of 38th AGM until the conclusion of 43rd AGM of the Company, be paid remuneration of Rs.33,00,000/- (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the financial year 2019-20.”

SPECIAL BUSINESS

5. To approve cancellation of 48,000 forfeited shares from the issued and subscribed share capital of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 61(1)(e) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter to be referred as ‘the

Act') and rules framed thereunder and enabling provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board') to cancel from issued and subscribed share capital of the Company 48,000 (Forty Eight Thousand) equity shares of Rs. 10/- each ('the forfeited shares') which have not been re-issued and have not been taken up by any person.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps and to do all such acts, deeds, matters and things to give effect to the cancellation of the forfeited shares including for consequent diminution of the amount of Rs. 4,80,000/- and number of the forfeited shares from the issued and subscribed share capital of the Company as per the applicable accounting standards and provisions of the Act, giving such directions as may be in its absolute discretion deemed necessary, settling any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

6. To appoint Mr. Pradeep Kumar Panja (DIN 03614568) as an Independent Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter to be referred as 'the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other Rules framed thereunder and pursuant to Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), Mr. Pradeep Kumar Panja (DIN 03614568) who was appointed as an Additional Director of the Company with effect from October 25, 2018 by the Board of Directors under Section 161(1) of the Act and Article 21 of the Articles of Association of the Company in the category of Non-Executive Independent Director and who holds the office only upto the date of the ensuing Annual General Meeting of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Pradeep Kumar Panja for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five years with effect from October 25, 2018 to October 24, 2023, and who shall not be liable to retire by rotation."

7. To appoint of Mr. Ignatius Michael Viljoen (DIN 08452443) as a Non-Executive Non- Independent Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Article 20 of the Articles of Association of the Company and the provisions of

Section 152, 161(4) and any other applicable provisions of the Companies Act, 2013 (hereinafter to be referred as 'the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Ignatius Michael Viljoen (DIN 08452443) who was appointed as a Director in casual vacancy by the Board of Directors at its meeting held on May 08, 2019 and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company in the category of Non-Executive Non-Independent Director liable to retire by rotation with effect from May 14, 2019."

8. To re-appoint Mr. Umesh Revankar (DIN 00141189) as Managing Director and CEO of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter to be referred as 'the Act') read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and any other Rules framed thereunder and subject to approval of Central Government, if any, the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Umesh Revankar (DIN 00141189) as Managing Director & CEO of the Company for a period of five years with effect from October 26, 2019 upto October 25, 2024 and that he shall perform such duties and exercise such powers as may from time to time be lawfully entrusted to and conferred upon him by the Board of Directors (hereinafter to be referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) and he be paid a remuneration by way of salary, variable remuneration, allowances and perquisites in accordance with Schedule V to the Act or any statutory modification(s) or re-enactment thereof as detailed below:

A. Basic Salary:

In the range of Rs. 500,000/- (Rupees Five Lacs) to Rs. 800,000/- (Rupees Eight Lacs) per month which will also cover the annual increase in his basic salary effective from 1st April every year till the end of his tenure. The quantum of the annual increase will be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee (NRC Committee) based upon his annual performance evaluation.

B. Variable Remuneration:

Up to a maximum of Rs. 1,00,00,000/- (Rupees One Crore) per annum, based on guidelines to be formulated by the NRC Committee and approved by the Board.

C. Allowances:

- (i) House Rent Allowance – 60% of Basic Salary per month or free accommodation (Company owned/ leased/rented) in lieu of House Rent Allowance.
- (ii) Leave Travel Allowance – for the Managing Director & CEO and family, subject to a maximum of Rs. 5,00,000/- (Rupees Five Lacs) per annum.

D. Perquisites

- (i) Payment of water, gas, electricity and furnishing charges for residence, to be valued in accordance with Income Tax Rules, subject to a maximum of 10 % of his Basic Salary per month.
- (ii) Medical Reimbursement – Reimbursement of medical, surgical and hospitalization expenses for the Managing Director & CEO and family subject to a maximum of Rs. 2,00,000/- (Rupees Two Lacs) per annum.
- (iii) Personal Accident / Group Insurance applicable to other employees in accordance with policy of the Company.
- (iv) Club Fees – Subscription limited to a maximum of two clubs. No life membership or admission fees shall be paid by the Company. All official expense in connection with such membership incurred would be reimbursed by the Company.
- (v) Expenditure on official entertainment would be on the Company's account.
- (vi) Contribution to Provident Fund -12% of Basic Salary per month and Contribution to National Pension Scheme - 10% of Basic Salary per month. These will not be considered or included for the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (vii) Gratuity - Not exceeding half months' salary for each completed year of service.
- (viii) Encashment of leave at the end of the tenure - As per policy of the Company.
- (ix) Company's car with driver for use on Company's business and maintenance expenses thereon.
- (x) The Company shall provide telephone, mobile, internet, data card and other communication facilities at the Managing Director & CEO's residence. All the expenses incurred shall be paid or reimbursed as per the rules of the Company.
- (xi) Leave as per the Company's policy.
- (xii) Other terms – applicable to other employees in accordance with the Company's policy.
Those mentioned under (vi), (vii) and (viii) above will not be considered or included for the computation of ceiling on perquisites.

OTHER APPLICABLE TERMS:

- (i) The Managing Director & CEO shall not be paid any sitting fees for attending General Meetings and Meetings of the Board or Committee thereof.
- (ii) The Board may revise, alter and vary the terms and conditions of his re-appointment, including his remuneration, in accordance with the general policy of the Company, subject to the applicable provisions of Schedule V to the Act.
- (iii) Unless the Board decides otherwise, the Managing Director & CEO will not be liable to retire by rotation at the Annual General Meeting till such time he holds the office of the Managing Director and CEO of the Company.

RESOLVED FURTHER THAT if in any financial year the Company has no profits or its profits are inadequate, Managing Director and CEO shall be entitled to receive the basic salary, allowance and perquisites on the same terms as set out above, except variable remuneration as per clause (B) subject to compliance with the applicable provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To re-appoint Mr. S. Sridhar (DIN 00004272) as an Independent Director of the Company and in this regard, pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter to be referred as ‘the Act’) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other Rules framed thereunder and pursuant to Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. S. Sridhar (DIN 00004272) who holds office of Independent Director up to October 19, 2019 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose the candidature of Mr. S. Sridhar for the office of Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from October 20, 2019 to October 19, 2024, and who shall not be liable to retire by rotation.”

10. To re-appoint Mr. S. Lakshminarayanan (DIN 02808698) as an Independent Director of the Company and in this regard, pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter to be referred as ‘the Act’) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other Rules framed thereunder and pursuant to Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. S. Lakshminarayanan (DIN 02808698) who holds office of Independent Director up to January 23, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose

the candidature of Mr. S. Lakshminarayanan for the office of Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from January 24, 2020 to January 23, 2025, and who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations, the approval of the Company be and is hereby also accorded for continuation of the directorship of Mr. S. Lakshminarayanan during his tenure of re-appointment as a non-executive Independent Director of the Company on attaining the age of seventy-five years on July 10, 2021.”

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the item no. 5 to 10 is annexed and forms a part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED AND MUST BE DEPOSITED AT THE OFFICE OF THE REGISTRAR AND SHARE TRANSFER AGENTS OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING. The proxy holder shall prove his identity at the time of attending the meeting. The proxies shall be available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from Friday, June 21, 2019 to Thursday, June 27, 2019 (both days inclusive) for the purpose of payment of dividend.
4. The payment of dividend, upon declaration by the Members at the Annual General Meeting, will be made on or after Thursday, July 04, 2019 as under:
 - a) to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL) as of the end of business hours on Thursday, June 20, 2019 and
 - b) To all those Members holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on Thursday, June 20, 2019.
5. At the 38th AGM held on June 29, 2017 the members approved appointment of M/s Haribhakti & Co. LLP, Chartered Accountants Firm (Firm Registration No.103523W/W100048) and M/s Pijush Gupta & Co. Chartered Accountants, Gurugram (Firm Registration No. 309015E) as joint Auditors of the Company to hold office from the conclusion of 38th AGM till the conclusion of the 43rd AGM, subject to ratification of their appointment by Members at every AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of joint auditors at the 40th AGM.
6. Members holding shares in physical form are requested to register/ update their bank details on or before Thursday, June 20, 2019 with the Company and the Members holding shares in dematerialized form are requested to register their bank details with their depository participants to enable expeditious credit of the dividend to their bank accounts electronically through NECS, NEFT, etc. and no dividend warrants or demand drafts will be issued without bank particulars.
7. As per circular issued by National Payments Corporation of India dated December 05, 2016, the penalty for transactions presented with old account numbers will be levied for account numbers with length less than or equal to 8 digits for Indian bank and account numbers with length less than or equal to 9 digits for all banks. Hence all the Members are requested to update account numbers in the bank mandate accordingly.
8. Members seeking any information with regard to accounts are requested to write to the undersigned at Corporate Office of the Company at Wockhardt Towers, Level - 3, West Wing, C - 2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, at least 15 days in advance, so as to keep the information ready at the Meeting.
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and in case the shares are held in physical form to the Company's Registrar and Share Transfer Agents, Integrated Registry Management Services Private Ltd. The Company had sent reminders to all such Members in this regard.
10. To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Financial Results etc. from the Company electronically.
11. SEBI in its press release dated December 03, 2018 had decided that securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. In view of the above and to avail the benefits

of dematerialization and ease portfolio management, Members are requested to consider dematerialize shares held by them in physical form.

12. Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor

Education and Protection Fund (“IEPF”). Members 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 Agents, Integrated Registry Management Services Private Ltd., 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.

Financial Year	Type of Dividend	Due date Dividend transfer to IEPF
2011-2012	Final Dividend	10/08/2019
2012-2013	Interim Dividend	05/12/2019
2012-2013	Final Dividend	10/08/2020
2013-2014	Interim Dividend	04/12/2020
2013-2014	Final Dividend	14/08/2021
2014-2015	Interim Dividend	25/11/2021
2014-2015	Final Dividend	05/09/2022
2015-2016	Interim Dividend	04/12/2022
2015-2016	Final Dividend	01/09/2023
2016-2017	Interim Dividend	30/11/2023
2016-2017	Final Dividend	04/08/2024
2017-2018	Interim Dividend	07/12/2024
2017-2018	Final Dividend	31/08/2025
2018-2019	Interim Dividend	30/11/2025

13. **Transfer of Equity Shares to Investor Education and Protection Fund** – 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 on which dividend remains unclaimed for seven consecutive years as per Section 124 of the Act, and the applicable rules. Accordingly, during the financial year 2018-19 the Company had the transferred 82,495 Equity shares of Rs. 10/- each in respect of which the following dividend is not claimed/remains unpaid for seven consecutive years.

Financial Year	Type of Dividend	No. of Shares	IEPF 4 Form Filing date
2010-2011	Final Dividend	55,086	31/08/2018
2011-2012	Interim Dividend	27,409	22/01/2019

The Members who have a claim on above dividends and equity shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with complete set of documents enumerated in the Form No. IEPF-5. During the financial year ended March 31, 2019, the Company had received requests from investors for claiming dividends, fixed deposits and equity shares from IEPF Authority. Information on the procedure to be followed for claiming the dividend/shares/fixed deposits are available on the weblink:- <http://www.iepf.gov.in/IEPF/refund.html> No claims shall lie against the Company in respect of the dividend, shares, etc. so transferred. The Members/ Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

14. The Statutory Registers will be available for inspection by the Members at the venue of the Annual General Meeting or at the registered office of the Company during business hours, except on holidays up to and including the date of the Annual General Meeting of the Company.

15. The Board of Directors has appointed Mr. P. Sriram, Practising Company Secretary (Membership No. FCS 4862), Chennai as the Scrutinizer for conducting the voting and remote e-voting process in accordance with the law and in a fair and transparent manner and he has consented to act as scrutinizer.

16. Voting through electronic means

- I The business set out in this Notice shall be conducted through e-voting. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional. The Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating remote e-voting.

The procedure and instructions for the remote e-voting are as follows:

- (i) The voting period begins on **Monday, June 24, 2019 (9:00 Hours IST)** and ends on **Wednesday, June 26, 2019 (17:00 Hours IST)**. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Thursday, June 20, 2019** may cast their vote electronically as well as voting at the AGM through Polling paper. Thereafter remote e-voting module shall be disabled by CDSL.
- (ii) The Members should log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on Shareholders/Members tab.
- (iv) Enter your User ID. For CDSL: 16 digits beneficiary ID and for NSDL: 8 Character DP ID followed by 8 Digits Client ID and for Members holding shares in Physical Form should enter Folio Number registered with the Company. Thereafter, enter the Image Verification as displayed and click on Login.
- (v) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Kindly note that the Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number mentioned in the Attendance Slip.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy) format as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the Member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. Kindly note that the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (ix) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) Click on the EVSN for "**Shriram Transport Finance Company Ltd.**" to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any,

should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- II. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. You may also contact Mr. Vivek Achwal, Company Secretary to address the grievances connected with remote e-voting at Corporate Office, Tel. No. +91-022-40959508, Email-id- secretarial@stfc.in.
 - III. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on June 20, 2019 being cut-off date.
 - IV. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. June 20, 2019, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or anusha@integratedindia.in or secretarial@stfc.in.
 - V. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - VI. At the end of discussion on the resolutions on which voting is to be held, the Chairman shall allow voting with the assistance of scrutinizer, by use of ballot or polling paper or by using electronic system for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - VII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and the Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of AGM and make a consolidated Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman or any director or any person appointed by the Chairman of the Company.
 - VIII. The Results declared along with the report of the Scrutinizer shall be hosted on the Company’s website at www.stfc.in and on the website of CDSL at www.evotingindia.com immediately after the declaration of result and will also be communicated to the National Stock Exchange of India Ltd. and BSE Ltd.
17. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, the Members are requested to provide their e-mail Id to the Company or Registrar and Share Transfer Agent in order to facilitate easy and faster dispatch of Notices of the general meetings and other communication by electronic mode from time to time.
 18. Electronic copy of the 40th Annual Report and Notice of the 40th Annual General Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 40th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 19. The Notice of the 40th AGM of the Company and 40th Annual Report of the Company circulated to the members of the Company will be made available on the Company’s website at www.stfc.in. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
 20. Members, Proxies and Authorised Representatives are requested to bring to the venue of the 40th AGM, the Attendance slip enclosed herewith, duly completed and signed mentioning their details of the DP ID and Client ID/Folio No.
 21. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours, except on holidays, up to and including the date of the 40th AGM of the Company

By Order of the Board
For Shriram Transport Finance Company Ltd.
 Mumbai
 May 14, 2019
Vivek Achwal
Company Secretary

CIN: L65191TN1979PLC007874

Regd. Office: Mookambika Complex, 3rd Floor, No.4,
 Lady Desika Road, Mylapore, Chennai - 600 004
 Tel No: +91 44 2499 0356 Fax: +91 44 2499 3272.

Website: www.stfc.in Email id: secretarial@stfc.in.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO. 5

On January 17, 1997, the Board of Directors of erstwhile Shriram Investments Ltd. ('SIL') had forfeited the 48,000 equity shares of Rs. 10 each for non-payment of allotment money @ Rs. 5 per share by certain shareholders of SIL (forfeited shares). The forfeited shares were reflected in share capital of SIL. Subsequently, SIL was amalgamated with the Company as per the scheme of amalgamation sanctioned by the Hon'ble Madras High Court vide its order dated November 25, 2005. Upon the Scheme of Amalgamation becoming effective, the share capital of SIL stood combined with the share capital of the Company. As per clause 13.2 of the Scheme of Amalgamation, the forfeited shares are reflected in the books of the Company and form part of share capital of the Company.

Due to various factors including the small quantity, the difficulties in completing the procedural formalities involved with respect to re-issue of the forfeited shares on rights or preferential basis and listing, it is not feasible to re-issue the forfeited shares. Considering that, the Board of Directors of the Company in its meeting held on May 8, 2019 have proposed to cancel the forfeited shares from the issued and subscribed share capital of the Company subject to approval of Members. Upon passing of the resolution as set out at item no. 5 of the Notice of the Annual General Meeting, the amount of Rs. 4,80,000/- (Rupees Four Lacs Eighty Thousand Only) and number of the forfeited shares will stand diminished from the issued and subscribed share capital of the Company and the amount of Rs. 2,40,000/- (Rupees Two Lacs Forty Thousand Only) paid in respect of the forfeited shares @ Rs.5 per share will be transferred from the paid-up share capital account to the capital reserve account as per the applicable accounting standards and provisions of the Companies Act, 2013.

The Board of Directors commends passing of this resolution as set out at item no. 5 of this Notice.

None of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NO. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on October 25, 2018 have appointed Mr. Pradeep Kumar Panja as an Additional Director of the Company pursuant to section 161(1) of the Companies Act, 2013 ('the Act') and Article 21 of the Articles of Association of the Company in the category of Non-Executive Independent Director for a term of five (5) years from October 25, 2018, subject to approval of shareholders. Mr. Pradeep Kumar Panja holds office only upto the date of the ensuing 40th Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Pradeep Kumar Panja for the office of director.

The Company has received from Mr. Pradeep Kumar Panja (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of the said rules, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulation')(iv) declaration in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

Mr. Pradeep Kumar Panja meets the fit and proper criteria for director as prescribed under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

In the opinion of the Board, Mr. Pradeep Kumar Panja fulfills the conditions for appointment as an independent director as specified in the Act and the Listing Regulations and he is independent of the management.

The Board considers that continuation of his directorship in the Company would be of immense benefit to the Company and it is in the interest of the Company to continue to avail the benefits of his expertise, knowledge and experience in the areas of corporate, retail and international banking, treasury management, strategic planning, business development, risk management, etc.

Details of Mr. Pradeep Kumar Panja are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

A copy of the letter of appointment issued by the Company to Mr. Pradeep Kumar Panja setting out the terms and conditions of his appointment as an independent director is available for inspection at the registered office of the Company. The terms and conditions of his appointment have been posted on the Company’s website.

The Board of Directors commends passing of the resolution as set out at item no. 6 of this Notice.

Except Mr. Pradeep Kumar Panja, none of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NO. 7

Based on recommendation of the Nomination and Remuneration Committee and pursuant to Article 20 of the Articles of Association of the Company and Section 161(4) of the Companies Act, 2013 (‘the Act’), the Board of Directors at its meeting held on May 8, 2019 appointed Mr. Ignatius Michael Viljoen as a Non-Executive Non-Independent Director, subject to approval of Members, in the casual vacancy caused by the resignation of Mr. Gerrit Lodewyk Van Heerde (DIN 06870337), Non-Executive Non-Independent Director of the Company liable to retirement by rotation.

Mr. Ignatius Michael Viljoen is a Head of Credit-Sanlam Pan Africa Portfolio Management (Johannesburg, South Africa) and is responsible for a range of credit risk and credit portfolio management aspects across the various entities owned by the Sanlam Group outside of the Republic of South Africa. He has been associated with Sanlam Group since September 2003. Sanlam holds an effective major minority interest of 26% in the Promoter Company. They are a 100 year old company with strong financials and management culture. Sanlam is a diversified financial services group, headquartered in South Africa, operating across number of selected global markets. Sanlam in exercise of its right has nominated Mr. Ignatius Michael Viljoen to hold the office of non-executive non-independent director on the board of Directors of the Company vide their letter dated April 11, 2019.

In accordance with Section 161(4) of the Act, as amended, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next general meeting. Pursuant to provisions of Section 161(4) of the Act, it is necessary to obtain approval of Members of the Company for appointment of Mr. Ignatius Michael Viljoen as director of the Company.

The Company has received from a Member the notice under Section 160 of the Act proposing the candidature of Mr. Ignatius Michael Viljoen for the office of director.

Mr. Ignatius Michael Viljoen meets the fit and proper criteria for director as prescribed under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Details of Mr. Ignatius Michael Viljoen are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Mr. Ignatius Michael Viljoen has obtained Directors Identification Number (DIN) on May 14, 2019 and accordingly his appointment as a director of the Company will take effect from May 14, 2019, subject to approval of Members as set out at item no.7 of this Notice. The Board of Directors commends passing of this resolution.

Except Mr. Ignatius Michael Viljoen, none of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NO. 8

The present tenure of appointment of Mr. Umesh Revankar, Managing Director & CEO of the Company will expire on October 25, 2019. Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on May 8, 2019 had re-appointed him for a further period of 5 (five) years with effect from October 26, 2019 upto October 25, 2024, subject to approval of Members, on terms and conditions including remuneration as mentioned in the resolution set out at item no. 8 of the Notice of the Annual General Meeting. The Company has received from a Member the notice under Section 160 of the Act proposing the candidature of Mr. Umesh Revankar for the office of director.

Mr. Umesh Revankar meets the fit and proper criteria for director as prescribed under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Details of Mr. Umesh Revankar are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Nomination and Remuneration Committee and the Board of Directors is of the opinion that the vast knowledge and experience of Mr. Umesh Revankar, who has been associated with the Company for more than 3 decades, is of great value to the Company. The Company is being immensely benefited from his expertise in the field of vehicle financing, business development and team building. He successfully lead the Company during difficult phase for NBFC sector. Mr. Umesh Revankar is a solid professional and excellent team leader with deep and intrinsic understanding and knowledge of the Company’s business. It is in the interest of the Company to continue to avail his services as a Managing Director & CEO of the Company for a further period of 5 years with effect from October 26, 2019 upto October 25, 2024.

The Board of Directors commends passing of this resolution as set out at item no. 8 of this Notice.

Except Mr. Umesh Revankar, none of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NO. 9

The Members of the Company in its 36th Annual General Meeting of the Company held on July 31, 2015 appointed Mr. S. Sridhar (DIN 00004272) as an Independent Director of the Company for a period of five years commencing from October 20, 2014 upto October 19, 2019. As per Section 149(10) of the Companies Act, 2013 (‘the Act’) an Independent Director shall be eligible for re-appointment for the second term of upto five consecutive years with approval of the Members obtained by way of passing a special resolution.

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on May 8, 2019 had re-appointed Mr. S. Sridhar for second term of five consecutive years with effect from October 20, 2019 upto October 19, 2024, subject to approval of Members.

The Company has received from Mr. S. Sridhar (i) declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘the Listing Regulations’) and (ii) declaration in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. Mr. S. Sridhar meets the fit and proper criteria for director as prescribed under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. In the opinion of the Board, Mr. S. Sridhar fulfills the conditions for re-appointment as an Independent Director as specified in the Act and the Listing Regulations. He is independent of the management.

Details of Mr. S. Sridhar are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

The Company has received notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Mr. S. Sridhar for the office of Director.

The Board of Directors based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that his continued association as an Independent Director of the Company would be of immense benefit to the Company. It is in the interest of the Company to continue to avail the benefits of his knowledge, expertise and vast experience.

A copy of the draft letter of re-appointment of Mr. S. Sridhar as an Independent Director setting out the terms and conditions is available for inspection at the registered office of the Company.

The Board of Directors commends passing of this resolution as set out at item no. 9 of this Notice.

Except Mr. S. Sridhar, none of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NO. 10

The Members of the Company through the resolution passed by postal ballot/e-voing had appointed Mr. S. Lakshminarayanan (DIN 02808698) as an Independent Director of the Company for a term of five years commencing from January 24, 2015 upto January 23, 2020. As per Section 149(10) of the Companies Act, 2013 ('the Act') an Independent Director shall be eligible for reappointment for the second term of upto five consecutive years with approval of Members obtained by way of passing a special resolution by the company.

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on May 08, 2019 had re-appointed Mr. S. Lakshminarayanan for second term of five consecutive years with effect from January 24, 2020 upto January 23, 2025, subject to approval of Members.

The Company has received from Mr. S. Lakshminarayanan (i) declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and (ii) declaration in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. Mr. S. Lakshminarayanan meets the fit and proper criteria for director as prescribed under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. In the opinion of the Board, Mr. S. Lakshminarayanan fulfils the conditions for re-appointment as an Independent Director as specified in the Act and Listing Regulations. He is independent of the management.

Details of Mr. S. Lakshminarayanan are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Company has received notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. S. Lakshminarayanan for the office of Director.

The Board of Directors based on the performance evaluation of independent directors and as per the recommendation of the Nomination and Remuneration Committee, considers that the Company has immensely benefited from the wide experience and expertise of Mr. S. Lakshminarayanan and his continued association as an independent director of the Company is in the interest of the Company.

Pursuant to Regulation 17(1A) of the Listing Regulations, a person who has attained the age of seventy five years may be appointed/continue as a non-executive director of a listed company subject to approval of its shareholders by way of a special resolution. .

A copy of the draft letter of re-appointment of Mr. S. Lakshminarayanan as an Independent Director setting out the terms and conditions is available for inspection at the registered office of the Company.

The Board of Directors commends passing of this resolution as set out at item no. 10 of this Notice.

Except Mr. S. Lakshminarayanan, none of the Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the proposed resolution.

By Order of the Board

For Shriram Transport Finance Company Ltd.

Vivek Achwal
Company Secretary

CIN: L65191TN1979PLC007874

Regd. Office: Mookambika Complex, 3rd Floor, No.4,

Lady Desika Road, Mylapore, Chennai - 600 004

Tel No: +91 44 2499 0356 Fax: +91 44 2499 3272.

Website: www.stfc.in Email id: secretarial@stfc.in.

Place : Mumbai

Date : May 14, 2019

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE LISTING REGULATIONS AND SS2 - SECRETARIAL STANDARD ON GENERAL MEETINGS WITH RESPECT TO DIRECTOR'S RE-APPOINTMENT AND APPOINTMENT:

Particulars	Mr. D. V. Ravi	Mr. Pradeep Kumar Panja	Mr. Ignatius Michael Viljoen
Date of Birth and Age	September 05, 1964 (Age 54 years)	October 02, 1955 (Age 63 years)	January 14, 1973 (Age 46 years)
DIN	00171603	03614568	08452443
Date of first appointment on the Board	June 18, 2015	October 25, 2018	Appointed in the Board meeting held on May 8, 2019 effective from the date of allotment of Directors Identification Number i.e. May 14, 2019
Nationality	Indian	Indian	South African
Expertise in specific functional areas	Wide experience in corporate strategy and services, corporate finance, information technology and process activities.	Rich experience in various areas of banking including corporate and international banking, treasury management, information technology, retail, transaction banking, strategic planning, business development, risk management, etc.	Credit risk and credit portfolio management across the various entities owned by the Sanlam Group outside of the Republic of South Africa.
Profile of Director	Appended below		
Qualifications	Commerce Graduate from the University of Bangalore, Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA).	Master's Degree in Science (Statistics) from the University of Madras, Certified Associate of the Indian Institute of Bankers.	Master's degree in Economics with distinction from the University of the Free State, South Africa
Directorship held in other companies	<ol style="list-style-type: none"> 1. Shriram Capital Ltd.; 2. DRP Consultants Pvt. Ltd.; 3. Shriram Properties Holding Pvt. Ltd.; 4. Asia Global Trading (Chennai) Pvt. Ltd.; 5. Shriram Financial Ventures (Chennai) Pvt. Ltd.; 6. TAKE Solutions Ltd.; 7. EsysproInfotech Ltd.; 8. Investor Ventures Ltd.; 9. Shriram Credit Company Ltd.; 10. Shriram Seva Sankalp Foundation; 11. TAKE Solutions Pte Ltd.; 12. DRP Consultants Pte Ltd.; 13. Shrilekha Business Consultancy Private Ltd.; 14. Take Sports Management Private Ltd.; 15. Eywa Pharma Pte Ltd. 	<ol style="list-style-type: none"> 1. Trigyn Technologies Ltd.; 2. Indiabulls Asset Reconstruction Company Ltd.; 3. Brigade Properties Private Ltd.; 4. Acme Solar Holdings Ltd.; 5. Svamaan Financial Services Private Ltd.; 6. Penna Cement Industries Ltd.; 7. Brigade Enterprises Ltd.; 8. Katalyst Software Services Ltd.; 9. Omax Autos Ltd.; 	<ol style="list-style-type: none"> 1. Sanlam Credit Fund Advisor (Pty) Ltd.

Particulars	Mr. D. V. Ravi	Mr. Pradeep Kumar Panja	Mr. Ignatius Michael Viljoen
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Stakeholders Relationship Committee)	Audit Committee Member: - Shriram Capital Ltd. and - Take Solutions Ltd..	i) Member of Audit Committee: - Trigyn Technologies Ltd. - Penna Cement Industries Ltd. and - Katalyst Software Services Ltd. ii) Chairman of Audit Committee: - Acme Solar Holdings Ltd. and - Brigade Enterprises Ltd. iii) Member of Stakeholders' Relationship Committee: -Katalyst Software Services Ltd.	Nil
Shareholdings in the Company	Nil		
Disclosure of relationships between directors/Key Managerial Personnel inter-se.	There is no inter-se relationship between the appointee and the directors on the Board of Directors of the Company and Key Managerial Personnel.		
Remuneration received from the Company in the F.Y. 2018-19	Nil being a Non-Executive Non-Independent Director.	Sitting fees : Rs.1,65,000/- Commission : Rs.3,22,600/- Total : Rs. 4,87,600/- (Appointed as Director on October 25, 2018)	Nil. (Did not hold directorship in financial year 2018-19)
Terms and conditions of appointment/re-appointment alongwith details of remuneration sought to be paid	Director liable to retirement by rotation. No Remuneration is paid to Non-Executive Non-Independent Director.	The appointment is for a term of 5 (five) years commencing from October 25, 2018. The Appointee shall receive sitting fees (presently Rs. 50,000 for each Board Meeting, Rs. 25,000 for each Committee Meeting and Rs. 15,000 for every meeting of Independent Directors attended by him) which other Independent Directors receive. The Commission of Independent Directors is decided by the Board of Directors as per the resolution passed by the Members at the 38th Annual General Meeting held on June 29, 2017 and as per remuneration policy of the Company.	Director liable to retirement by rotation. No remuneration is paid to Non-Executive Non-Independent Director.
The number of Meetings of the Board attended during the F.Y. 2018-19	3 Meetings attended out of 5 Board Meetings held.	2 Meetings. (Appointed as director on October 25, 2018.)	Nil (Since did not hold directorship during the financial year 2018-19.)

Particulars	Mr. S. Sridhar	Mr. S. Lakshminarayanan	Mr. Umesh Revankar
Date of Birth and Age	May 09, 1951 (Age 68 years)	July 10, 1946 (Age 72 years)	October 27, 1964 (Age 54 years)
DIN	00004272	02808698	00141189
Date of first appointment on the Board	October 20, 2014	September 22, 2009	October 25, 2016
Nationality	Indian	Indian	Indian
Expertise in specific functional areas	Wide and rich experience as Banker for more than four decades in commercial and development banking.	Wide experience, expertise and knowledge in the fields of administration, public relations etc.	Extensive experience in the financial services business of companies in Shriram Group, expertand in-depth knowledge and specialization in commercial vehicle financing, business development.
Profile of Director	Appended below		
Qualifications	Degree from IIT – Delhi and Management Studies from Jamnalal Bajaj Institute – Mumbai.	Master’s degree in science and post-graduate diploma from University of Manchester (UK) in Advanced Social and Economic Studies	Bachelor’s degree in Business Management from Mangalore University and a Master of Business Administration in Finance.
Directorship held in other companies	<ol style="list-style-type: none"> Jubilant Life Sciences Ltd.; Strides Pharma Science Ltd.; Tourism Finance Corporation of India Ltd.; DCB Bank Ltd.; Essfore Consultancy Services Private Ltd.; Sewa Grih Rin Ltd.; IIFL Home Finance Ltd.; Strategic Research and Information Capital Services Private Ltd.; GVFL Trustee Company Private Ltd.; Universal Trustees Private Ltd. 	<ol style="list-style-type: none"> Indofil Industries Ltd.; ELCOM Systems Private Ltd.; Innovative Oncology Network Private Ltd.; Shriram Life Insurance Company Ltd.; Shriram Automall India Ltd. 	<ol style="list-style-type: none"> Shriram Automall India Ltd.; Shriram Capital Ltd.; Shriram Credit Company Ltd.; Shriram General Insurance Company Ltd.; Shriram Life Insurance Company Ltd.; Shriram Seva Sankalp Foundation; and Finance Industry Development Council.
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Stakeholders Relationship Committee)	Member of Audit Committee: - Sewa Grih Rin Ltd. Chairman of Audit Committee - IIFL Home Finance Ltd. - Jubilant Life Sciences Ltd. - Strides Pharma Science Ltd. Chairman of Stakeholders Relationship Committee: - Jubilant Life Sciences Ltd.	Member of Audit Committee: - Shriram Automall India Ltd. Chairman of Audit Committee: - Shriram Life Insurance Company Ltd.	Member of Audit Committee : - Shriram Automall India Ltd. - Shriram Credit Company Ltd.

Particulars	Mr. S. Sridhar	Mr. S. Lakshminarayanan	Mr. Umesh Revankar
Shareholdings in the Company	NIL		
Disclosure of relationships between directors/Key Managerial Personnel inter-se.	There is no inter-se relationship between the appointee and the directors on the Board of Directors of the Company and Key Managerial Personnel.		
Remuneration received from the Company in the F.Y. 2018-19	Sitting fees : Rs. 4,40,000/- Commission : Rs. 7, 50,000/- Total : Rs. 11,90,000/-	Sitting fees : Rs. 4,40,000/- Commission : Rs. 7, 50,000/- Total : Rs. 11,90,000/-	Salary, allowance and perquisites – Rs.66,97,212/-
Terms and conditions of re-appointment alongwith details of remuneration sought to be paid	<p>The re-appointment is for a term of 5(five) years commencing from October 20, 2019.</p> <p>The Appointee shall receive sitting fees (presently Rs.50,000 for each Board Meeting, Rs. 25,000 for each Committee Meeting and Rs. 15,000 for every meeting of Independent Directors attended by him) which other Independent Directors receive.</p> <p>The Commission of Independent Directors is decided by the Board of Directors as per the resolution passed by the Members at the 38th Annual General Meeting held on June 29, 2017 and as per remuneration policy of the Company.</p>	<p>The re-appointment is for a term of 5(five) years commencing from January 24, 2020.</p> <p>The Appointee shall receive sitting fees (presently Rs. 50,000 for each Board Meeting, Rs. 25,000 for each Committee Meeting and Rs. 15,000 for every meeting of Independent Directors attended by him) which other Independent Directors receive.</p> <p>The Commission of Independent Directors is decided by the Board of Directors as per the resolution passed by the Members at the 38th Annual General Meeting held on June 29, 2017 and as per remuneration policy of the Company.</p>	<p>The re-appointment is for a term of 5(five) years commencing from October 26, 2019.</p> <p>Details of terms and conditions of appointment and remuneration to be paid are provided in the resolution set out at item no. 8 of AGM notice.</p> <p>Director not liable to retire by rotation till he continues to hold the office as Managing Director & CEO of the Company.</p>
The number of Meetings of the Board attended during the F.Y. 2018-19	Five. All Board Meetings attended.	Five. All Board Meetings attended.	Five. All Board Meetings attended.

BRIEF PROFILE OF DIRECTORS TO BE APPOINTED/RE-APPOINTED

Mr. D. V. Ravi

Mr. D. V. Ravi is a commerce graduate from the University of Bangalore and holds a Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA). He currently serves as the Managing Director of Shriram Capital Ltd. He also serves the Board of various companies under the Shriram Group. Over time, his portfolio grew to include key areas of corporate strategy and services, corporate finance, information technology and process activities of the Group. He is also the non-executive director and co-founder of TAKE Solutions Ltd., a global technology solutions and service provider. Mr. Ravi has also spearheaded several successful mergers and acquisitions. He also joined the commercial vehicle finance business of Shriram Group in 1992 as Head of Investment Servicing. He started his career in strategy and finance in 1987 with Karnataka Oil Seeds Federation, Bangalore. His areas of expertise in this role include corporate strategy, synergy creation, risk management efforts, leadership development and corporate Finance.

Mr. Pradeep Kumar Panja

Mr. Pradeep Kumar Panja holds Master's Degree in Science (Statistics) from the University of Madras. He is a Certified Associate of the Indian Institute of Bankers.

He is a career banker, retired as Managing Director (Corporate Banking) of State Bank of India (SBI), the largest bank of the country, in October 2015. During his long association of 39 years with SBI (3years of which at Board level), he gained rich experience in various areas of banking including corporate and international banking, treasury management, information technology, retail, transaction banking, strategic planning, business development, risk management.

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

He is a member of Board of Directors of companies engaged in the business of real estate, asset reconstruction, software business, cements etc.

Mr. Ignatius Michael Viljoen

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

Mr. Umesh Revankar

Mr. Umesh Revankar holds a bachelor's degree in business management from Mangalore University and a master of business administration (MBA) in finance. He attended the Advanced Management Program at Harvard Business School. Mr. Revankar started his career with the Shriram group as an executive trainee in 1987. He has been associated with the Shriram group for the last 30 years and has extensive experience in the financial services industry. During his stint with the Shriram Group, he has shouldered various responsibilities and worked in several key roles of business operations.

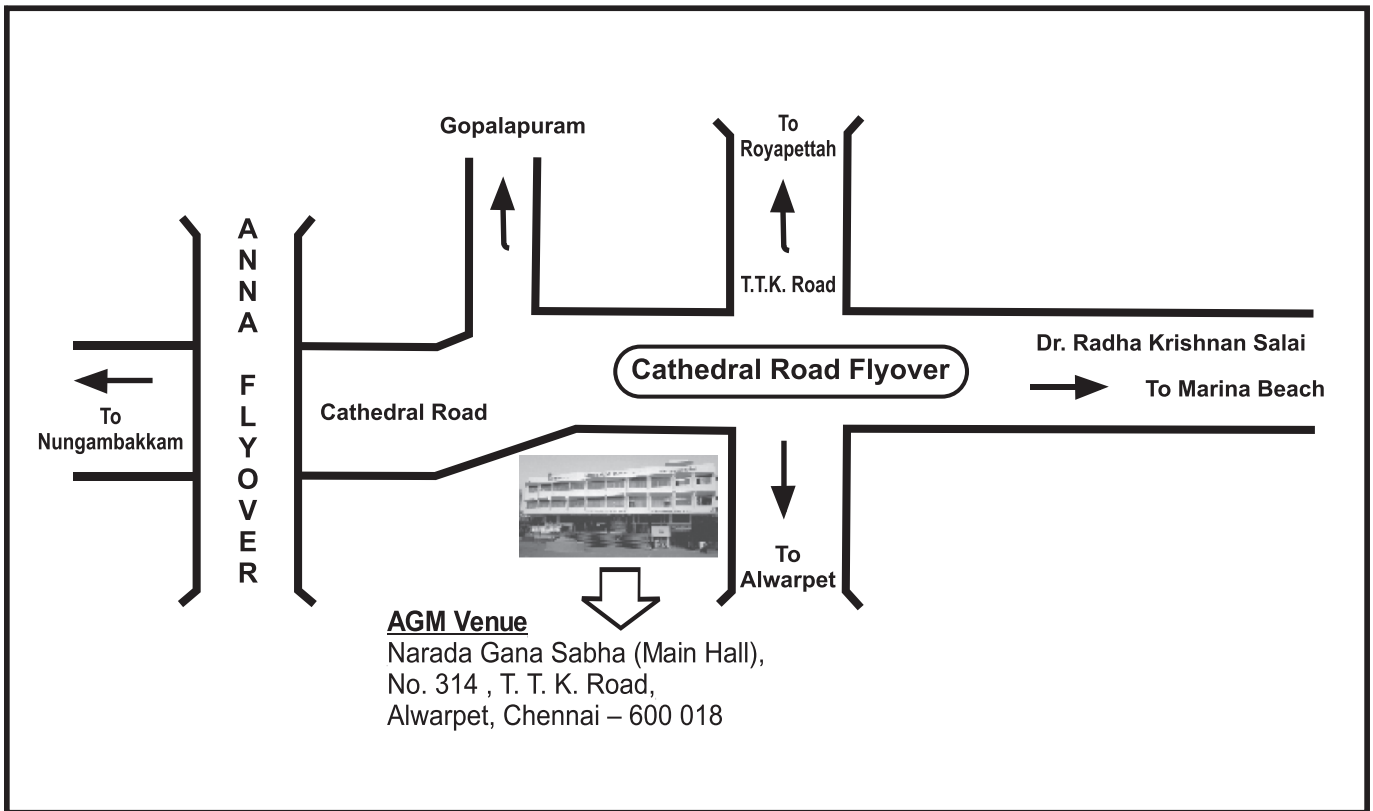
Mr. S. Sridhar

Mr. S. Sridhar studied at the Indian Institute of Technology, Delhi and Jamnalal Bajaj Institute of Management Studies, Mumbai. He was awarded the Lord Aldington Banking Research Fellowship for the year 1984 by the Indian Institute of Bankers. He was Chairman and Managing Director of Central Bank of India until May 31, 2011 and earlier of National Housing Bank. He is a banker with about 40 years' experience in commercial and development banking of which 13 years were at the CEO / Board level. He is widely acknowledged to be an innovative, market oriented banker and strategic thinker having provided transformational leadership to the organisations he had worked for.

Mr. Lakshminarayanan Subramanian

Mr. Lakshminarayanan Subramanian holds master's degree in Science in Chemistry and post graduate diploma from University of Manchester (U.K.) in Advanced Social & Economic Studies. Mr. Lakshminarayanan is a member of the Indian Administrative Service (IAS-retired) and as such held several senior positions in the Ministry of Home Affairs, Ministry of Communications and Information Technology, Ministry of Information and Broadcasting of the Government of India and in the Department of Tourism, Culture and Public Relations, Department of Mines, Mineral Resources, Revenue and Relief and Rehabilitation of the Government of Madhya Pradesh. He retired as Secretary to Government of India (Retd.), Ministry of Home Affairs, New Delhi.

MAP ROUTE TO AGM VENUE





Shriram Transport Finance Company Limited
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