



SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SEVENTEENTH ANNUAL REPORT

2010 - 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

**CORPORATE OFFICE &
CORRESPONDENCE:** 106, SHIV CHAMBERS, 'B' WING,
1ST FLOOR, SECTOR- 11,
CBD BELAPUR, NAVI MUMBAI – 400 614.
TEL.NO. +91-22-27577556
TELEFAX NO. +91-22-27566634
Website: www.shriramamc.com

BOARD OF DIRECTORS: MR. R. NARAYANAN-Chairman
MR. R. SUNDARA RAJAN-Managing Director
MR. S. RAJARATNAM
MR. LALIT P. MEHTA
MR. S. BAPU

COMPANY SECRETARY: MS.REENA YADAV

AUDITORS: M/S K.S.AIYAR & CO.
CHARTERED ACCOUNTANTS,
F-7, LAXMI MILLS, SHAKTI MILLS LANE,
(OFF. DOCTOR E-MOSES ROAD)
MAHALAXMI, MUMBAI – 400 011.

SHARE TRANSFER AGENTS: PURVA SHAREGISTRY (INDIA) PVT.LTD.
9, SHIV SHAKTI INDUSTRIAL ESTATE,
GROUND FLOOR, SITARAM MILLS COMPOUND,
J.R.BORICHA MARG, MUMBAI – 400 011
TEL. NO. +91-22-23016761,
TELEFAX NO. +91-22-23012517

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

NOTICE

NOTICE is hereby given that the SEVENTEENTH Annual General Meeting of the Members of Shriram Asset Management Company Limited will be held at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai 400 057 on Tuesday, September 27, 2011, at 2.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R. Narayanan, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. S. Rajaratnam, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to Section 198,269,309,314 and other applicable provisions, if any, and Schedule XIII of the Companies Act, 1956, approval of the Company be and is hereby accorded to the re-appointment of Mr. R. Sundara Rajan as Managing Director of the Company not liable to retire by rotation for a period of three years commencing from April 01, 2011 without any remuneration payable.”

By order of the Board of Directors

Place: Mumbai
Date: April 26, 2011

Reena Yadav
Company Secretary

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.
2. The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 setting out the material facts is annexed hereto.
3. The register of members and the Share Transfer Books of the Company will remain closed on September 22, 2011, to September 27, 2011 (both days inclusive).
4. Members seeking any information with regards to Accounts are requested to write to the Corporate Office of the Company at least 15 days in advance so as to keep the information ready at the Meeting.
5. Members/ Proxies are requested to produce at the entrance, the attached admission slip for admission to the meeting hall. Duplicate admission slips will not be provided at the hall. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID nos. for easy identifications for attendance at the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holders who is higher in order of the names will be entitled to vote.
7. Members are requested to bring with them a copy of Annual Accounts dispatched to them by the Company.
8. Members are requested to notify change in address, if any, in case of shares held in electronic form to the concerned depository participants quoting their Client ID no. and in case of physical shares, to their Share Transfer Agents quoting their Folio Numbers.
9. As per the provisions of the Companies Act, 1956, facility for making nominations is available to the Members in respect of the shares held by them in physical form. Nomination forms can be obtained from the Share Transfer Agents of the Company. Members holding shares in dematerialized form may approach their respective Depository Participants to avail and / or effect any change to the nomination facility.
10. Members holding shares in physical form under multiple folios are requested to consolidate their holdings in a single folio so as to enable us to serve them in a better, most efficient and effective manner.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, ITEM NO 5.

ITEM NO 5

Subject to the approval of the shareholders, and the applicable provisions of the Companies Act, 1956, the Board of Directors at their meetings held on January 21, 2011 appointed Mr. R. Sundara Rajan as the Managing Director of the Company for a period of 3 years commencing from April 01, 2011 without any remuneration payable.

Director's Interest:

Mr. R. Sundara Rajan is interested in the rotation. This may be taken as a notice under Section 302 sub Section 7 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. R. Sundara Rajan is interested in this resolution.

By Order of the Board of Directors

Reena Yadav
Company Secretary

Place: Mumbai
Date: April 26, 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors present their Seventeenth Annual Report together with the Audited Statements of Accounts for the financial year ended March 31, 2011.

Financial High Lights:

	Year Ended March 31, 2011 (Rs.)	Year Ended March 31, 2010 (Rs.)
Gross Income for the year	8,038,537	13,850,332
Total Expenditure before Depreciation & Tax	5,368,723	12,767,158
Profit before Depreciation and Tax	2,669,814	1,083,174
Less: Depreciation	255,550	286,692
Less: Provision for Tax	2,653,000	2,655,311
Profit after Depreciation and Tax	(238,736)	(1,858,829)
Balance brought forward from previous year	3,818,246	5,677,075
Profit available for Appropriation	3,579,510	3,818,246
APPROPRIATIONS		
Balance carried to Balance Sheet	3,579,510	3,818,246

Dividend:

With a view to augment the funds and to conserve the resources, your Directors have decided not to recommend any dividend for the Financial Year ended 2010-11.

Operations and Outlook:

During the year under report, your Company did not launch any new scheme on behalf of Shriram Mutual Fund. As there were no Mutual Fund Schemes under the management of the Company, the activities of the Company were limited only to attending to the outstanding unclaimed redemption amounts of the Schemes wound up. However, the Company was able to generate income out of its own investments.

Corporate Governance:

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

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

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

As required under Clause 49 of the Listing Agreement, a certificate, duly signed by the Managing Director on the Financial Statements of the Company for the year ended March 31, 2011 was submitted to the Board of Directors at their Meeting held on April 26, 2011. The certificate is attached to the Report on Corporate Governance.

Directors' Responsibility Statement:

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

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- That such accounting policies as mentioned in Schedule K (1) 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, 2011 and of the loss of the Company for the year ended on that date;
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Accounts have been prepared on an ongoing concern basis.

Directors' Comments on Auditors' Qualifications:

Auditors have indicated their comments vide item no. 2 (f, g and h) of Auditors' Report and the same have been explained in Schedule K-3, 7, 8 and 9 of the notes to the accounts.

Cash Flow Statement:

The cash flow statement for the year 2010-11 is attached to the Balance Sheet.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Directorate:

As per Section 256 of the Companies Act, 1956, Mr. R. Narayanan and Mr. S. Rajaratnam would retire by rotation and being eligible, offer themselves for reappointment.

The Board at its meeting held on January 21, 2011, subject to the approval of the Members, reappointed Mr.R. Sundara Rajan as Managing Director the Company not liable to retire by rotation for a period of three years commencing from April 01, 2011, without any remuneration payable. A suitable resolution for his appointment as Managing Director is being proposed for adoption by the Members at the ensuing Annual General Meeting.

Fixed Deposits:

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

Personnel:

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

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

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

Auditors:

M/s. K. S. Aiyar and Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. Certificate has been received from them to the effect that their reappointment as Auditors of the Company, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

Acknowledgement:

The Board of Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation received from the Company's Bankers, Securities and Exchange Board of India, Stock Exchange Authorities and for the continued enthusiasm, total commitment, dedication and efforts of the employees of the Company at all levels. We are also deeply grateful for the continued confidence and the faith reposed on us by the Shareholders.

By Order of the Board
for Shriram Asset Management Company Ltd.

R.Sundara Rajan
Managing Director

Lalit P.Mehta
Director

Place: Mumbai

Date: April 26, 2011

Group coming within the definition of Group as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

The following persons constitute the Group coming within the definition of group as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

Mr. R. Thyagarajan, Shriram Ownership Trust, Shriram City Union Finance Limited, Shriram Housing Finance Limited, Shriram Transport Finance Company Limited, Shriram Automall India Limited, Shriram Equipment Finance Company Limited, Shriram Motor Finance, S R Real Estate Finance, Shriram Chits (Karnataka) Private Limited, Shriram Chits Private Limited, Shriram Chits Tamilnadu Private Limited, Shriram Chits (Maharashtra) Limited, Shriram Enterprise Holdings Private Limited, Shriram Automall Land Holdings Private Limited (formerly Shriram Projects Development Private Limited), Shriram Retail and Franchisees Private Limited (formerly DNM Consultancy Private Limited), Shriram Insight Share Brokers Limited, Shriram Wealth Advisors Limited, Insight Commodities & Futures Private Limited, Shriram Fortune Solutions Limited, Shriram Value Services Private Limited, Shriram Marketing Agencies (Chennai) Private Limited, Shriram Capital Limited, Shriram Holdings (Madras) Private Limited, Shriram Credit Company Limited, Shriram Retail Holdings Private Limited, Shriram Life Insurance Company Limited, Shriram General Insurance Company Limited, Shriram Investment Holdings Limited, Bharat Re-Insurance Brokers Private Limited, Shriram Infrastructure Holdings Private Limited, Shriram Enterprises Trust, Shriram Entrepreneurial Ventures Limited, Shriram Overseas Investments Private Limited (formerly Dhanashri Investments Private Limited), Shriram Financial Ventures (Chennai) Private Limited, Shriram Financial Products Solutions (Chennai) Private Limited and any other Company, firm or trust promoted or controlled by the above.

The above disclosure has been made; inter alia, for the purpose of Regulation 3(1) (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Environment:

The Mutual Fund industry during the financial year 2010-11 has posted about 4% negative growth as compared to previous year. The negative growth of Mutual Fund Industry in the recent past is a temporary phenomenon. The Average Assets Under Management as on March 31, 2011 stood at Rs.5.92 lakh crores as against Rs.6.13 lakh crores at the end of the previous year.

The performance of the Company for year ended March 31, 2011 is given in brief below:-

Particulars	Year Ended March 31, 2011 (Rs.)	Year Ended March 31, 2010 (Rs.)
Total Income	8,038,537	13,850,332
Total Expenditure	5,624,273	13,053,850
Profit before tax	<u>2,414,264</u>	<u>796,482</u>
Profit after tax	(238,736)	(1,858,829)
Balance brought forward from Previous year	3,818,246	5,677,075
Balance carried to balance Sheet	<u>3,579,510</u>	<u>3,818,246</u>

Though during the year under report, the Company was not engaged in the management of Mutual Fund schemes, it was able to generate income from its own investments. The income out of the management of Mutual Fund schemes would depend on the decision of the Trustees of the Shriram Mutual Fund regarding launching of new schemes in future.

Risks and concern:

As our Company is an Asset Management Company, the future income generation from asset management business will depend upon the decision of the Trustees of Shriram Mutual Fund to float new schemes and the capital market conditions prevalent at the relevant time.

Internal control system:

The Company has adequate system of internal controls commensurate with its size and level of operations to ensure that all assets of the Company are safeguarded and protected and that transaction of the Company are authorised, recorded and reported correctly.

The internal control systems are supplemented by internal audit and reviews by management. The internal control systems are designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

Human Resources:

The human resources available with the Company are sufficient to take care of the present level of operations. As and when the operations are enlarged, appropriate personnel will be inducted to deal with the size of operations.

During the financial year ended March 31, 2011, there has been no material development in the human resources aspect including number of people employed.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2011

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

BOARD OF DIRECTORS

Composition

The Board of Directors of the Company consists of 5 Directors from varied disciplines. The Company has a Managing Director, who manages the day-to-day affairs of the Company under the guidance and overall supervision of the Board of Directors. The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals and appraisal of management performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee/s of Directors. The Board thus exercises effective control over the overall functioning of the Company with a view to enhance the shareholder value.

During the year under review, four meetings of the Board of Directors were held on 22.04.2010, 04.08.2010, 26.10.2010, and 21.01.2011. The maximum gap between any two meetings was not more than four months. The Sixteenth Annual General Meeting was held on September 21, 2010.

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

As of March 31, 2011, the Company's Board comprised of 5 members. The Chairman of the Board is non-executive Director. The Managing Director is an Executive of the Company.

The agenda papers along with the explanatory notes for Board Meetings are sent in advance to the Directors. In some instances, documents are tabled at the meetings.

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

Composition of Board

Name of the Director and Category of Directorship	No. of Board Meetings attended	Whether attended the last AGM	Total no. of Directorships	Total no. of Memberships of the Committees of Board		Total no. of Chairmanships of the Committees of Board	
				Membership in Audit / Investor Grievance Committees	Membership in other Committees	Chairmanship in Audit/ Investor Grievance Committees	Chairmanship in other Committees
Mr. R. Narayanan -Chairman Non- Executive and Independent	3	No	6	1	1	1	Nil
Mr. R. Sundara Rajan Managing Director Executive	4	Yes	15	7	Nil	2	Nil
Mr. S. Rajaratnam Non- Executive and Independent	4	Yes	6	Nil	Nil	Nil	Nil
Mr. Lalit P. Mehta Non- Executive and Independent	2	Yes	4	2	Nil	Nil	Nil
Mr.S. Bapu Non- Executive and Independent	3	No	1	Nil	Nil	Nil	Nil

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Notes:

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

AUDIT COMMITTEE

Terms of Reference

- i) The Audit Committee of the Company is constituted in line with the provision of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- ii) The terms of reference of the Audit Committee, inter alia includes:-
 - Overseeing the financial reporting process.
 - To ensure proper disclosure in the quarterly, half yearly and Annual Financial Statements.
 - To recommend appointment, re-appointment of Auditors and the fixing of their remuneration. Approval of payment to Statutory Auditors for any other services rendered by them.
 - Reviewing, with the management, the Financial Statements before submission to the Board.
 - Reviewing, with the management, performance of Statutory and Internal Auditors, adequacies of internal control systems.
 - Discussing with Internal Auditors on any significant findings and follow up thereon.
 - Reviewing the findings of any internal examinations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussing with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
 - To discuss with management, the Internal Auditors and the Statutory Auditors the Company's major risk exposures and guidelines and policies to govern the processes by which risk assessment and risk management is undertaken by the Company, including discussing the Company's major financial risk exposures and steps taken by management to monitor and mitigate such exposures and from time to time conferring with another Committee/s of the Board about risk exposures and policies within the scope of such other Committee's oversight.
 - To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors, if any.
 - To review the functioning of the Whistle Blower Mechanism.
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year under review, four meetings were held on 22.04.2010, 04.08.2010, 26.10.2010 and 21.01.2011.

The necessary quorum was present for all the meetings.

Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Lalit P. Mehta - Chairman	Non Executive-Independent	2
Mr. S. Rajaratnam	Non Executive-Independent	4
Mr. S. Bapu	Non Executive-Independent	3

REMUNERATION/COMPENSATION COMMITTEE

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

Terms of Reference

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

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Executive Remuneration

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

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

During the year, the Committee met on 30.03.2011.

The necessary quorum was present for the meeting.

Composition

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

Remuneration Policy of the Company

For Managing Director

Mr. R. Sundara Rajan has been appointed as the Managing Director without any remuneration for a term of 3 years from April 01, 2011.

For Non-Executive Independent Directors

The Company is paying sitting fees of Rs. 5000/- to Non-Executive Directors per meeting of the Board of Directors, Rs.2500/- per meeting of Audit Committee and Rs.1000/- per meeting of other Committees plus reimbursement of out-of-pocket expenses incurred, wherever applicable for attending such meetings.

The details of sitting fees/remuneration paid to the Directors during the year 2010-11, are as under:

Sr. No.	Name of the Director	Sitting fees for attending Board Meeting (Rs.)	Salary, Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
1	Mr. R. Narayanan, Chairman	15000	Nil	Nil	15000
2	Mr. R. Sundara Rajan Managing Director*	Nil	Nil	Nil	Nil
3	Mr. S. Rajaratnam	20000	Nil	Nil	20000
4	Mr. Lalit P. Mehta	10000	Nil	Nil	10000
5	Mr. S. Bapu	15000	Nil	Nil	15000

* The Managing Director was not paid any remuneration during the year 2010-11.

Details of Shares held by the Directors as on March 31, 2011 are as below:

Name of the Director	Shareholdings
Mr. R. Narayanan – Chairman	1800
Mr. R. Sundara Rajan - Managing Director	38696
Mr. S. Rajaratnam	1010
Mr. Lalit P. Mehta	500
Mr. S. Bapu	Nil

The Company does not have any outstanding ADRs/GDRs/Warrants or other convertible instruments.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Terms of reference

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

During the year under review, the Committee met 4 times on 06.04.2010, 06.07.2010, 26.10.2010 and 11.01.2011.

The necessary quorum was present for all the meetings.

Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Lalit P. Mehta - Chairman	Non Executive-Independent	4
Mr. S. Rajaratnam	Non Executive-Independent	4
Mr. S. Bapu	Non Executive-Independent	3

The status of investor grievances is monitored by the Committee periodically and the reports of the Committee are made available to the Board.

The Shareholders'/investors' complaints are reviewed and they are replied to by the Company/ Share Transfer Agents regularly. The status of the pending complaints as well as the system of redressal mechanism is reviewed by the Committee periodically.

The investors' grievances are attended to, by Mrs. Reena Yadav, who is the Compliance Officer of the Company.

No complaints were received during the year and there were no complaints pending for redressal at the beginning of the year 2010-2011.

GENERAL BODY MEETINGS

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

Year	AGM	Location	Date	Time
2007-2008	14 th	Hotel Parle International, Mumbai – 400 057	29.09.2008	3.30 P.M
2008-2009	15 th	Hotel Parle International, Mumbai – 400 057	10.09.2009	3.30 P.M
2009-2010	16 th	Hotel Parle International, Mumbai – 400 057	21.09.2010	2.30 P.M

- A) At the 14th AGM held on September 29, 2008 -1) Special Resolution pursuant to Section 372A of the Companies Act, 1956, to invest in excess of the limits specified under aforesaid Section subject to a maximum investment of Rs. 15 Crores at any given time. The resolution was put to vote by show of hands and it was passed unanimously.
- B) At 15th AGM held on September 10, 2009 – 1) Special Resolution pursuant to Section 260 appointing Mr. S. Bapu as an Additional Director by the Board of Directors on January 22, 2009. The resolution was put to vote by show of hands and it was passed unanimously. 2) Special Resolution was passed for appointment of Mr. R. Sundara Rajan as the Managing Director of the Company effective April 01, 2009, without any remuneration payable to him. The resolution was put to vote by show of hands and it was passed unanimously.
- C) At 16th AGM held on September 21, 2010 –No Special Resolution was passed.
- D) Postal Ballot – During the year 2010-11, no resolution was passed through postal ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

DISCLOSURES

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

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

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

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

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

a. The Company has set up a Remuneration Committee. Please see the para on Remuneration/Compensation Committee for details.

b. The Company has adopted the Whistle Blower Policy.

CAPITAL AUDIT

As stipulated by SEBI, a Qualified Practicing Company Secretary carried 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. The Capital Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised form held with NSDL and CDSL. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors.

RISK MANAGEMENT

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

CODE OF CONDUCT FOR THE DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Company has adopted Code of Conduct ("Code") for the members of the Board and Senior Management Personnel as required under Clause 49 of the Listing Agreement. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director.

CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

Certification by the Managing Director in his capacity as such and heading the finance function of the Company is provided elsewhere in the Annual Report.

MEANS OF COMMUNICATION

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

17th Annual General Meeting

a. Date and Time	September 27, 2011 at 2.30 P.M.
b. Venue	Hotel Parle International, Agarwal Market, VileParle (East), Mumbai-400 057.
c. Book Closure Date	From September 22, 2011 to September 27, 2011 (both days inclusive).
d. Dividend	The Board of Directors has not recommended any dividend for the year 2010-2011.
e. Financial Calendar	2011-2012.
Annual General Meeting	September 2012.
Unaudited results for the quarter ending June 30, 2011.	Last week of July 2011.
Unaudited results for the quarter/ half - year ending September 30, 2011.	Last week of October 2011.
Unaudited results for the quarter ending December 31, 2011.	Last week of January 2012.
Audited results for the year ending March 31, 2012.	May 2012.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

f. Stock Code.	
Trading Symbol at	
Madras Stock Exchange Limited.	SSMN.
Bombay Stock Exchange Limited.	531359.
Demat ISIN in NSDL & CDSL.	INE777G01012.

The Company has paid the listing fees for the financial year 2011-12 to the above stock exchange(s).

The Management Discussion & Analysis Report is forming part of the Directors' Report.

GENERAL INFORMATION FOR SHAREHOLDERS

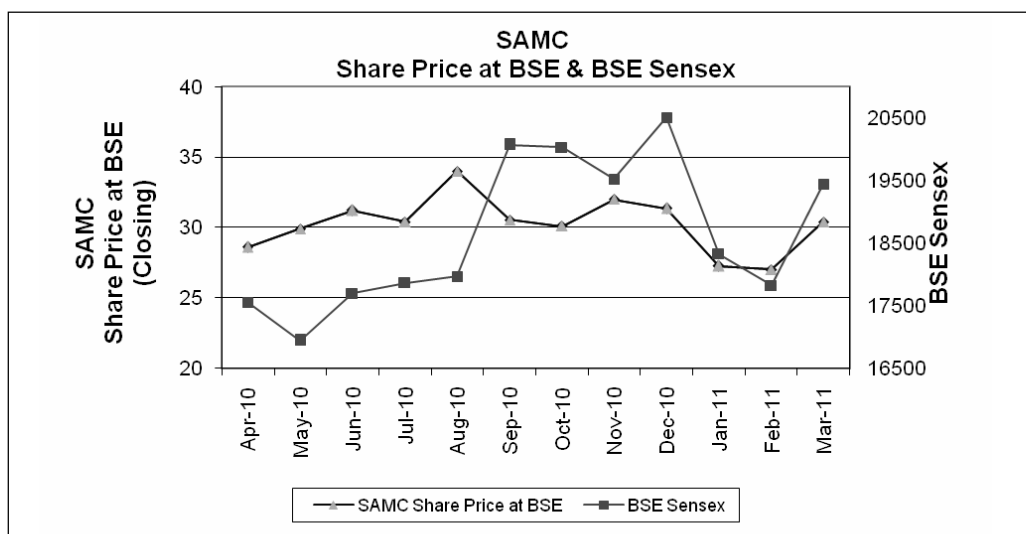
g. Stock Market Data

The high and low market price and volume of shares traded during each month of the financial year ended March 31, 2011 are given below:

Month	Bombay Stock Exchange		
	Share Price		Volume
	High (Rs.)	Low (Rs.)	
Apr-2010	28.65	23.00	17442
May-2010	35.35	27.25	38723
Jun-2010	33.45	28.20	12665
Jul-2010	37.85	29.20	23012
Aug-2010	37.95	30.00	20229
Sep-2010	36.85	30.55	24870
Oct-2010	34.00	28.50	16808
Nov-2010	34.70	28.90	28265
Dec-2010	35.15	30.15	29044
Jan-2011	32.90	27.25	120035
Feb-2011	28.60	22.05	5296
Mar-2011	30.45	23.80	5386

There was no trading in the equity shares of the Company in Madras Stock Exchange Limited for the year ended March 31, 2011.

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



SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

i. Registrar and Share Transfer Agents

The Registrar and Share Transfer Agents of the Company are:

Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate, Ground floor, Sitaram Mills Compound,

J. R. Boricha Marg, Mumbai – 400 011.

Telephone: +91-22-23016761, Fax : +91-22-23012517

j. Share Transfer System

The authority to approve share transfers/transmissions has been delegated by the Board of Directors to the Shareholders'/ Investors' Grievance Committee. Requests received for transfer of shares are processed within 30 days of receipt.

k. Distribution of shareholdings as on March 31, 2011.

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	651	61.13	162,738	2.71
501-1000	243	22.82	211,969	3.53
1001-2000	62	5.82	97,477	1.62
2001-3000	25	2.35	64,156	1.07
3001- 4000	10	0.94	36,505	0.61
4001- 5000	14	1.31	65,130	1.09
5001- 10000	17	1.60	133,205	2.22
10001 and above	43	4.03	5,228,820	87.15
Total	1065	100	6,000,000	100

l. Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors effective January 20, 2005. To facilitate investors in having an easy access to the demat system, the Company has signed up with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through Purva Sharegistry (India) Pvt. Ltd. As on March 31, 2011, total of 2491320 equity shares constituting 41.52% of the paid up capital, have been dematerialised.

m. Address for correspondence

Registered Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G, Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Tel. No. +91-22-42410400 Website: www.shriramamc.com

Corporate Office: 106, Shiv Chambers, Sector 11, CBD Belapur, Navi Mumbai- 400 614. Telephone no.: +91-22-27577556 – Telefax no.: +91-22-27566634 E-mail ID for investor grievance: srmf@shriramamc.com

PROFILE OF DIRECTORS BEING RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING.

1. MR. R. NARAYANAN

Mr. R. Narayanan has been associated with the Company since 1994. He is a B.A. Graduate. From 1952 to 1956, he was with Government of India, Department of Insurance as Technical Supervisor. From 1956 to 1999 he was with Life Insurance Corporation of India and retired as its Chairman in 1999.

He is on the Board of Vishwapriya Gold Hire Purchase Limited, Vishwapriya Financial Services and Securities Limited, Dhanush Lavan Limited, Binny Limited, West Asia Maritime Limited and S.V. Global Limited.

2. Mr. S. RAJARATNAM

Mr. S. Rajaratnam has been associated with the Company since 1994. He is a M.A. (Economics) and LLM (Commercial Law). From 1951 to 1979 he was with Indian Revenue Services and from 1980 to 1985 he was with Legal Service (Ministry of Law). From 1986 onwards he is engaged as Tax Management Consultant.

He is on the Board of Periyar Technology Business Incubator, Vishwapriya Gold HirePurchase Limited, Vishwapriya Financial Services and Securities Limited, Savera Industries Limited, Mepco Industries Limited, Vibgyor Graphics & Research Centre Limited. He is a columnist for 'The Hindu' and author of several books on taxation.

3. Mr. R.SUNDARA RAJAN

Mr. R. Sundara Rajan is associated with the Company from April 01, 2007. He is a Mechanical Engineer, PGDM (IIM Ahmadabad) and AIII (Insurance Institute of India). He has overall experience of 28 years in his extensive career.

He has experience in various fields like Pharmaceutical, Consumer Product Marketing etc. He has served as Executive VP & Executive Director with Matrix Laboratories Limited, as Managing Director in Medicorp Technologies Limited and also as Managing Director in Medispan Limited.

He is on the Board of Namo Technology Ventures India Private Limited, Take Solutions Limited, Manipal Acunova Limited, Shriram EPC Limited, Asia Cryocell Private Limited, Visionary RCM Infotech India Private Limited, Rambal Limited, Shriram Fortune Solutions Limited, CMNK Consultancy & Services Private Limited, Shriram Credit Company Limited, Shriram Wealth Advisors Limited, Prochem Holdings Private Limited, Hamon Shriram Cottrell Private Limited, Shriram Properties Limited, Orient Green Power Company Limited.

CEO (MANAGING DIRECTOR) AND CFO CERTIFICATION

I, R. Sundara Rajan in my capacity as the Managing Director and heading the Finance function, to the best of my knowledge and belief, certify that:

- a) I have reviewed the financial statements and the cash flow statements for the year ended March 31, 2011 and that to the best of my knowledge and belief;
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee
 - i. significant changes in internal control over financials reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which I have become aware and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

R. Sundara Rajan
Managing Director

Place: Mumbai

Date: April 26, 2011

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

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

As provided under Clause 49 of the Listing Agreement executed with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2011.

R. Sundara Rajan
Managing Director

Place: Mumbai

Date: April 26, 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

**To,
The Members of,
Shriram Asset Management Company Limited**

We have examined the compliance of conditions of Corporate Governance by **Shriram Asset Management Company Limited** for the financial year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For K. S. AIYAR & CO.
Chartered Accountants,
Firm Registration No.100186W

Place: Mumbai.
Date: April 26, 2011

Satish Kelkar
Partner
Membership No. 38934

Auditors' Report

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

Report on the accounts for the year ended on March 31, 2011 in compliance with Section 227(2) of the Companies Act, 1956.

We have audited the attached Balance Sheet of Shriram Asset Management Company Limited, as at March 31, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003, as amended by (Amendment) Order, 2004 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that :
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, to the extent applicable.
 - (e) On the basis of written representations received from the Directors as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) *The Company holds a sum of Rs.413.40 lakhs in trust, representing disputed redemption amount, to be paid to the rightful owners on settlement of dispute by the appropriate forum. This amount which has been invested in subordinate debt certificates and accrued interest of Rs. 60.75 lakhs thereon during the year are not reflected in the company's financial statements. However while working out the Income Tax provision, the said accrued interest has been considered. (Also refer to Note Nos. 7 and 8 of Schedule K- Notes to Accounts)*
 - (g) Attention is invited to Note No. 3 of Schedule K- Notes to Accounts regarding appropriateness of going concern assumption and Note No. 9 regarding recovery of dues from a broker.
 - (h) *Subject to para (f) and read with para (g) above, in our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with all the notes thereon give the information required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011 and;
 - (ii) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
 - (iii) In the case of the cash flow statement of the cash flows for the year ended on that date.

For K. S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W.

Place: Mumbai
Date: April 26, 2011

Satish Kelkar
Partner
Membership No.38934.

Annexure to the Auditors' Report

Referred to in paragraph 1 of our Report of even date on the Accounts for the year ended March 31, 2011 of Shriram Asset Management Company Limited.

- i) a The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c No fixed assets have been disposed off during the year.
- ii The Company does not have any inventory. Hence Clause No. 4 (ii)(b) & 4 (ii)(c) of the Order, are not applicable to the Company.
- iii a The Company has granted loan in the form of Inter-corporate Deposits to one company covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved is Rs. 6 crores and the balance at the year end is Rs.6 crores.
- b In our opinion, the rate of interest and other terms and conditions of the loan given are not prima facie prejudicial to the interest of the Company.
- c The repayment of principal and interest is as stipulated and there are no overdue amounts.
- d The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase and sale of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system.
- v In our opinion and according to the information and explanations given to us, the contracts to be entered in Register maintained under Section 301 of the Companies Act, 1956 have been so entered. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable with regard to prevailing market rates.
- vi In our opinion and according to the information and explanations given to us, the Company has not taken any deposits from the public under the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public. No order has been passed by the Company Law Board or National Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- ix (a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, Cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at March 31, 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and from the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess which have not been deposited on account of any dispute.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

- x The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediate preceding financial year.
- xi There are no borrowings from financial institution, bank or debenture holders. Therefore, the provisions of the Clause (xi) of the Order are not applicable to the Company.
- xii Based on our examination of the records and according to information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund /society. Therefore, the provisions of Clause 4 (xiii) of the Order, are not applicable to the Company.
- xiv In our opinion and according to the information and explanations given to us, the Company has purchased and sold investments on short term basis, which in view of the Company, does not amount to dealing or trading in shares, securities, debentures and other investments, as the same is done with a view to invest surplus funds held by the Company. Accordingly the provisions of Clause 4 (xiv) of the Order, are not applicable to the Company.
- xv According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi The Company has not taken any term loans from banks or financial institutions.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- xviii The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix The Company has not issued any secured debentures during the financial year. Accordingly, the provisions of Clause (xix) of the Order are not applicable to the Company.
- xx The Company has not raised any money by public issues during the year.
- xxi According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For K. S. AIYAR & CO.
Chartered Accountants
Firm Registration No. 100186W.

Place: Mumbai
Date: April 26, 2011

Satish Kelkar
Partner
Membership No.38934.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

BALANCE SHEET

SCHEDULE	AS AT March 31, 2011 Rs.	AS AT March 31, 2010 Rs.
SOURCES OF FUNDS		
SHARE HOLDERS' FUND		
Share Capital	A 60,000,000	60,000,000
Reserves and Surplus	B 43,579,510	43,818,246
TOTAL	<u>103,579,510</u>	<u>103,818,246</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
	C	
(a) Gross Block	8,592,248	8,548,048
(b) Less : Depreciation	<u>5,204,222</u>	<u>4,948,672</u>
(c) Net Block	3,388,026	3,599,376
INVESTMENTS	D 1,266,588	650,329
CURRENT ASSETS, LOANS & ADVANCES		
Cash & Bank Balances	E 34,725,079	31,298,780
Other Current Assets	F 7,327,750	9,736,532
Loans & Advances	G 66,679,830	69,909,683
	108,732,659	110,944,995
LESS : CURRENT LIABILITIES & PROVISIONS	H 9,807,763	11,376,454
NET CURRENT ASSETS	98,924,896	99,568,541
TOTAL	<u>103,579,510</u>	<u>103,818,246</u>

As per our report of even date attached

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

FOR SHRIRAM ASSET MANAGEMENT COMPANY LTD.

SATISH KELKAR
PARTNER
MEMBERSHIP NO.38934

R.SUNDARA RAJAN
MANAGING DIRECTOR

LALIT P.MEHTA
DIRECTOR

REENA YADAV
COMPANY SECRETARY

MUMBAI
Date : April 26, 2011

MUMBAI
Date : April 26, 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

	SCHEDULE	FOR THE YEAR ENDED March 31, 2011 Rs.	FOR THE YEAR ENDED March 31, 2010 Rs.
INCOME			
Interest Income		7,539,755	6,085,682
Dividend Income - Equity		2,788	202,119
Provision for diminution in value of current investments written back		-	1,278,083
Profit on sale of Shares		79,958	6,123,487
Other Income	I	416,036	160,961
TOTAL INCOME		<u>8,038,537</u>	<u>13,850,332</u>
EXPENDITURE			
Administrative & Other Expenses	J	5,335,787	8,657,534
Loss on sale of Shares		32,936	4,108,334
Loss on sale of Fixed Assets		-	1,290
Depreciation		255,550	286,692
TOTAL EXPENDITURE		<u>5,624,273</u>	<u>13,053,850</u>
PROFIT / (LOSS) BEFORE TAX		<u>2,414,264</u>	<u>796,482</u>
PROVISION FOR INCOME TAX (Refer Note No.8)		2,653,000	3,080,000
DEFERRED TAX		-	(424,689)
PROFIT AFTER TAX		<u>(238,736)</u>	<u>(1,858,829)</u>
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		<u>3,818,246</u>	<u>5,677,075</u>
PROFIT AVAILABLE FOR APPROPRIATION		<u>3,579,510</u>	<u>3,818,246</u>
APPROPRIATIONS			
BALANCE CARRIED TO BALANCE SHEET		3,579,510	3,818,246
		<u>3,579,510</u>	<u>3,818,246</u>
Basic and Diluted earnings per share (Rupees)			
(Refer Note no.16 under Schedule K)		(0.04)	(0.31)
Diluted earning per share (Rupees)		(0.04)	(0.31)
Face Value per Equity Share (Rupees)		10.00	10.00

As per our report of even date attached

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

FOR SHRIRAM ASSET MANAGEMENT COMPANY LTD.

SATISH KELKAR
PARTNER
MEMBERSHIP NO.38934

R.SUNDARA RAJAN
MANAGING DIRECTOR

LALIT P.MEHTA
DIRECTOR

REENA YADAV
COMPANY SECRETARY

MUMBAI
Date : April 26, 2011

MUMBAI
Date : April 26, 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SCHEDULES TO BALANCE SHEET

	AS AT March 31, 2011 Rs.	AS AT March 31, 2010 Rs.
SCHEDULE A		
SHARE CAPITAL		
AUTHORISED :		
60,00,000 (P.Y.60,00,000) Equity Shares of Rs.10/- each	60,000,000	60,000,000
4,00,000 (P.Y.4,00,000) 12.5% Optionally Convertible Preference Shares of Rs. 100/- each	40,000,000	40,000,000
10,00,000 (P.Y. 10,00,000) Unclassified Shares of Rs. 10/- each	10,000,000	10,000,000
4,00,000 (P.Y.4,00,000) 9% Non Convertible Cumulative Preference Shares of Rs. 100/- each	40,000,000	40,000,000
TOTAL	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED , SUBSCRIBED AND PAID UP :		
60,00,000 (P.Y.60,00,000) - Equity Shares of Rs. 10/- each fully paid up.	60,000,000	60,000,000
TOTAL	<u>60,000,000</u>	<u>60,000,000</u>
SCHEDULE B		
RESERVES & SURPLUS		
Capital Redemption Reserve	40,000,000	40,000,000
Surplus in Profit & Loss account c/fd from Balance Sheet	3,579,510	3,818,246
TOTAL	<u>43,579,510</u>	<u>43,818,246</u>

SCHEDULES TO BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE C
FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BALANCE AS ON 01.04.2010 (Rs.)	ADDITIONS DURING THE YEAR (Rs.)	SALE DURING THE YEAR (Rs.)	BALANCE AS ON 31.03.2011 (Rs.)	BALANCE AS ON 01.04.2010 (Rs.)	FOR THE YEAR (Rs.)	SALE / TRANSFER (Rs.)	BALANCE AS ON 31.03.2011 (Rs.)	BALANCE AS ON 31.03.2010 (Rs.)	
Office premises	4,573,907	-	-	4,573,907	1,448,784	156,255	-	2,968,868	3,125,123	
Air conditioner	430,175	-	-	430,175	359,624	9,814	-	60,737	70,551	
Computers	753,939	34,000	-	787,939	684,603	32,056	-	71,280	69,336	
Electrical fitting and Installations	444,607	-	-	444,607	368,635	10,567	-	65,405	75,972	
Office equipments	50,163	-	-	50,163	29,241	2,910	-	18,012	20,922	
Furniture and fixtures	2,295,257	10,200	-	2,305,457	2,057,785	43,948	-	203,724	237,472	
TOTAL	8,548,048	44,200	-	8,592,248	4,948,672	255,550	-	3,388,026	3,599,376	
AS on March 31, 2010	8,565,494	11,054	28,500	8,548,048	4,688,440	286,692	26,460	3,599,376	-	

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SCHEDULES TO BALANCE SHEET

	AS AT March 31, 2011 Rs.	AS AT March 31, 2010 Rs.
SCHEDULE D		
INVESTMENTS (AT COST)		
<u>Long Term Investments in shares</u>		
<u>Unquoted</u>		
Trade :		
Fully paid equity shares of Rs.10/- each 600,000 (600,000) Equity Shares of Ceylinco Shriram Capital Management Services Co.(Pvt.) Ltd.	3,878,332	3,878,332
1,000 (1,000) Equity Shares of Rs.10 each of The Saraswat Co-Op.Bank Ltd.	10,000	10,000
Sub Total	A <u><u>3,888,332</u></u>	<u><u>3,888,332</u></u>
<u>Long Term Investments in shares</u>		
<u>Quoted</u>		
Non trade:		
(Fully paid equity shares of Rs.10/- each except otherwise stated)		
500 (Nil) Equity Shares of Re.1 each of Ashok Leyland Ltd.	26,950	-
400 (Nil) Equity Shares of ING Vysya Bank Ltd.	121,465	-
400 (Nil) Equity Shares of Rs. 2 each of LIC Housing Finance Ltd.	70,762	-
Sub Total	B <u><u>219,177</u></u>	<u><u>-</u></u>
<u>Current investments in shares</u>		
(Fully paid equity shares of Rs.10/- each except otherwise stated)		
Nil (50) Equity shares of Rs.2 each of ABB Ltd.	-	39,186
Nil (50) Equity shares of ACC Ltd.	-	47,175
25 (Nil) Equity Shares of Axis Bank Ltd.	31,593	-
Nil (50) Equity shares of Bharat Heavy Electricals Ltd.	-	117,937
Nil (100) Equity shares of Bharti Airtel Ltd.	-	29,232
Nil (200) Equity shares of Crompton Greaves Ltd.	-	50,471
Nil (500) Equity Shares of Rs.2 each of Elecon Engineering Ltd.	-	36,565
Nil (100) Equity Shares of Havell's India Ltd.	-	58,560
200 (Nil) Equity Shares of Re.1 each of Hindalco Industries Ltd.	41,077	-
400 (200) Equity Shares of IDFC Ltd.	63,937	31,087
100 (Nil) Equity Shares of Rs.2 each of Kalpataru Power Transmission Ltd.	16,330	-
175 (Nil) Equity Shares of Rs.2 each of Larsen & Toubro Ltd.	288,363	-
125 (50) Equity Shares of Rs.5 each of Mahindra & Mahindra Ltd.	86,739	55,440
150 (50) Equity Shares of Reliance Industries Ltd.	147,976	50,269
100 (Nil) Equity Shares of State Bank of India	271,399	-
Nil (150) Equity Shares of Rs.1 each of Sterlite Industries Ltd.	-	124,406
125 (Nil) Equity Shares of Tata Motors Ltd. - DVR	89,998	-
Sub Total	C <u><u>1,037,412</u></u>	<u><u>640,329</u></u>
Grand Total (A+B+C)	<u><u>5,144,920</u></u>	<u><u>4,528,661</u></u>
Less : Provision for diminution in value of investments	<u><u>(3,878,332)</u></u>	<u><u>(3,878,332)</u></u>
	<u><u>1,266,588</u></u>	<u><u>650,329</u></u>
Aggregate Value of Quoted Investments	1,256,588	640,329
Market value of Quoted Investments	1,296,873	655,508
Aggregate Value of Unquoted Investments(at cost)	3,888,332	3,888,332

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SCHEDULES TO BALANCE SHEET

	AS AT March 31, 2011 Rs.	AS AT March 31, 2010 Rs.
SCHEDULE E		
CASH & BANK BALANCES		
Cash in hand	18,987	13,042
Bank Balances		
In Current Accounts with Scheduled Banks	1,396,662	1,005,252
In Fixed Deposits with Scheduled Banks	33,309,430	30,280,486
TOTAL	<u>34,725,079</u>	<u>31,298,780</u>
 SCHEDULE F		
OTHER CURRENT ASSETS		
A) Receivable from broker (Refer Note No.9)	6,910,351	7,210,351
B) Accrued interest - FD	417,399	2,526,181
TOTAL	<u>7,327,750</u>	<u>9,736,532</u>
 SCHEDULE G		
LOANS & ADVANCES		
(Unsecured considered good except otherwise stated)		
(A) Advances recoverable in cash or kind or for value to be received	205,189	81,661
(B) TDS Receivable & Advance tax	6,413,256	9,766,637
(C) Other Deposits	60,061,385	60,061,385
TOTAL	<u>66,679,830</u>	<u>69,909,683</u>
 SCHEDULE H		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
Sundry Creditors	523,897	503,137
Others	11,184	11,002
	<u>535,081</u>	<u>514,139</u>
B) PROVISIONS		
For Taxation	9,126,813	10,751,466
For Gratuity	93,478	80,203
For Leave Encashment	52,391	30,646
	<u>9,272,682</u>	<u>10,862,315</u>
TOTAL	<u>9,807,763</u>	<u>11,376,454</u>

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SCHEDULES TO PROFIT & LOSS ACCOUNT

	FOR THE YEAR ENDED March 31, 2011 Rs.	FOR THE YEAR ENDED March 31, 2010 Rs.
SCHEDULE I		
OTHER INCOME		
Excess Income Tax Provision written back	26,376	-
Interest recd. On Income Tax Refund	209,367	-
Rent received (Banglore property)	180,000	150,000
Excess Provision Written Back	229	9,570
Miscellaneous Income	64	1,391
TOTAL	416,036	160,961

SCHEDULE J

ADMINISTRATIVE & OTHER EXPENSES

Employee's Salaries and Benefits:

Salaries wages and Bonus	1,711,932	1,191,826
Contribution to Provident and Other Funds	66,235	74,802
Advertisement Expenses	219,450	122,280
Annual Custodial Fees	33,090	33,090
Provision for diminuation in value of investments	-	3,878,332
Auditors' Remuneration	333,659	378,045
Board and General Meeting expenses	52,873	20,579
Depository fees	52,980	52,980
Directors' Sitting Fees	96,500	112,000
Telephone, Courier and Postage Expenses	146,741	127,017
Electricity Expenses	300,000	300,000
Insurance Premium	5,001	1,724
Interest on excess income tax refund received	-	8,338
Interest paid to income tax	58,050	-
Legal and Professional Charges	385,683	546,289
Listing Fees	28,127	26,582
Mutual Fund Expenses	583,399	598,112
Printing & Stationery	280,658	221,709
Sundry Expenses	286,884	366,314
Trustee Meeting Fees	10,000	2,500
Travelling, Hotel and Conveyance expenses	395,706	304,270
Repairs & Maintenance - Others	29,371	30,936
<u>Rent, Rates & Taxes :</u>		
Rent	240,000	240,000
Rates & Taxes	19,448	19,809
TOTAL	5,335,787	8,657,534

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

SCHEDULE K: NOTES TO ACCOUNTS

1. Significant accounting policies

a. The accounts have been prepared primarily on historical cost convention and on accrual basis.

b. Fixed assets and depreciation:

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

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

d. Preliminary expenses and share issue expenses are being written off over a period of 10 years.

e. Employee Benefits

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

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

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

2. The Scheme Risk Guardian'95 has been wound up effective July 07, 2000 and the three tax saving schemes Tax Guardian'95, Tax Guardian'96, Tax Guardian'97 have been wound up effective April 30, 2001 and Interval Fund 97 effective December 01, 2001. The assets appearing in Schedule F (A) to the accounts represents assets taken over from / relating to the schemes which have been wound up.

3. Though all the schemes of Shriram Mutual Fund have been wound up and no new schemes have been launched during the year, the Company has continued to maintain its status as an Asset Management Company for Mutual Fund. Accordingly, the financial statements of the Company have been prepared on going concern basis.

4. As the unclaimed redemption money being managed by the Company is very small, it has been decided not to charge asset management fees from April 01, 2004 to Shriram Mutual Fund.

5. Payment to the auditors:

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Audit Fees	110,000	100,000
Audit Fees for Limited Reviews	66,000	60,000
Tax Audit Fees	55,000	51,846
Corporate Governance Certification	16,500	15,000
Other services (including half yearly audit fees)	55,000	90,000
Out of pocket expenses (Including Service Tax)	31,159	61,199
Total	333,659	378,045

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

6. Contingent Liabilities

- a) An appeal is pending before CIT (A) for the A.Y.2006-07, wherein the disallowance made under Section 14A of the Income Tax Act, 1961, of Rs.2,79,520/- calculated as per Rule 8D, is disputed by the Company.
- b) As regards A.Y 2007-08, the Company has filed appeal before CIT (A) against disallowance of Rs.2,96,560/- under the provisions of Section 14A of the Income Tax Act, 1961 and also against disallowance of Rs.27,10,000/- written off as bad debts in respect of Ahmedabad Urban Co-operative Bank Ltd.

7. A sum of Rs.41,340,000/- as on April 01, 2010 (P.Y.Rs. 41,340,000/-) represents disputed redemption amount which is held by the Company in trust which is to be paid to the rightful owner when the dispute is settled by an appropriate court / forum. An equivalent amount is invested in subordinate debt certificate. Accordingly, this amount and interest earned thereon of Rs.60,75,926/- (TDS Rs.6,07,592) during the year ended March 31, 2011 are not reflected in the Balance Sheet and Profit and Loss account of the Company.

8. Provision for tax has been worked out after considering interest income of Rs.60,75,926/- on subordinated bonds. The tax payments on this account will be claimed at the time of interest payments to the rightful owner in the event of settlement of dispute as stated in Note No.7 above.

9. Other Current Assets includes:

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

10. Income Tax assessment has been completed up to and including the Assessment Year 2007-08.

11. The Deferred Tax Assets & Liabilities arising on account of timing difference are recognized in the profit & loss account. Deferred tax assets have been recognized only to the extent there is virtual certainty that the assets would be realized in future.

12. The components of Deferred Tax Liability and Assets as at March 31, 2011 are as under:

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Deferred tax liability :		
(i) Depreciation on fixed assets	(705,644)	(736,528)
	(705,644)	(736,528)
Deferred tax assets :		
(i) Provision for Gratuity & Leave encashment	45,074	34,253
(ii) Diminution in value of investments	798,936	798,936
	844,010	833,189
Net Deferred Tax Asset/(Liability)	# 138,366	#96,661

Not recognized in the accounts on the basis of prudence.

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

13. The Company operates in only one segment.

14. Related party disclosure as required by Accounting Standard (AS)-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.

Name	Relationship
a) Shriram Transport Finance Co. Ltd. (STFC)	Associate Co
b) Ceylinco Shriram Capital Management Services Co. Pvt. Ltd.	Associate Co.
c) Shriram Capital Ltd.	Associate Co.
d) Mr.R.Sundara Rajan (M.D.)	Key Managerial personnel

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

	Associates #		Key Managerial Personnel		Total	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Payments						
Rent Paid	240,000	240,000	—	—	240,000	240,000
Electricity	300,000	300,000	—	—	300,000	300,000
Charges for bus for staff	60,000	60,000	—	—	60,000	60,000
Receipts						
Rent Received	180,000	150,000	—	—	180,000	150,000
Interest on ICD given	5,400,000	5,400,000	—	—	5,400,000	5,400,000
Balance outstanding						
Investment in equity shares	3,878,332	3,878,332	—	—	3,878,332	3,878,332
Accrued interest on ICD (Net of TDS)	—	2,423,342	—	—	—	2,423,342
Investment in ICD	60,000,000	60,000,000	—	—	60,000,000	60,000,000

Transaction during the year with STFC and Shriram Capital only.

15. Disclosure as per Revised Accounting Standard (AS-15) :

I. Table showing change in Benefit Obligation:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Liability at the beginning of the current period	80,203	59,772
Current Service Cost	11,965	10,060
Interest Cost	7,373	5,412
Actuarial (gain) / loss on obligations	(6,063)	8,008
Liability at the end	93,478	83,252

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

II. Table of Recognition of Transitional Liability:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Unrecognized transitional liability at the start of the period	---	---
Transition liability recognized during the period	---	---
Unrecognized transitional liability at the end of the period	---	---
III. Amount Recognised in the Balance Sheet:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Fair Value of Plan Assets at the end of the period	---	---
Liability at the end of the period	93,478	83,252
Difference	(93,478)	(83,252)
Unrecognized past service cost at the end of the period	---	---
Unrecognised transitional liability at the end of the period	---	---
Net amount recognized in the Balance Sheet	(93,478)	(83,252)
IV. Expenses Recognized in the Income Statement:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Current Service Cost	11,965	10,060
Interest Cost	7,373	5,412
Actuarial (Gain)/Loss	(6,063)	8,008
Past Service Cost (Non Vested Benefits) Recognized during the period	---	---
Past Service Cost (Vested Benefits) Recognized during the period	---	---
Transitional liability recognized during the period	---	---
Expense Recognized in P & L	13,275	23,480
V. Balance Sheet Reconciliation:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Opening Net Liability	80,203	59,772
Expense as above	13,275	23,480
Net Transfer in	---	---
(Net Transfer out)	---	---
Employers Contribution	---	---
Amount Recognized in Balance Sheet	93,478	83,252

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

VI. OTHER DETAILS:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
No. of Members	6	5
Salary p.m.	51,683	33,510

Notes:-

Gratuity is payable as per Company's scheme as detailed in the report. Actuarial gain/loss is accounted for in the period of occurrence.

Salary escalation and attrition rate are considered as advised by the Company; they appear to be in line with the industry practice considering promotion and demand and supply of the employees.

VII. ASSUMPTIONS:	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
Discount Rate - Previous	8.00%	7.75%
Salary Escalation - Previous	5.00%	5.00%
Attrition rate - previous	2.00%	2.00%
Discount Rate - Current	8.25%	8.00%
Salary Escalation - Current	5.00%	5.00%
Attrition rate - Current	2.00%	2.00%

VIII. Experience Adjustment	Gratuity non-funded As at March 31, 2011	Gratuity non-funded As at March 31, 2010
On Plan Liability (Gain)/Loss	9,862	4,959

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

Basic and Diluted Particulars	March 31, 2011 Rs.	March 31, 2010 Rs.
Profit after tax as per accounts (Rs.)	(238,736)	(1,858,829)
Profit attributable to Equity share holders (A)	(238,736)	(1,858,829)
Number of shares issued (B)	6,000,000	6,000,000
Basic EPS (Rupees) (Face value Rs.10 each) (A)/(B)	(0.04)	(0.31)

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

17. Following quoted investments were acquired and fully sold during the year:

Short Term & quoted	Face Value	No. of shares	Purchase cost (Rs.)
Non -Trade			
ABB LTD.	2	50	39,186
ACC LTD.	10	50	47,175
BAJAJ HOLDING & INVESTMENTS LTD.	10	100	61,564
BHARAT FORGE LTD.	2	200	53,974
BHARTI AIRTEL LTD.	5	100	29,232
BHARAT HEAVY ELECTRICALS LTD.	10	50	117,937
CENTURY ENKA LTD.	10	100	30,139
CROMPTON GREAVES LTD.	2	200	50,471
EDUCOMP SOLUTIONS LTD.	2	50	37,800
ELECON ENGG LTD.	2	500	36,565
HAVELLS INDIA LTD.	5	100	58,560
HDFC LTD.	10	25	69,175
NMDC LTD.	1	100	29,782
STERLITE INDUSTRIES LTD.	1	150	124,406
Total			<u>785,966</u>

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

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

As per our report of even date attached

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

FOR SHRIRAM ASSET MANAGEMENT COMPANY LTD.

SATISH KELKAR
PARTNER
MEMBERSHIP NO.38934

R.SUNDARA RAJAN
MANAGING DIRECTOR

LALIT P.MEHTA
DIRECTOR

REENA YADAV
COMPANY SECRETARY

MUMBAI
Date : April 26, 2011

MUMBAI
Date : April 26, 2011

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

DESCRIPTION	FOR THE YEAR ENDED March 31, 2011		FOR THE YEAR ENDED March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		2,414,264		796,482
<u>ADJUSTMENTS FOR :</u>				
DEPRECIATION	255,550		286,692	
PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS (NET)	-		2,600,249	
DIVIDEND INCOME	(2,788)		(202,119)	
INTEREST INCOME	(7,539,755)		(6,085,682)	
INCOME TAX REFUND	-		(296,643)	
(PROFIT) / LOSS ON SALE OF FIXED ASSETS (NET)	-		1,290	
(PROFIT) / LOSS ON SALE OF SHARES (NET)	(47,022)		(2,015,153)	
		<u>(7,334,015)</u>		<u>(5,711,366)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES (I)				
<u>ADJUSTMENTS FOR :</u>				
TRADED AND OTHER RECEIVABLE	(123,528)		627,837	
ASSETS TAKEN OVER FROM SHRIRAM MUTUAL FUND	300,000		(149,002)	
TRADED AND OTHER PAYABLE	55,962		(1,690,301)	
		<u>232,434</u>		<u>(1,211,466)</u>
		(4,687,317)		(6,126,350)
CASH GENERATED FROM OPERATIONS (II)				
DIRECT TAXES PAID		(924,272)		(1,685,424)
NET CASH FLOW FROM OPERATING ACTIVITIES		<u><u>(5,611,589)</u></u>		<u><u>(7,811,774)</u></u>
B) CASH FLOW FROM INVESTING ACTIVITIES				
PURCHASE OF FIXED ASSETS		(44,200)		(11,054)
SALE OF FIXED ASSETS		-		750
PURCHASE OF INVESTMENTS		(2,032,745)		(4,247,211)
SALE OF INVESTMENTS		1,463,508		37,941,685
INTEREST RECEIVED		9,648,537		4,981,709
DIVIDEND RECEIVED		2,788		204,869
NET CASH USED IN INVESTING ACTIVITIES		<u><u>9,037,888</u></u>		<u><u>38,870,748</u></u>

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

DESCRIPTION	FOR THE		FOR THE	
	YEAR ENDED		YEAR ENDED	
	March 31, 2011		March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
C) CASH FLOW FROM FINANCING ACTIVITIES				
REPAYMENT OF SECURED LOAN FROM BANK		-		-
INTEREST PAID		-		-
NET CASH GENERATED FROM FINANCING ACTIVITIES		<u>-</u>		<u>-</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		3,426,299		31,058,974
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		31,298,780		239,806
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		34,725,079		31,298,780

Note : 1) Figures in brackets indicate outflow of funds

As per our report of even date attached

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

FOR SHRIRAM ASSET MANAGEMENT COMPANY LTD.

SATISH KELKAR
PARTNER
MEMBERSHIP NO.38934

R. SUNDARA RAJAN
MANAGING DIRECTOR

LALIT P. MEHTA
DIRECTOR

REENA YADAV
COMPANY SECRETARY

MUMBAI
Date : April 26, 2011

MUMBAI
Date : April 26, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	11 - 79874	State Code	11
Balance Sheet Date	March 31, 2011		

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Bonus Issue	NIL
Right Issue	NIL	Private Placement	NIL

III Position of Mobilisation and Development of Funds (Amount in Rs. Thousands)

	Amount		Amount
Total Liabilities	103,580	Total Assets	103,580
Paid up Capital	60,000	Reserves & Surplus	43,580
Secured Loans	-	Unsecured Loans	-
Net Fixed Assets	3,388	Investments	1,267
Net Current Assets	98,925	Miscellaneous Expenditure	-
Accumulated Losses	-		

IV Performance of Company (Amount in Rs. Thousands)

Turnover	8,039	Total Expenditure	5,624
Profit before Tax	2,414	Profit after Tax	(239)
Earning per Share in (Rs.)		Dividend Rate (%)	Nil
Basic	(0.04)	Diluted	(0.04)

V Generic Names of Principal Products/Services of Company

(as per monetary terms)

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

NOTES

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Registered Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G, Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051. Tel. No. +91-22-42410400

ATTENDANCE SLIP

I/We hereby record my/our presence at the 17th Annual General Meeting of the Company at Conference Hall of Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai - 400 057 on Tuesday, September 27, 2011 at 2.30 p.m.

Full name of Member (in Block Letters) _____

Regd.Folio No. /Client I.D.No. _____ No. of Shares held _____

Full Name of the Proxy * (in Block Letters) _____

Signature of the Member(s) or Proxy *Present _____

*Strike out whichever is not applicable.

Note: PLEASE COMPLETE THE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

-----Tear here-----

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Registered Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G, Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051. Tel. No. +91-22-42410400

PROXY SLIP

Regd.Folio No. /Client ID No. _____ No. of Shares held _____

I/We _____ residing at _____

_____ being a member/ members of SHRIRAM ASSET MANAGEMENT

COMPANY LIMITED, hereby appoint _____ of _____ or failing
him/her _____ of _____ as my/our proxy to attend and vote

for me/us on my/our behalf at the 17th Annual General Meeting of the Company to be held at Conference Hall of Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai 400 057 on Tuesday, September 27, 2011 at 2.30 p.m.

Affix
Revenue
Stamp

Signed _____ day of _____ 2011.

- Notes:
- The Proxy Form should be signed across the stamp as per Specimen signature registered with the Registrar & Share Transfer Agents of the Company.
 - The Proxy Form in order to be effective must be deposited at the office of the Registrar & Share Transfer Agents of the Company duly Stamped and Signed, not less than 48 hours before the time for holding the aforesaid meeting.
 - The Proxy need not be a member of the Company.

BOOK - POST

If Undelivered, Please return to :

Shriram Asset Management Company Limited

106, Shiv Chambers,
'B' Wing, 1st Floor,
Sector- 11, CBD Belapur,
Navi Mumbai – 400 614.