Shriram Transport Finance Company Limited

Shriram Transport Finance Company Limited (our "**Company**"), a public limited company was incorporated under the Companies Act, 1956 pursuant to a certificate of incorporation dated June 30, 1979, issued by the Registrar of Companies, Chennai, Tamil Nadu (Registered as a deposit taking Non-Banking Financial Company within the meaning of the Reserve Bank of India Act, 1934 (2 of 1934)). Our Company has obtained a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007, (bearing registration no. 07-00459). Our Company is a Deposit taking Non-Banking Financial Company. For further details please see "*General Information*" and "*History, Main Objects and Key Agreements*" on pages 42 and 124 respectively**.**

Corporate Identification Number: L65191TN1979PLC007874

Registered Office: Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu- 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 9596/97

Website: www.stfc.in **Compliance Officer and Contact Person**: Mr. Vivek Madhukar Achwal; **E-mail**: stfcncd9t1comp@stfc.in

PUBLIC ISSUE BY SHRIRAM TRANSPORT FINANCE COMPANY LIMITED, ("COMPANY" OR "ISSUER") OF 10,00,00,000 SECURED REDEEMABLE NON- CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs. 1,000 EACH, ("NCDs"), FOR AN AMOUNT AGGREGATING UPTO Rs. 10,00,000 LACS ("SHELF LIMIT"), ("ISSUE"). THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHES (EACH BEING A "TRANCHE ISSUE") SUBJECT TO THE SHELF LIMIT, IN ACCORDANCE WITH THE TERMS AND CONDITIONS SET OUT IN SEPARATE TRANCHE PROSPECTUS FOR EACH SUCH TRANCHE ISSUE WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS. THIS DRAFT SHELF PROSPECTUS TOGETHER WITH THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS FOR A SPECIFIC TRANCHE ISSUE SHALL CONSTITUTE THE "PROSPECTUS". THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED (THE "DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER AS AMENDED

OUR PROMOTER

Our Promoter is Shriram Capital Limited. For details of our Promoter, please see "*Our Promoter*" on page 140 of this Draft Shelf Prospectus.

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the Investors is invited to the chapter titled "*Risk Factors*" beginning on page 16 of this Draft Shelf Prospectus and "*Material Developments*" beginning on page 178 of this Draft Shelf Prospectus and the risk factors and material developments, if any, in the relevant Tranche Prospectus of any Tranche Issue before making an investment in such Tranche Issue. This Draft Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India, the Reserve Bank of India, the Registrar of Companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Shelf Prospectus read together with relevant Tranche Prospectus for a Tranche Issue does contain and will contain all information with regard to the Issuer and the relevant Tranche Issue, which is material in the context of the Issue, that the information contained in this Draft Shelf Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Shelf Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount and Eligible Investors of the NCDs, please see "*Issue Structure*" on page 183 of this Draft Shelf Prospectus.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated 'CARE AA+; Stable' by CARE Ratings Limited ("**CARE**") for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 28, 2019, 'CRISIL AA+/Stable' by CRISIL Limited ("**CRISIL**") for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 26, 2019 and 'IND AA+; Outlook Stable' by India Ratings and Research Private Limited ("**India Ratings**") for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 25, 2019. The rating of the NCDs by CARE, CRISIL and India Ratings indicate that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The ratings provided by CARE and/or CRISIL and/or India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to Annexures A, B and C for the rationale for the above ratings.

LISTING

The NCDs offered through the Issue are proposed to be listed on the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**"). Our Company has obtained an 'in-principle' approval for the Issue from the NSE vide their letter dated [●] and from the BSE vide their letter dated [●]. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

PUBLIC COMMENTS

This Draft Shelf Prospectus dated June 29, 2019 has been filed with NSE, the Designated Stock Exchange, pursuant to the provisions of the Debt Regulations on June 29, 2019 and is open for public comments for a period of seven Working Days from the date of filing of this Draft Shelf Prospectus with the Designated Stock Exchange. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of the Compliance Officer of our Company. Comments may be sent through post, facsimile or e-mail; however please note that all comments by post must be received by the Company by 5:00 p.m. on the seventh Working Day from the date on which this Draft Shelf Prospectus is hosted on the website of the Designated Stock Exchange.

LEAD MANAGERS TO THE ISSUE

JM FINANCIAL	a.k. BUILDING BONDS	smc capitals
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025 **Tel**: +91 22 6630 3030 **Fax**: 91 22 6630 3330 **Email**: stfc.bondissue2019@jmfl.com **Investor Grievance Email**:grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact Person**: Ms. Prachee Dhuri **Compliance Officer**: Mr. Sunny Shah **SEBI Regn. No**.: INM000010361	**A. K. Capital Services Limited** 30-38, 3rd Floor, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai - 400 021, India **Tel:** +91 22 6754 6500/ 6634 9300 **Fax:** +91 22 6610 0594 **Email:** stfc.ncd2019@akgroup.co.in **Investor Grievance Email:** investor.grievance@akgroup.co.in **Website:** www.akgroup.co.in **Contact Person:** Mr. Krish Sanghvi/ Mr. Malay Shah **Compliance Officer:** Mr. Tejas Davda **SEBI Registration No.:** INM000010411	**SMC Capitals Limited** A-401/402, Lotus Corporate Park, Jai Coach Junction, Off Western Express Highway, Goregaon (East), Mumbai 400063 **Tel:** +91 22 66481818 **Fax:** +91 22 67341697 **Email:** stfc.ncd2019@smccapitals.com **Investor Grievance Email:** investor.grievance@smccapitals.com **Website:** www.smccapitals.com **Contact Person:** Mr. Satish Mangutkar/Mr. Bhavin Shah **Compliance Officer:** Ms. Vaishali Gupta **SEBI Registration Number:** INM000011427

DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE
CATALYST	Integrated
Catalyst Trusteeship Limited** 'GDA House', Plot No 85, Bhusari Colony (Right), Kothrud, Pune – 411038 **Tel:** 022 4922 0543 **Fax:** 022 4922 0505 **Email**: ComplianceCTL-Mumbai@ctltrustee.com **Investor Grievance Email:** grievance@ctltrustee.com **Website:** www.catalysttrustee.com **Contact Person**: Umesh Salvi **SEBI Registration No**.: IND000000034	**Integrated Registry Management Services Private Limited** 2nd Floor, "Kences Towers", No. 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017 **Tel:** + 91 44 2814 0801 to 803 **Fax:**+91 44 28142479 **Email**: stfcipo@integratedindia.in **Investor Grievance Email**: sureshbabu@integratedindia.in **Website**: www.integratedindia.in **Contact Person**: Ms. Anusha N / Mr. Sriram S **SEBI Registration No:** INR000000544

ISSUE PROGRAMME*

ISSUE OPENS ON: As specified in the relevant Tranche Prospectus	**ISSUE CLOSES ON:** As specified in the relevant Tranche Prospectus

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or duly constituted Debt Issuance Committee - Public NCDs thereof, subject to necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. For further details please refer to the section titled "General Information" on page 42 of this Draft Shelf Prospectus.*

***Catalyst Trusteeship Limited has by its letter dated June 20, 2019 given its consent for its appointment as Debenture Trustee to the Issue pursuant to regulation 4(4) of the Debt Regulations and for its name to be included in this Draft Shelf Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue.*

A copy of the Shelf Prospectus along with a copy of the relevant Tranche Prospectus shall be filed with the Registrar of Companies, Chennai, Tamil Nadu, in terms of section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please see "Material Contracts and Documents for Inspection" beginning on page 260 of this Draft Shelf Prospectus.

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SECTION I GENERAL

DEFINITIONS / ABBREVIATIONS

Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "the Issuer", "our Company", "the Company" or "STFCL" are to Shriram Transport Finance Company Limited, a company incorporated under the Companies Act, 1956, registered as a Non-Banking Financial Company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934, and having its Registered Office at Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600 004. Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "we" or "us" or "our" are to our Company.

This Draft Shelf Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms in this Draft Shelf Prospectus, and references to any legislation, act, regulation, rules, guidelines, policies, circular, notification, charter documents or clarification will include any amendments or re-enactments thereto, from time to time.

Company related terms

Term	Description
"We", "us", "our", "STFCL", "Issuer", "the Company" and "our Company"	Shriram Transport Finance Company Limited, a company incorporated under the Companies Act, 1956, registered as a Non-Banking Financial Company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934, and having its Registered Office at Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600 004
AOA/Articles/Articles of Association	Articles of Association of our Company
Assets Under Management as per IGAAP	Total Loan Assets and loan assets securitised and assigned, which continue to be serviced by the transferor
Assets Under Management as per Ind AS	Total Loan Assets and loan assets assigned, which continue to be serviced by the transferor
Associate Company	Shriram Automall India Limited
Audited Ind AS Consolidated Financial Statements	The audited Ind AS consolidated financial statement comprising of balance sheet as at March 31, 2019 and the statement of profit and loss for the Fiscal 2019, the statement of cash flows for the Fiscal 2019 and the statement of changes in equity for the Fiscal 2019 and a summary of the significant accounting policies and other explanatory information for the Fiscal 2019, prepared in accordance with Ind AS, as jointly audited by our Company's Joint Statutory Auditors
Audited Ind AS Standalone Financial Statements	The audited Ind AS standalone financial statement comprising of balance sheet as at March 31, 2019 and the statement of profit and loss for the Fiscal 2019, the statement of cash flows for the Fiscal 2019 and the statement of changes in equity for the Fiscal 2019 and a summary of the significant accounting policies and other explanatory information for the Fiscal 2019, prepared in accordance with Ind AS, as jointly audited by our Company's Joint Statutory Auditors
Audited Ind AS Financial Statements	Audited Ind AS Consolidated Financial Statements and Audited Ind AS Standalone Financial Statements
Board / Board of Directors	The Board of Directors of our Company and includes any committee thereof from time to time
Debt Issuance Committee	The Debt Issuance Committee - Public NCDs constituted by our Board of Directors vide board resolution dated January 28, 2019
ECL or Expected Credit Loss	ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate
Equity Shares	Equity shares of face value of Rs. 10 each of our Company
Gross NPA	Loans outstanding including future principal and excluding unrealised interest accrued and due under NPA accounts
Gross NPA %	Percentage of Gross NPA to Total Loan Assets as per IGAAP

Term	Description
Group Companies	The following are the Group Companies of our Company: • Shriram Value Services Limited • Shriram Automall India Limited • Shriram Life Insurance Company Limited • Shriram General Insurance Company Limited • Shriram Fortune Solutions Limited • Shriram Financial Products Solutions (Chennai) Private Limited • Shriram Insight Share Brokers Limited • Shriram Asset Management Company Limited • Adroit Inspection Service Private Limited
KMP/ Key Managerial Personnel	Key Managerial Personnel, as defined under Section 2 (51) of the Companies Act, 2013, as on the date of this Draft Shelf Prospectus: • Mr. Umesh Revankar, Managing Director and Chief Executive Officer • Mr. Parag Sharma, Chief Financial Officer • Mr. Vivek Achwal, Company Secretary and Compliance Officer
Memorandum / MOA	Memorandum of Association of our Company
Net Loan Assets under IGAAP	Total Loan Assets as per IGAAP as adjusted for provisions for non-performing assets and provision for diminution in fair value of restructured loans
Net Loan Assets as per Ind AS (Net of Provisions)	Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS as adjusted for ECL provisions
Net NPA	Net NPA means Gross NPA net off provision held for NPA accounts and provision for diminution in fair value of restructured loans
Net NPA %	Percentage of Net NPA to Net Loan assets as per IGAAP
Net worth	Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
Off-balance sheet as per IGAAP	Hypothecation loans securitised or assigned, which continue to be serviced by the transferor
Off-balance sheet as per Ind AS	Hypothecation loans assigned, which continue to be serviced by the transferor
Reformatted Consolidated Financial Statements	The statement of reformatted consolidated assets and liabilities of the Company and its subsidiaries and Associate Company (current or otherwise as applicable) as at March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the related statement of reformatted consolidated statement of profit and loss and the related statement of reformatted consolidated cash flow for the financial years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 as jointly examined by our Company's Joint Statutory Auditors. The audited consolidated financial statements of the Company as at and for the years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Consolidated Financial Statements.
Reformatted Standalone Financial Statements	The statement of reformatted standalone assets and liabilities of our Company, and the related statement of reformatted standalone statement of profit and loss of our Company and the related statement of reformatted standalone cash flow of our Company as at and for the years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018, as jointly examined by our Company's Joint Statutory Auditors. The audited standalone financial statements of our Company as at and for the years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Standalone Financial Statements.

Term	Description
Reformatted Financial Statements	Reformatted Consolidated Financial Statements and Reformatted Standalone Financial Statements
Registrar of Companies / RoC	The Registrar of Companies, Tamil Nadu at Chennai
SCL/Promoter	The promoter of our Company, Shriram Capital Limited
SEFCL	Shriram Equipment Finance Company Limited
SEFCL Merger Order	Order dated March 31, 2016 passed by the Hon'ble High Court of Madras sanctioning the SEFCL Scheme of Merger (as defined hereunder)
SEFCL Scheme of Merger	The scheme of arrangement involving, inter-alia, amalgamation of SEFCL, with our Company as sanctioned by the SEFCL Merger Order
SHMPL	Shriram Holdings (Madras) Private Limited
SHMPL Merger Order	Order dated September 13, 2012 passed by the Hon'ble High Court of Madras sanctioning the SHMPL Scheme of Merger (as defined hereunder)
SHMPL Scheme of Merger	The scheme of arrangement involving, inter-alia, amalgamation of SHMPL, with our Company as sanctioned by the SHMPL Merger Order
SIL	Shriram Investments Limited
SIL Scheme of Merger	The scheme of arrangement and amalgamation of the erstwhile SIL, with our Company as approved, vide an order of Hon'ble High Court of Madras passed on November 25, 2005
SOFL	Shriram Overseas Finance Limited
SOFL Scheme of Merger	The scheme of arrangement and amalgamation of the erstwhile SOFL with our Company as approved, vide an order of Hon'ble High Court of Madras passed on December 1, 2006
SOT	Shriram Ownership Trust
Stage 1 Assets	Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date as defined under Ind AS
Stage 1 Provision	Stage 1 Provision are 12-month ECL resulting from default events that are possible within 12 months after the reporting date as defined under Ind AS
Stage 2 Assets	Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment as defined under Ind AS
Stage 2 Provision	Stage 2 Provision are lifetime ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
Stage 3 Assets	Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS
Stage 3 Provision	Stage 3 Provision are lifetime expected credit loss resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
Statutory Auditors / Joint Statutory Auditors	Our joint statutory auditors being M/s Pijush Gupta & Co. and M/s Haribhakti & Co. LLP
Total Loan Assets as per IGAAP	Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans
Total Loan Assets as per Ind AS (gross of Provisions)	Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS excluding provisions
SVS	Shriram Value Services Limited

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus
Allotment / Allot / Allotted	Unless the context otherwise requires, the allotment of the NCDs pursuant to the Issue to the successful Allottees
Allotment Advice	The communication sent to the Allottees conveying the details of the NCDs Allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	A successful Applicant to whom the NCDs are Allotted pursuant to the Issue
Applicant/Investor	A person who applies for the issuance and Allotment of NCDs through the ASBA Process pursuant to the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus(es), the Abridged Prospectus and Application Form for any Tranche Issue
Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account which will be considered as the application for Allotment in terms of the Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form
Application Form	The form used by an Applicant for applying for the NCDs under the Issue through the ASBA process, in terms of the Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus
ASBA	Application Supported by Blocked Amount
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of an ASBA Applicant
Banker(s) to the Issue	Collectively, the Public Issue Account Bank and the Refund Bank
Base Issue / Base Issue Size	As may be specified in the relevant Tranche Prospectus for each Tranche Issue
Basis of Allotment	As may be specified in the relevant Tranche Prospectus for each Tranche Issue
Bidding Centres/Collection Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Application Forms to a Trading Member. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges
CARE	CARE Ratings Limited
Category I – Institutional Investors	• Public financial institutions scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorized to invest in the NCDs; • Provident funds, pension funds with a minimum corpus of Rs.2,500 lacs, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Mutual Funds registered with SEBI • Venture Capital Funds/ Alternative Investment Fund registered with SEBI; • Insurance Companies registered with IRDA; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company, a nonbanking financial company registered with the Reserve Bank of India and having a net worth of more than Rs. 50,000 lacs as per the last audited financial statements;

Term	Description
	• National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India.
Category II – Non-Institutional Investors	• Companies within the meaning of section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Public/private charitable/ religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.
Category III – High Net-Worth Individuals	Resident Indian individuals or Hindu Undivided Families through the Karta who apply for NCDs for an amount aggregating to a value more than Rs. 10 lacs, across all Series of NCDs as specified in the relevant Tranche Prospectus(es)
Category IV – Retail Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta who apply for NCDs aggregating to a value upto and including Rs. 10 lacs, across all Series of NCDs as specified in the relevant Tranche Prospectus(es)
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12(1A) of the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the Debt ASBA Circular (as defined below)
Credit Rating Agency(ies)	The credit rating agencies in connection with this Issue, namely, CARE Ratings Limited, CRISIL Limited and India Ratings and Research Private Limited
CRISIL	CRISIL Limited
"Debenture Holder(s)" or "NCD Holder(s)"	Any person holding the NCDs and whose name appears on the beneficial owners list provided by the Depository (in case of NCDs in the dematerialized form) and/or whose name appears in the Register of NCD Holders maintained by our Company (in case of NCDs in physical form pursuant to rematerialisation)
Debentures / NCDs	Secured, Redeemable, Non-Convertible Debentures offered through this Draft Shelf Prospectus aggregating up to Rs. 10,00,000 lacs to be issued by our Company in terms of the Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus(es)
Debenture Trustee	Trustee for the Debenture Holders, in this case being Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement dated June 26, 2019 entered into between our Company and the Debenture Trustee
Debenture Trust Deed	Deed and/or indenture of trust to be entered into between our Company and the Debenture Trustee which shall be executed within the time limit prescribed by applicable statutory and/or regulatory requirements, for creating appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs and the interest due thereon
Debt Application Circular	Circular no. CIR/IMD/DF 1/20/ 2012 issued by SEBI on July 27, 2012
Debt ASBA Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018
Debt Listing Agreement	The listing agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of the debt securities of our Company
Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time
Deemed Date of Allotment	The date on which the Debt Issuance Committee constituted by resolution of the Board dated January 28, 2019 approves the Allotment of NCDs for each Tranche Issue and or such other date as may be determined by the Board or the Debt Issuance Committee and notified to the Stock Exchanges. All benefits under the NCDs including payment of interest (as specified for each Tranche Issue by way

Term	Description
	of the relevant Tranche Prospectus) shall be available to the NCD Holders from the Deemed Date of Allotment. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment
Demographic Details	Details of an Applicant such as address, occupation, Category for printing on refund orders, Permanent Account Number ("**PAN**") and bank account details, which are based on the details provided by the Applicant in the Application Form
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited.
DP / Depository Participant	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Applications and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other weblink as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms, are available on the website of NSE at https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm and as updated from time to time.
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for unblocking of funds from the ASBA Accounts to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus and the Public Issue Account Agreement
Designated Intermediaries	The Members of the Syndicate, SCSBs, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm and as updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Shelf Prospectus	This draft shelf prospectus dated June 29, 2019 filed with SEBI and the Stock Exchanges for receiving public comments in accordance with the provisions of the Debt Regulations
HNI Portion	Applications received from HNI Investors grouped together across all Series as specified in the relevant Tranche Prospectus(es)
India Ratings	India Ratings and Research Private Limited
Individual Investors	All categories of persons who are individuals or natural persons (including Hindu Undivided Families acting through their Karta) including without limitation HNI Investors and Retail Individual Investors and other individuals who are eligible under applicable laws to hold the NCDs
Issue	Public Issue by our Company of NCDs pursuant to this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus(es) for an amount up to an aggregate amount of the Shelf Limit of Rs. 10,00,000 lacs. The NCDs will be issued in one or more tranches subject to the Shelf Limit.
Issue Agreement	The agreement dated June 29, 2019 between our Company and the Lead Managers
Issue Closing Date	Issue Closing Date as specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Opening Date	Issue Opening Date as specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants may submit their Application Forms

Term	Description
Lead Broker Agreement	Agreement to be entered among our Company, the Lead Managers and the Lead Brokers
Lead Brokers	As specified in the relevant Tranche Prospectus(es)
Lead Managers	JM Financial Limited, A. K. Capital Services Limited and SMC Capitals Limited
Limited Liability Partnership	A limited liability partnership registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009), as amended from time to time
Market Lot	1 (one) NCD
Non Individual Investors	All categories of entities, associations, organizations, societies, trusts, funds, partnership firms (including LLPs), bodies corporate, statutory and/or regulatory bodies and authorities and other forms of legal entities who are NOT individuals or natural persons and are eligible under applicable laws to hold the NCDs including without limitation Institutional Investors and Non Institutional Investors
Public Issue Account	A bank account opened in accordance with the provisions of the Companies Act, 2013, with the Public Issue Account Bank to receive money from the ASBA Accounts on the Designated Date
Public Issue Account Agreement	Agreement to be entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and the Lead Managers for collection of the Application Amounts from ASBA Accounts and where applicable, refunds of the amounts collected from the Applicants on the terms and conditions thereof
Public Issue Account Bank	As specified in the relevant Tranche Prospectus
Record Date	The record date for payment of interest in connection with the NCDs issued under the relevant Tranche Prospectus or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable and/or the date of redemption, or such other date as may be otherwise specified by the Stock Exchanges. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In event the Record Date falls on a day when Stock Exchange are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Registered Brokers / Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants
Refund Account(s)	The account(s) opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount shall be made, and as specified in the relevant Tranche Prospectus
Refund Bank	As specified in the relevant Tranche Prospectus
Register of NCD Holders	The statutory register in connection with any NCDs which are held in the physical form pursuant to rematerialisation, containing name and prescribed details of the relevant NCD Holders, which will be prepared and maintained by our Company/Registrar in terms of the applicable provisions of the Act
Registrar/ Registrar to the Issue	Integrated Registry Management Services Private Limited
Registrar and Share Transfer Agents / RTA	Registrar and share transfer agents to the Issue registered with SEBI
Registrar Agreement	The agreement dated June 28, 2019 between our Company and the Registrar in connection with the Issue
Redemption Amount	The amount payable by the Company to the relevant NCD Holder at the time of redemption of NCDs, including any amount of interest accrued as on the Redemption Date as specified in the relevant Tranche Prospectus(es)
Redemption Date	The date on which the Company is liable to redeem the NCDs in full as specified in the relevant Tranche Prospectus(es)
SCSBs or Self Certified Syndicate Banks	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

Term	Description
	updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended from time to time.
Specified Cities / Specified Locations	Bidding Centres where the Member of the Syndicate shall accept Application Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Series	As specified in relevant Tranche Prospectus(es)
Shelf Limit	The aggregate limit of the Issue being Rs. 10,00,000 lacs to be issued as per the terms of this Draft Shelf Prospectus and the Shelf Prospectus in one or more tranches
Shelf Prospectus	The Shelf Prospectus to be filed by our Company with the RoC, SEBI, NSE, BSE, in accordance with the Debt Regulations and provisions of the Companies Act, 2013 read with any addendum/ corrigendum thereto. The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013.
Stock Exchange/s	NSE and BSE
Syndicate or Members of the Syndicate	Collectively, the Lead Managers and Lead Brokers appointed in relation to the Issue
Syndicate ASBA	An Application submitted by an ASBA Applicant through the Members of the Syndicate and Trading Members instead of the Designated Branches of the SCSBs
Syndicate ASBA Application Locations	Bidding centres where the Members of the Syndicate and Trading Members shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate or Trading Members, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the Members of the Syndicate, and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in the relevant Tranche Prospectus
Tranche Issue	Issue of NCDs as per the terms specified in each Tranche Prospectus
Tranche Prospectus	The tranche prospectus containing the details of NCDs including interest, other terms and conditions
Trading Members	Intermediaries registered with a broker or a sub-broker under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges
Transaction Documents	Transaction Documents shall mean, the Issue Agreement, the Registrar Agreement, the Debenture Trustee Agreement, the agreed form of the Debenture Trust Deed to be executed between our Company and the Debenture Trustee, the Lead Broker Agreement, Public Issue Account Agreement and Tripartite Agreements, executed or to be executed by our Company, as the case may be. For further details, please refer to the section titled "*Material Contracts and Documents for Inspection*" beginning on page 260 of this Draft Shelf Prospectus.

Term	Description
Tripartite Agreement(s)	Tripartite agreement dated March 29, 2000 among our Company, the Registrar and CDSL and tripartite agreement dated April 30, 1999 among our Company, the Registrar and NSDL under the terms of which the Depositories have agreed to act as depositories for the securities issued by the Issuer.
TRS/ Transaction Registration Slip	The slip or document issued by the Lead Managers, Lead Brokers, Trading Members of the Stock Exchange or the designated branches of the SCSB (only on demand), as the case may be, to the Applicant as proof of registration of the Application.
Working Days	Working Day shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Debt Issuance Committee, subject to necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier or initial date of Issue closure. On the Issue Closing Date, including such earlier date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges.*

Business / Industry related terms

Term	Description
ALM	Asset Liability Management
ALCO	Asset Liability Committee
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016, as amended from time to time
CAR	Capital Adequacy Ratio computed on the basis of applicable RBI requirements
CV	Commercial Vehicle
DIN	Director Identification Number
FTB(s)	First Time Buyers
HCV	Heavy Commercial Vehicle
ICRA	ICRA Limited
ICRA Report	Reports issued by ICRA and titled as (A) Retail – NBFC Credit Trends published in April 2019; (B) Indian Automobile Industry- Passenger Vehicles ("Inventory correction at dealerships continue to weigh on wholesale dispatches") published in June 2019; (C) Indian Automobile Industry- Commercial Vehicles ("Weakness in CV industry worsens – Domestic sales decline by 10% in May led by subdued demand for Goods Carriers") published in June 2019; and (D) Indian Tractor Industry published in May 2019
ICVs	Intermediate Commercial Vehicles
India Ratings Report	Reports issued by India Ratings and titled as Credit Outlook FY20 published in March 2019
KYC	Know Your Customer
KYC Norms	Customer identification procedure for opening of accounts and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LC	Loan Company
LCV(s)	Light Commercial Vehicles
LTV	Loan to value
MCVs	Medium Commercial Vehicles
MPVs	Multi-purpose Vehicles
MSIL	Maruti Suzuki India Limited

Term	Description
M&HCV	Medium and Heavy Commercial Vehicle
NBFC	Non- Banking Financial Company
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFCs-MFI	Non-Banking Financial Company – Micro Finance Institutions
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-P2P	Non-Banking Financial Company – Peer to Peer Lending Platform
NHDP	National Highways Development Project
NHAI	National Highways Authority of India
OEM	Original Equipment Manufacturers
PVs	Passenger Vehicles
Public Deposit Directions	The Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, as amended from time to time
SCVs	Small Commercial Vehicles
SFO(s)	Small Fleet Operators
SME	Small and Medium Enterprises
SRTO(s)	Small Road Transport Operators
STO(s)	Small Truck Owners
UVs	Utility Vehicles

Conventional and general terms or abbreviations

Term	Description
AGM	Annual General Meeting
The Companies Act, 1956	The Companies Act, 1956, as amended from time to time and to the extent as applicable as on date of this Draft Shelf Prospectus
The Companies Act, 2013/ the Companies Act	The Companies Act, 2013 and the rules prescribed thereunder, as amended
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FEMA 20	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time
FII/ FIIs	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
Financial Year / FY/ Fiscal	Financial Year ending March 31
GDP	Gross Domestic Product
GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS	Indian accounting standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP / IGAAP	Generally Accepted Accounting Principles in India or Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016
IRDA	Insurance Regulatory and Development Authority of India
I.T. Act	The Income Tax Act, 1961, as amended from time to time
KMLA	Kerala Money Lenders Act, 1958, as amended
LLP	Limited Liability Partnership as defined under the Limited Liability Partnership Act, 2008 and rules prescribed as amended from time to time

Term	Description
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MVAT	Maharashtra Value Added Tax
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company as defined under Section 45-IC and 45-IF of the RBI Act, 1934
NBFC - Investment and Credit Company / NBFC-ICC	Any company, which is a financial institution, carrying on as its principal business- asset finance, the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities; and is not any other category of NBFC as defined by the Reserve Bank of India in any of its master directions
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
NPA	Non – Performing Asset
NRIs	Persons resident outside India, who are citizens of India and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
PAT	Profit After Tax
Rs./ INR/ Rupees/Indian Rupee	The lawful currency of the Republic of India
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time
TDS	Tax Deducted at Source
UPI	Unified Payments Interface
USSD	Unstructured Supplementary Service Data
WDM	Wholesale Debt Market

Notwithstanding anything contained herein, capitalised terms that have been defined in the chapters titled "*Capital Structure*", "*Regulations and Policies*", "*History, Main Objects and Key Agreements*", "*Statement of Tax Benefits*", "*Our Management*", "*Disclosures on Existing Financial Indebtedness*", "*Outstanding Litigations and Defaults", "Financial Statements"* and "*Issue Procedure*" on pages 72, 242, 124, 83, 130, 143, 225, 142 and 202 of this Draft Shelf Prospectus, respectively will have the meanings ascribed to them in such chapters.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Shelf Prospectus that are not statements of historical fact constitute "forward- looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our Company's expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, revenue and profitability, planned projects and other matters discussed in this Draft Shelf Prospectus that are not historical facts. These forward-looking statements and any other projections contained in this Draft Shelf Prospectus (whether made by our Company or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations, to differ from our Company's expectations include, but are not limited to, the following:

- Any increase in the levels of NPA on our loan portfolio, for any reason whatsoever;
- Our Company's ability to successfully recover the outstanding advances or proper management of NPA;
- Any volatility in interest rates;
- General economic and business conditions in India and globally;
- Our ability to manage credit quality of our portfolio;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Our ability to compete effectively and access funds at competitive cost;
- Unanticipated turbulence in interest rates, equity prices or other rates or prices; the performance of the financial and capital markets in India and globally;
- Availability of funds and willingness of our lenders to lend;
- Changes in political conditions in India;
- The rate of growth of our loan assets;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations;
- Any changes in connection with Government policies, statutory provisions, regulations and/or RBI directions in connection with NBFCs, including laws that impact our lending rates and our ability to enforce our collateral;
- We have incurred significant indebtedness and may incur substantial additional borrowings in connection with our business;
- Changes in government regulations;

- Emergence of new competitors;
- Growth of transportation services in India;
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations;
- Other factors discussed in this Draft Shelf Prospectus, including under the section titled "*Risk Factors*" beginning on page 16 of this Draft Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled "*Industry*", "*Our Business*" and "*Outstanding Litigations and Defaults*" on page 91, 102 and 225, respectively, of this Draft Shelf Prospectus. The forward-looking statements contained in this Draft Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, our Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither the Lead Managers, our Company, our Directors, our KMPs and officers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the Debt Regulations, our Company and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing this Draft Shelf Prospectus and the Shelf Prospectus and the relevant Tranche Prospectus with the RoC and the date of receipt of listing and trading approvals for the NCDs.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Draft Shelf Prospectus, unless the context otherwise indicates or implies, references to "you," "offeree," "purchaser," "subscriber," "recipient," "investors" and "potential investor" are to the prospective investors to this Issue, references to "our Company", "the Company" or "the Issuer" are to Shriram Transport Finance Company Limited.

In this Draft Shelf Prospectus, references to "US$" is to the legal currency of the United States and references to "Rs." and "Rupees" are to the legal currency of India. All references herein to the "U.S." or the "United States" are to the United States of America and its territories and possessions and all references to "India" are to the Republic of India and its territories and possessions, and the "Government", the "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

In this Draft Shelf Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off.

Unless otherwise stated, all figures pertaining to the financial information in connection with our Company are on a standalone basis.

Unless stated otherwise, all references to page numbers in this Draft Shelf Prospectus are to the page numbers of this Draft Shelf Prospectus.

Presentation of Financial Information

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Shelf Prospectus are to a calendar year and references to a Fiscal/ financial year are to the year ended on March 31, of that calendar year. Our Company publishes its financial statements in Rupees, in lacs.

The Government of India has introduced Ind AS pursuant to the "Convergence of its existing standards with IFRS". Our Company is required to: (i) prepare its financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018, and (ii) for the purposes of disclosure in this Draft Shelf Prospectus, prepare and present our financial statements for the latest Fiscals (in this case, for Fiscal 2019) under Ind AS, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India and the Debt Regulations and present our financial statements for the earlier four Fiscals (in this case, Fiscals 2018, 2017, 2016 and 2015) in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India and the Debt Regulations. Accordingly, our financial statements for Fiscals 2019 may not be comparable to our historical financial statements. Please see the risk factor on the requirement to prepare our Company's financial statements with effect from April 1, 2018 under Ind AS in the section titled "*Risk Factors"* on page 32 of this Draft Shelf Prospectus.

Unless stated otherwise, the financial data used in this Draft Shelf Prospectus is derived from (i) our Company's Reformatted Financial Statements as at and for the years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act and other applicable statutory and/ or regulatory requirements, and (ii) our Company's Audited Ind AS Financial Statements as at and for the year ended March 31, 2019 prepared in accordance with Ind AS, Companies Act and other applicable statutory and / or regulatory requirements.

The Reformatted Financial Statements and Audited Ind AS Financial Statements, and the respective examination reports on the Reformatted Standalone Financial Statements and Reformatted Consolidated Financial Statements and the respective audit reports on the Audited Ind AS Standalone Financial Statements and Audited Ind AS Consolidated Financial Statements, as issued by our Company's Joint Statutory Auditors, M/s Pijush Gupta & Co. and M/s Haribhakti & Co. LLP, are included in this Draft Shelf Prospectus in the section titled *"Financial Information"* beginning at page 142 of this Draft Shelf Prospectus.

The Audited Ind AS Financial Statements as at and for the year ended March 31, 2019, included in this Draft Shelf Prospectus, contain financial information as at and for the financial year ended March 31, 2018, solely for the purposes of compliance with the requirements of presentation of financial statements in accordance with applicable laws and accounting standards. In order to review the financial performance and results of operations of the Company as at and for the year ended March 31, 2018, the investors should rely on the Reformatted Financial Statements, which are derived from financial statements prepared as per Indian GAAP and reformatted in accordance with applicable standards and guidance notes specified by the Institute of Chartered Accountants of India and the Debt Regulations, specifically disclosed in the chapter titled *"Financial Statements"* beginning on page 142 of this Draft Shelf Prospectus.

Industry and Market Data

Unless stated otherwise, macroeconomic and industry data used throughout this Draft Shelf Prospectus has been obtained from the ICRA Reports prepared by ICRA and the India Ratings Report prepared by India Ratings and from publicly available data prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although the Issuer believes that the industry and market data used in this Draft Shelf Prospectus is reliable, it has not been independently verified by us or any independent sources. Further, the extent to which the industry and market data presented in this Draft Shelf Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

SECTION II RISK FACTORS

An investment in NCDs involves a certain degree of risk. Prospective investors should carefully consider the risks and uncertainties described below, in addition to the other information contained in this Draft Shelf Prospectus before making any investment decision relating to the NCDs. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition, result of operation and cash flows could suffer, the trading price of the NCDs could decline and you may lose your all or part of your interest and / or redemption amounts. In order to obtain a complete understanding about us, prospective investors should read this section in conjunction with the chapter "Our Business" on page 102 of this Draft Shelf Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

This Draft Shelf Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including the considerations described below and elsewhere in this Draft Shelf Prospectus. Unless the context otherwise requires, the financial information used in this section is derived from and should be read in conjunction with the Reformatted Standalone Financial Statements and the Audited Ind AS Standalone Financial Statement of our Company. For further information, please see "Forward Looking Statements" on page 12 of this Draft Shelf Prospectus.

Investors are advised to read the following risk factors carefully before making an investment in the NCDs offered in this Issue. You must rely on your own examination of our Company and this Issue, including the risks and uncertainties involved.

Unless context otherwise requires, the financial information included herein for the Fiscals 2018, 2017, 2016 and 2015 is derived from the Reformatted Standalone Financial Statements included in this Draft Shelf Prospectus and the financial information included herein for Fiscal 2019 is derived from the Audited Ind AS Standalone Financial Statement, included in this Draft Shelf Prospectus.

Considerations relating to our Company and its Business

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

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

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

Our results of operations are substantially dependent upon the level of our net interest margins. Revenue from operations is the largest component of our total income and constituted 99.98 per cent. and 98.27 per cent. of our total income (including exceptional items) on a standalone basis derived from financial statements prepared as per Indian GAAP for Fiscal 2017 and Fiscal 2018, respectively. Revenue from operations constituted 99.85 per cent. of our total income (including exceptional items) on a standalone basis derived from the financial statement prepared in accordance with Ind AS for Fiscal 2019. As of March 31, 2019, our Total Loan Assets (gross of Provisions) derived from Ind AS were Rs. 10,230,748.58 lacs. We provide loans at fixed rates of interest. Hypothecation loans refers to loans given against the hypothecation/pledging of an asset. We borrow funds on both fixed and floating rates. As of March 31, 2019, approximately 83.23 per cent. of our borrowings were at fixed rates and 16.77 per cent. of our borrowings were at floating interest rates. We are exposed to interest rate risks as a result of lending to customers predominantly at fixed interest rates (and we typically do not have an escalation clause in our agreements), amounts and for periods which may differ from our funding sources. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI,

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

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

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

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

As an asset finance company, our liquidity and on-going profitability are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. As of March 31, 2019, 87.18 per cent. of our borrowed funds consisted of funds raised from financial institutions and banks (including public issues of non-convertible debentures), while the remaining 12.82 per cent. consisted of funds raised through retail borrowings. Our funding requirements are predominantly met through term loans from banks (including cash credit and external commercial borrowings), the issue of redeemable non-convertible debentures and deposits (including public and corporate deposits), which constituted 38.42 per cent., 28.83 per cent. and 11.73 per cent. of our total borrowings, respectively, as of March 31, 2019. Our credit providers include nationalised banks, private Indian banks, foreign institutional investors and foreign banks and we also rely on domestic retail investors. Our business, therefore, depends and will continue to depend on our ability to access diversified funding sources. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including our credit ratings, the economic and regulatory environment and policy initiatives in India, developments in the international markets whether affecting the Indian economy or not, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs and our current and future results of operations and financial condition. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. Any such disruption in our ability to access primary funding sources at competitive costs would have a material adverse effect on our liquidity, financial condition and/or cash flows.

In the second half of FY2019, issues around debt repayments of a certain large NBFC led to heightened investor focus around the health of the broader NBFC sector as well as their sources of liquidity. This led to some tightening in liquidity available to certain NBFCs. A repeat of such an event or any similar events affecting the market sentiment surrounding the sector as a whole could affect the borrowing capability of our Company adversely.

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

There are outstanding legal proceedings against our Company that are in the ordinary course of business or are incidental to our business and operations, including certain criminal proceedings, civil proceedings, tax proceedings and cases under the Negotiable Instruments Act, 1881 and certain legislation relating to "money lending" activities which, if determined against us, could have a material adverse effect on our goodwill, financial

condition, results of operations and cash flows. These proceedings are pending at different levels of adjudication before various courts and tribunals, primarily relating to civil suits and tax disputes.

The Company has filed an appeal before the Supreme Court of India in connection with a writ petition filed by our Company challenging the action of the Commissioner of Commercial Taxes, Kerala, directing our Company to register under the provisions of the Kerala Money Lenders Act, 1958. Further, our Company has filed a writ petition against the State of Karnataka before the High Court of Karnataka, *inter alia*, seeking a declaration that the provisions of the Karnataka Money Lenders Act, 1961, and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 do not apply to our Company. In the event of any adverse ruling, our Company may be required to register as a money lending entity and will be required to comply with the provisions of such legislation within the relevant States and similar regulatory authorities in other States in India where we currently carry on business or propose to carry on business in the future, including imposition of caps on the interest rates which can be charged by our Company. If we are required to comply with such interest rate limits or any other conditions specified under such legislation, our interest income and net interest margin may be adversely impacted as well as the conduct of our operations. For further information relating to such proceedings, see *"Outstanding Litigations and Defaults"* on page 225 of this Draft Shelf Prospectus.

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

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

5. *As on the date of filing of this Draft Shelf Prospectus, certain lender consents due to be received have not yet been received.*

We have sought permission from certain of our lenders for the issuance of the Debentures and creation of security in connection therewith in terms of the Draft Shelf Prospectus by way of letters individually addressed to the banks / financial institutions from whom we require such consent. However, as on the date of this Draft Shelf Prospectus, we have not yet received the consent from all the banks / financial institutions from whom such consent has been sought. While the Company is following up with the said banks / financial institutions and will try to ensure that such consents are obtained prior to filing the Shelf Prospectus, there can be no assurance that such consents will be obtained within such time or at all. In the event that the consents are not obtained, it may impact the ability of the Company to proceed with the Issue.

6. *If we are unable to manage the level of non-performing assets (NPAs)/ Stage 3 assets in our loan portfolio, our financial position, results of operations and cash flows may suffer.*

In the past, we have seen increasing levels of non-performing assets ("**NPAs**") and stage 3 assets in our loan portfolio. Gross NPAs as per IGAAP have increased from Rs. 387,023.84 lacs as of March 31, 2016 to Rs. 540,843.58 lacs as of March 31, 2017 on a standalone basis. Gross NPAs as per IGAAP have increased from Rs. 540,843.58 lacs as of March 31, 2017 to Rs. 737,639.32 lacs as of March 31, 2018 on a standalone basis. Our Net NPAs derived from IGAAP financial statements have increased from Rs. 114,369.70 lacs as of March 31, 2016, to Rs. 165,899.15 lacs as of March 31, 2017 and our Net NPAs as per IGAAP have increased from Rs. 165,899.15 lacs as of March 31, 2017, to Rs. 213,114.75 lacs as of March 31, 2018 on a standalone basis. Our Gross NPAs as a percentage of Total Loan Assets as per IGAAP were 6.19 per cent., 8.17 per cent. and 9.16 per cent. as of March 31, 2016, March 31, 2017 and March 31, 2018, respectively on a standalone basis, while our Net NPAs as a percentage of our Net Loan Assets were 1.91 per cent., 2.66 per cent. and 2.83 per cent. as of March 31, 2016, March 31, 2017 and March 31, 2018 respectively on a standalone basis. Our Stage 3 Assets as per Ind AS as on March 31, 2019 was Rs. 861,626.74 lacs and our Stage 3 Assets net of Stage 3 Provision as per Ind AS as on March 31, 2019 were Rs. 564,653.24 lacs, on a standalone basis. Our Stage 3 Assets as a percentage of Total Loan

Assets as per Ind AS was 8.42 per cent. and our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets derived from Ind AS financial statements were 5.68 per cent, on a standalone basis.
We cannot be sure that we will be able to improve our collections and recoveries in relation to our NPAs, or otherwise adequately control our level of NPAs in the future. RBI regulations issued in 2014 had mandated a shorter time period for classifying assets as NPAs so as to ensure that there is no difference between banks and NBFCs in relation to the classification of NPAs. Pursuant to these RBI regulations, we decreased the time period for classifying our assets as NPAs from 180 days to 150 days in March 2016 and decreased the time period further to 120 days in March 2017 and to 90 days in March 2018. As a consequence, there has been an increase in our Gross NPAs, and we have lost the regulatory arbitrage we enjoyed compared to banks in relation to classification of assets as NPAs.

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

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

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

The RBI's Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time, prescribe the provisions required in respect of our outstanding loan portfolio, which was followed till March 31, 2018. However, under Ind AS, the provisioning with respect to our outstanding loan portfolio is required to be calculated as per the expected credit loss (ECL) method and such provisioning has been done from April 1, 2018.

As of March 31, 2017 and March 31, 2018, our NPA provisioning coverage ratios were 69.33% and 71.11% respectively, on a standalone basis. In the event the overall credit quality of our loans deteriorates, the current level of our provisioning may be inadequate to cover the increase in our NPAs. There can be no assurance that there will be no deterioration in the provisioning coverage as a percentage of gross NPAs or otherwise or that the percentage of NPAs that we will be able to recover will be similar to our past NPA recovery experience. As of March 31, 2019, our Stage 3 Provision coverage was 34.47% as per Ind AS.

7. *Our business is focused on commercial vehicle finance for new and pre-owned commercial vehicles and any adverse developments in this sector would adversely affect our results of operations.*

As we focus on providing financing for pre-owned and new commercial vehicles, our asset and NPA portfolios have, and will likely continue in the future to have, a high concentration of pre-owned and new commercial vehicle financing arrangements. As of March 31, 2019, our product portfolio for commercial vehicle financing comprised 83.30 per cent. pre-owned, 11.10 per cent. new commercial vehicles and 5.60 per cent. other loans. Moreover, our customer base has, and will likely continue in the future to have, a high concentration of first time buyers ("**FTBs**") and small road transport operators ("**SRTOs"**).

Our business is, therefore, entirely dependent on various factors that impact this customer segment such as the demand for transportation services in India, changes in Indian regulations and policies affecting pre-owned commercial vehicles, natural disasters and calamities, and the macroeconomic environment in India and globally. In addition, individual borrowers, FTBs and SRTOs are generally less financially resilient than larger corporate borrowers or fleet owners, and as a result, can be more adversely affected by declining economic conditions. Such factors may result in a decline in the sales or value of new and pre-owned commercial vehicles. Therefore, the

demand for finance for pre-owned and new commercial vehicles may decline, which in turn may adversely affect our financial condition, the results of our operations and/or cash flows. In addition, the ability of commercial vehicle owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.
Our business is not diversified and any factor which adversely impacts our customer segment may have a disproportionate impact on our operations, profitability and/or cash flows.

8. ***Our business is cyclical in nature. High levels of customer defaults could adversely affect our business, financial condition, results of operations and/or cash flows.***

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

In addition, our customer portfolio principally consists of SRTOs and FTBs that lack banking habits and individual borrowers generally are less financially resilient than larger corporate borrowers and, as a result, they can be more adversely affected by declining economic conditions and become unable to make timely payments in respect of the loans availed by them. In addition, a significant majority of our client base belongs to the low-income group. The owners and/or operators of commercial vehicles we finance often do not have any credit history supported by tax returns and other related documents which would enable us to assess their creditworthiness. In addition, we may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation on the part of our customers. Furthermore, unlike several developed economies, a nationwide credit bureau covering our customers does not exist, so there is less financial information available about the creditworthiness of individuals, particularly our client segment that is mainly from the low-income group and which typically has limited access to other financing sources. It is therefore difficult to carry out precise credit risk analyses on our clients. Although we follow certain procedures to evaluate the credit profile of our customers at the time of sanctioning a loan, we generally rely on the referrals from the local trucking community and value of the commercial vehicle provided as underlying collateral rather than on a stringent analysis of the credit profile of our customers. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required.

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

9. ***We may not be able to recover, on a timely basis or at all, the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans and guarantee given by our Company.***

As a security interest for the financing facilities provided by us to our customers, the vehicles purchased by our customers are hypothecated in our favour. The value of the vehicle, however, is subject to depreciation, deterioration and/or reduction in value on account of other extraneous reasons, over the course of time. Consequently, the realisable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers, even where we successfully repossess and liquidate the collateral. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we may repossess the commercial vehicles financed and sell such vehicles. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers. Accordingly, there can be no assurance that we will be able to successfully repossess the vehicles, and even if we do, there can also be no assurance that we will be able to sell such vehicles provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such processes. A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/or cash flows. Furthermore, enforcing our legal rights by litigating against defaulting customers, even if governed by an arbitration clause, is generally a slow and potentially expensive process in India. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all. The recovery of monies from defaulting customers may be further compounded by the fact that we do not generally insist on, or receive, post-dated cheques as security towards the timely repayment of dues from customers to whom we have

provided loans. Further if we are unable to sell any repossessed vehicles provided as security for such loans at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed vehicles and our operations, cash flows and profitability could be adversely affected.

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

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

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

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

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

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

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

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

As of March 31, 2019, we had outstanding secured debt as per Ind AS of Rs. 6,742,242.20 lacs and unsecured debt as per Ind AS of Rs. 2,049,197.47 lacs, on a standalone basis. As of March 31, 2018, we had outstanding secured debt (gross of unamortised discount of Rs. 118.20 lacs) of Rs. 4,615,452.30 lacs and unsecured debt (gross of unamortised discount of Rs. 6,280.29 lacs) of Rs. 1,722,862.12 lacs, on a standalone basis. We will continue to incur additional indebtedness in the future. Most of our borrowings are secured by our immovable, movable and other assets. Our significant indebtedness could have several important consequences, including but not limited to the following:

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

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

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

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

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

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

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

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

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

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

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

We primarily provide vehicle finance loans to FTBs and SRTOs. Our primary competition historically has been private unorganised financiers who principally operate in the local market. However, the significant growth in the commercial vehicle finance segment in recent periods has attracted private banks and NBFCs increasing their focus on this segment. In addition, interest rate deregulation and other liberalisation measures affecting the commercial vehicle finance sector, together with increased demand for capital by FTBs and SRTOs, have resulted in an increase in competition.

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

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

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

In recent years, we have experienced substantial growth. Our growth strategy includes growing our branch network and presence in rural centres which may be hit by challenges localized to such centres, including any political instability, terrorism or military conflict in these regions, occurrence of natural or man-made disasters, infectious disease outbreaks or other serious public health concerns, dependence on adequate monsoon and lower employment opportunities compared to urban areas. There can be no assurance that we will be able to sustain our growth strategy successfully or that we will be able to expand further or diversify our product portfolio. If we grow our branch network and presence too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

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

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

We intend to consolidate and expand our product portfolio as part of our growth strategy. As of March 31, 2019, our assets under our management product portfolio comprised heavy commercial vehicles, light commercial vehicles, passenger vehicles, tractors, business loans and other loans, which constituted 46.40 per cent., 21.98 per cent., 22.51 per cent., 3.52 per cent., 2.84 per cent. and 2.75 per cent., respectively, of our total Assets Under Management derived from Ind AS, on a standalone basis.

We cannot assure that such diversification or expansion of operations will in future yield and/or continue to yield favourable or expected results, as our overall profitability and success will be subject to various factors, including, among others, our ability to obtain necessary statutory and/or regulatory approvals and licences, our ability to effectively recruit, retain and motivate appropriate managerial talent and ability to compete with banks and other NBFCs that are already well established in this market segment, as well as our ability to effectively absorb additional infrastructure costs.

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

The RBI currently mandates commercial banks operating in India, including foreign banks with more than 20 branches in India to maintain an aggregate 40 per cent. of adjusted net bank credit or a credit equivalent amount of off-balance-sheet exposure, whichever is higher as "priority sector advances". These include advances to agriculture, micro and small enterprises (including SRTOs, which constitute the largest proportion of our loan portfolio), micro enterprises within the micro and small enterprises sector, export credit, and advances to weaker sections where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions such as us that are better positioned to or exclusively focus on originating such assets through on-lending or purchase of assets or securitised and assigned pools to comply with these targets.

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

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

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

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

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

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

The cost and availability of capital is also dependent on our short-term and long-term credit ratings. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position and ability to meet our obligations. In relation to our subordinate debt programme, as of March 31, 2019, we have ratings of "CARE AA+/Stable" from CARE, "IND AA+/Stable Outlook" from India Ratings and "CRISIL AA+/Stable" from CRISIL. In relation to fixed deposits, we currently have ratings of "CRISIL FAAA/Stable" from CRISIL and

"MAA+ with Stable" from ICRA. In relation to our short-term debt instruments, we have also received short term ratings of "CRISIL A1+" from CRISIL, "IND A1+" from India Ratings and "CARE A1+" from CARE, B from Standard & Poor's Ratings, and B from Fitch Ratings and for our long-term debt instruments, we have received long-term ratings of "CARE AA+/Stable" from CARE, "IND AA+/Stable Outlook" from India Ratings, "CRISIL AA+/Stable" and "CRISIL PP-MLD AA+r/Stable" from CRISIL, "BB+/Stable" from Standard & Poor's Ratings, "BB+/Stable Outlook" from Fitch Ratings for U.S. Dollar Senior Secured Notes, and "BB+" from Standard & Poor's and "BB+" from Fitch Ratings for offshore Rupee Denominated Bonds. In relation to bank loans, we currently have long-term rating of "CRISIL AA+/Stable" and short-term rating of "CRISIL A1+". Our credit rating by credit rating agencies indicates a high degree of safety regarding the timely servicing of financial obligations and carrying very low credit risk.

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

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

Our revenue sharing arrangements with private financiers involved in commercial vehicle financing across India is an integral part of our growth strategy. We enter into strategic agreements with private financiers ranging from individual financiers and small local private financiers, including other NBFCs, to capitalise on their local knowledge, infrastructure and personnel base of our partners in order to source new customers. The revenue-sharing arrangements are at pre-determined amounts. For further information on our revenue sharing arrangements, see "*Our Business - Our Company's Operations - Customer Origination - Revenue Sharing Agreements with Private Financiers"* on page 111 of this Draft Shelf Prospectus.

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

In addition, we may not be able to identify suitable private financiers in the future with whom we can successfully work through such arrangements, or in joint marketing and customer support activities, and there can be no assurance that we will be able to ensure any level of success with such arrangements for any sustained period of time. Furthermore, there can be no assurance that there will not be any dispute with the other parties the arrangements in the future. If we are unable to successfully expand, maintain or leverage our arrangements and relationship with the parties to the arrangements, our business prospects, results of operations, financial conditions and/or cash flows may be adversely affected.

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

All deposit taking NBFCs are required to maintain a minimum capital adequacy ratio, consisting of Tier I and Tier II capital, of not less than 15 per cent. of its aggregate risk-weighted assets on balance sheet and risk- adjusted value of off-balance sheet items. Our capital adequacy ratio computed on the basis of applicable RBI requirements was 20.27 per cent. as of March 31, 2019 with Tier I capital comprising 15.62 per cent. If we continue to grow

our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to our business. Any difficulty in accessing funds required for Tier I and Tier II capital, including accessing capital markets could result in decline of our capital adequacy ratio. Further any regulatory change to the capital adequacy ratio requirements shall also have an adverse effect on our growth as we may have to raise further capital to maintain the required capital adequacy ratio. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us or at all, and this may adversely affect the growth of our business.

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

As part of our means of raising and/or managing our funds, we assign or securitise a substantial portion of the receivables from our loan portfolio to banks and other institutions. Such assignment or securitisation transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. In Fiscals 2018 and 2019, our securitised and assigned assets at book value was Rs. 1,246,716.07 lacs and Rs. 1,512,305.83 lacs, respectively. Any change in statutory and/or regulatory requirements in relation to assignments or securitisations by financial institutions, including the requirements prescribed by RBI and the Government of India, could have an adverse impact on our assignment or securitisation transactions. The commercial viability of assignment and securitization transactions has been significantly affected by changes and developments relating to regulation governing such transactions. Such changes include:

- prohibition on carrying out securitization/ assignment transactions at rates lower than the prescribed base rate of the bank;

- prohibition on NBFCs such as our Company from offering credit enhancements in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows;

- minimum holding period or 'seasoning' and minimum retention requirements of assignment and securitization loans; and

- securitization/ assignments shall be eligible for classification under priority sector only if the interest rate charged to the ultimate borrower by the originating entity does not exceed base rate of such bank plus 8% per annum.

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

The aggregate credit enhancement amounts outstanding as of March 31, 2018 and March 31, 2019 was Rs. 337,848.01 lacs and Rs. 361,950.45 lacs, respectively. For such transactions, in the event that a relevant bank or institution does not realise the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement, which could have a material adverse effect on our results of operations, financial condition and/or cash flows.

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

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services.

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

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

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

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

As on the date of this Draft Shelf Prospectus, some of our Directors are also directors on the board of our related parties. Commercial transactions in the future between us and related parties may result in conflicting interests which could have an adverse effect on our operations. Such factors may have an adverse effect on the results of our operations and financial condition.

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

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

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

We may face potential liquidity risks due to varying periods over which our assets and liabilities mature. Based on the structural liquidity position of our Company as on March 31, 2019 as per the RBI norms, our Company has positive asset liability mismatch of Rs. 382,606 lacs over a period of six months till September 30, 2019 based on our submission dated June 17, 2019 to RBI. As is typical for NBFCs, a portion of our funding requirements is met through short-term funding sources such as bank loans, working capital demand loans, cash credit, short-term loans and commercial paper, for further details with respect to our asset liability management function, please see "*Our Business- Liquidity Risk*" on page 121 of this Draft Shelf Prospectus. Consequently, our inability to obtain additional credit facilities or renew our existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations, financial performance and/or cash flows. Further, mismatches between our assets and liabilities are compounded in case of pre-payments of the financing facilities we grant to our customers.

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

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

As of March 31, 2019, we had certain contingent liabilities not provided for, which included a contingent liability as per Indian Accounting Standard 37 in respect of income tax demands where the Company has filed an appeal before various authorities of Rs. 7,869.94 lacs, VAT demand where the Company has filed an appeal before various appellate courts aggregating Rs. 12,430.40 lacs, a service tax demand for Rs. 19,831.14 lacs and guarantees and counter guarantees given aggregating Rs. 100,019.24 lacs on a standalone basis. In the event that any of these contingent liabilities materialise, our financial condition may be adversely affected. Further, in the event there is a change in any statutory/ regulatory requirement with respect to contingent liabilities, our Company

may be required to make additional provisions to meet the revised criteria which may have an adverse effect on our financial condition and profitability.

29. ***The trademark/service mark and logo in connection with the "Shriram" brand which we use is licensed to us and consequently, any termination or non-renewal of such license may adversely affect our goodwill, operations and profitability. Further, our current logo which we are using for our corporate publicity campaigns and as included in this Draft Shelf Prospectus is not registered. Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.***

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

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

Further, our current logo which we are using for our corporate publicity campaigns and as included in this Draft Shelf Prospectus is not registered and we have not applied for registration of the same with the relevant trademark authorities. Our inability to register such logo and/or to adequately protect the same may adversely affect our goodwill, operations and profitability.

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

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

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

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

31. ***Our ability to assess, monitor and manage risks inherent in our business differs from the standards of some of our counterparts in India and in some developed countries.***

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

Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events. Although we have established these policies and procedures, they may not be fully effective. Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFC and vehicle finance sector standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards.

32. ***Our Promoter, Shriram Capital Limited (SCL or the Promoter), beneficially owns 26.23 per cent. of our equity share capital and accordingly has the ability to exercise significant influence over the outcome of matters submitted to shareholders for approval, and their interests may differ from those of other holders of the NCDs.***

As of the date of this Draft Shelf Prospectus, our Promoter beneficially owned 26.23 per cent. of our equity share capital. Accordingly, our Promoter has the ability to significantly influence the outcome of matters submitted to shareholders for approving the timing and distribution of dividends and the election or termination of appointment of directors. This could delay, defer or prevent or impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. In addition, for so long as our Promoter continues to exercise significant influence over our Company, it may influence the material policies of our Company in a manner that could conflict with the interests of the security holders. The Promoter may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

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

We have entered into transactions with related parties, within the meaning of Accounting Standard 18 under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 (for the period prior to April 1, 2018) and Indian Accounting Standard 24 as notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended (for the period beginning on and from April 1, 2018). These transactions include a license fee paid to Shriram Ownership Trust ("**SOT"**) pursuant to the License Agreement (*as further described on page 127 of this Draft Shelf Prospectus*). Such transactions may give rise to current or potential conflicts of interest with respect to dealings between us and such related parties. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

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

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

- combining product offerings and entering into new markets in which we are not experienced;

- consolidating and maintaining relationships with customers;
- consolidating and rationalising transaction processes and corporate and information technology infrastructure;

- integrating employees and managing employee issues;

- coordinating and combining administrative and other operations and relationships with third parties in accordance with applicable laws and other obligations while maintaining adequate standards, controls and procedures;

- achieving savings from infrastructure integration; and

- managing other business, infrastructure and operational integration issues.

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

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees, especially branch managers and relationship executives. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit appraisal and asset valuation mechanism, which are personnel-driven operations. Moreover, competition for experienced employees in the commercial vehicle finance sector can be intense. While we have an incentive, structure designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and/or cash flows.

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

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

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

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

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

As of March 31, 2019, we employed 26,630 full-time employees. Currently, none of our employees are members of any labour union. While we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

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

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

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

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

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

The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for banks and NBFCs. We are subject to the RBI's Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time. For details of our capital adequacy requirements, see "*Our Business – Capital Adequacy*" on page 119 of this Draft Shelf Prospectus.

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

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

Additionally, we are required to make various filings with the RBI, the Registrar of Companies and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and compounding proceedings. For further information on laws and regulations applicable to us, see "*Regulations and Policies*" on page 242 of this Draft Shelf Prospectus.

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

As an NBFC, we are subject to periodic inspection by the RBI under section 45N of the RBI Act, pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying compliance with applicable regulations, the correctness or completeness of any statement, information or particulars furnished to the RBI. RBI in the past issued observations pursuant to such periodic inspection and our Company had given clarifications in this regard. While we have responded to such observations and addressed them, we cannot assure you that the RBI will not make similar or other observations in the future. In the event we are unable to resolve the issues to the RBI's satisfaction, we may be restricted in our ability to conduct our business as we currently do. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the RBI, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse effect on our business, results of operations, financial condition and reputation.

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

The operations, profitability and cash flows could be adversely affected by any unfavourable changes in central and state-level statutory and/or regulatory requirements in connection with direct and indirect taxes and duties, including income tax, goods and service tax and/or by any unfavourable interpretation taken by the relevant taxation authorities and/or courts and tribunals.

Further, the Government of India has introduced two major reforms in Indian tax laws, namely the goods and services tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**").

The GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise, collected by the central and state governments. The GST has increased administrative compliance for the Companies which is a consequence of increased registration and form filing requirements.

As regards to GAAR, the provisions were introduced in the Finance Act 2012 and will apply (as per the Finance Act 2015) in respect of an assessment year beginning on April 1, 2018. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is defined in the Finance Act, 2012 as any arrangement, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee. If GAAR provisions are invoked, then the tax authorities have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty.

As the taxation system is intended to undergo a significant overhaul, the Company is still in the process of evaluating and responding to the consequential effects on us and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the NCDs.

43. ***We are required to prepare our financial statements with effect from April 1, 2018 under the Ind AS. As Ind AS differs in various respects from Indian GAAP, our financial statements for the financial year 2019 may not be comparable to our historical financial statements.***

Our Company's financial statements for the Fiscals ended March 31, 2018, 2017 and 2016 have been prepared in accordance with Indian GAAP. In January 2016, the Ministry of Corporate Affairs laid out a road map for implementation of Ind AS for scheduled commercial banks, insurance companies and NBFCs. NBFCs are required to prepare Ind AS based financial statements (consolidated and individual) in two phases. Under Phase I, NBFCs that have a net worth of Rs. 500 crores or more, including our Company, and their holding, subsidiary, joint venture or associate companies are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018 or thereafter. Under Phase II, NBFCs whose equity and/or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and have a net worth less than Rs. 500 crores, NBFCs that

are not listed and have a net worth of more than Rs. 250 crores but less than Rs. 500 crores, and their respective holding, subsidiary, joint venture or associate companies are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2019 onwards with comparatives for the periods ending March 31, 2019 or thereafter. NBFCs that have a net worth below Rs. 250 crores shall continue to apply Accounting Standards specified in Annexure to the Companies (Accounting Standards) Rules, 2006, as amended by the Companies (Accounting Standards) (Amendment) Rules, 2016. Accordingly, we have adopted Ind AS notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, from April 1, 2018 and the effective date of such transition was April 1, 2017. The impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures, presented in the standalone financial statements of the Company for the year ended March 31, 2018, have been restated/reclassified. Therefore, our standalone financial statements for the year ended March 31, 2019 are prepared in accordance with Ind AS and are not comparable to our historical financial statements. There are significant differences between RBI regulations and Ind AS and the RBI has not issued any clarifications with respect to these differences. From April 1, 2018, the Company has computed key parameters including capital adequacy ratio, risk weighted assets, net owned fund, gross NPA, provision for non-performing assets derived from the financial statement prepared in accordance with Ind AS. These computations may undergo changes if the RBI issues any guidelines for such computations with retrospective effect.

Please refer to section titled "*Summary of key differences between Indian GAAP and Ind AS*" on page 179 of this Draft Shelf Prospectus for further information.

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

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

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

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

We have a significant presence in south and west India. As of March 31, 2019, our Assets Under Management in south and west India comprised 46.08 per cent. and 21.04 per cent. of our total Assets Under Management under Ind AS, respectively, on a standalone basis. Our concentration in the southern and western states exposes us to any adverse geological, ecological, economic and/or political circumstances in that region. If there is a sustained downturn in the economy of south India or west India, or a sustained change in consumer preferences in those regions, our financial position may be adversely affected.

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

We introduce new products/ services to explore new business opportunities from time to time. We cannot assure that all our new products/ services and/or business ventures will gain customer acceptance, and this may result in our inability to recover pre-operative expenses and launch costs. Further, our inability to offer new products/services or grow in new business areas could adversely affect our business and financial performance.

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

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India. In the course of our operations, we run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers, despite putting in place systems and controls to prevent the occurrence of these risks. In certain of our activities and in our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and

appropriateness, despite having a Board-approved customer suitability policy and associated processes in place. Such incidents may adversely affect our business and our reputation. Although our Company believes that it has adequate internal policies, processes and controls in place to prevent and detect any activity that would fall foul of AML provisions and to ensure KYC compliance, there can be no assurance that our Company will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. We may accordingly be subject to regulatory actions including imposition of fines and other penalties by the RBI and other relevant governmental authorities to whom we report.

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

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

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

We believe that the reputation of our brand among customers as a reliable company has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our products are, therefore, critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintaining and enhancing our product image. These factors include our ability to maintain the reliability and quality of the services we offer and increase product awareness through brand building initiatives. A public perception that we do not provide satisfactory products, even if factually incorrect or based on isolated incidents, could damage our reputation, undermine the trust and credibility we have established for our stakeholders including investors, lenders, customers and have a negative impact on our ability to attract new consumers or retain our current consumers.

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

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

51. ***We have not independently verified certain industry data in this Draft Shelf Prospectus.***

We and the Lead Managers have not independently verified the data from industry publications contained herein including the ICRA Report and the India Ratings Report and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Unless stated otherwise, macroeconomic and industry data used throughout this Draft Shelf Prospectus has been obtained from the ICRA Reports prepared by ICRA, the India Ratings Report prepared by India Ratings and from publicly available data prepared by providers of industry information, government sources and multilateral institutions. Therefore, matters relating to India, the Indian economy, as well as NBFCs, the automobile industry, that are included herein are subject to the caveat that the statistical and other data upon which it is based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be

comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

External Risks

52. ***Our business is primarily dependent on the automobile and transportation industry in India.***

Our business, to a large extent, depends on the continued growth in the automobile and transportation industry in India, which is influenced by a number of extraneous factors which are beyond our control, inter-alia including (a) the macroeconomic environment in India, (b) the demand for transportation services, (c) natural disasters and calamities, and (d) changes in regulations and policies in connection with motor vehicles. Such factors may result in a decline in the sales or value of new and pre-owned CVs. Correspondingly, the demand for availing finance for new and pre-owned commercial vehicles may decline, which in turn may adversely affect our financial condition and the results of our operations. Further, the ability of CV owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors.

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

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

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

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the gross domestic product growth rate and the economic cycle in India. All our assets and employees are located in India, and we intend to continue to develop and expand reach in all parts of the country depending upon the business opportunities.

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

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

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

While our Company believes that it has historically been able to offer competitive interest rates on the loans extended to our customers, there can be no assurance that our Company will be able to continue to do so in the future. An increase in competition from our peer group may result in a decline in our market share, which may in turn result in reduced incomes from our operations and may adversely affect our profitability.

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

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

57. ***Political instability could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our business.***

Since 1991, the Government pursued a policy of economic liberalization, including significantly relaxing restrictions on the private sector. There can be no assurance that these liberalized policies will continue in the future as well. The rate of economic liberlalization could change, and specific laws and policies affecting financial services companies, foreign investment, currency exchange rates and other matters affecting investments in Indian companies could change as well. A significant slowdown in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India, thus affecting our business. Any political instability in the country, including any change in the Government, could materially impact our business adversely.

58. ***Our business may be adversely impacted by natural calamities or unfavourable climatic changes.***

India, Bangladesh, Pakistan, Indonesia, Japan and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts and a tsunami in recent years. Some of these countries have also experienced pandemics, including the outbreak of avian flu. These economies could be affected by the extent and severity of such natural disasters and pandemics which could in turn affect the financial services sector of which our Company is part. Prolonged spells of abnormal rainfall, draught and other natural calamities could have an adverse impact on the economy, which could in turn adversely affect our business and the price of our NCDs.

59. ***Financial difficulty and other problems in certain financial institutions in India could adversely affect our business, results of operations and financial condition.***

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

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

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional finances at favourable interest rates and other commercial terms. This could have an adverse effect on our growth, financial performance and our operations.

61. Global economic instability or slowdown is likely to adversely affect our business and our results of operations.

Economic developments outside India have adversely affected the economy. Our business is affected by domestic and international economic conditions, including rates of economic growth and the impact that such economic conditions have on consumer spending. The current economic downturn has led to an increased level of consumer delinquencies, lack of consumer confidence, decreased market valuations and liquidity, increased market volatility and a widespread reduction of business activity generally, and the referendum passed on June 23, 2016 for the United Kingdom to leave the European Union may enhance market volatility. The resulting economic pressure and dampened consumer sentiment may adversely affect our business and our results of operations.

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

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

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The statutory corporate income tax in India, which includes a surcharge on the tax and an education cess on the tax and the surcharge, may range up to 34.944 per cent. The central or state government may in the future further increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

63. ***Trade deficits could adversely affect our business.***

India's trade relationships with other countries and its trade deficit may adversely affect Indian economic conditions. Between April 1, 2018 and September 30, 2018, India experienced a trade deficit of US$ 95.8 billion, reported by the RBI in its press release on "Developments in India's Balance of Payments" dated December 7, 2018, which was an increase from the trade deficit of US$ 74.8 billion for the same period in 2017. If trade deficits increase or are no longer manageable, the Indian economy, and therefore our business and our financial performance, could be adversely affected.

64. ***Political instability, natural disasters and other disruptions could adversely affect the Indian economy and could adversely affect our business, results of operations and financial condition.***

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

65. ***Changes in legislation, including tax legislation, or policies applicable to our Company, could adversely affect our Company's results of operations.***

Our Company's business and operations are governed by various laws and regulations. Our Company's business and financial performance could be materially adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to the business. The Government or state governments could implement new regulations and policies, which could require our Company to obtain approvals and licences from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our Company's business, prospects, financial condition and results of operations.

Our Company is subject to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") that SEBI recently announced. The SEBI LODR Regulations have brought into effect changes to the framework governing listed companies, including the introduction of certain additional requirements such as disclosure of material events or information, and making prior notifications of certain proposals to raise funds. The requirement for compliance with such applicable regulations presents a number of risks, particularly in areas where applicable regulations may be subject to varying

interpretations. Further, if the interpretations of the regulators and authorities vary, our Company may be subject to penalties and our business could be adversely affected.

In addition, to ensure compliance with the requirements of new legislation (such as tax laws and GAAR), our Company may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

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

One of the direct adverse impacts of the global financial crisis on India has been the reversal of capital inflows and a decline in exports, leading to pressures on the balance of payments and a sharp depreciation of the Indian Rupee vis-à-vis the U.S. dollar. Any increased intervention by the RBI in the foreign exchange market to control the volatility of the exchange rate may result in a decline in India's foreign exchange reserves and reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our business and our future financial performance.

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

Our Company is a limited liability public company incorporated under the laws of India. Most of our Company's directors and executive officers named herein are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors to effect service of process on our Company or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India. In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The manner of recognition and enforcement of foreign judgments in India is dependent on whether the country in which the foreign judgment has been pronounced is a reciprocating territory or not. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate outside India any amount recovered pursuant to execution. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment. The Issuer cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

68. ***Our Company's ability to raise foreign currency borrowings may be constrained by Indian law.***

As an Indian company, our Company is subject to regulatory approvals and exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our Company's financing sources and hence could constrain our Company's ability to obtain financing in a timely manner and on competitive terms and may adversely impact our Company's ability to refinance existing indebtedness. Limitations on raising foreign debt may have an adverse effect on our Company's business, financial condition and results of operations.

69. ***The new bankruptcy code in India may affect our Company's right to recover loans from its borrowers.***

The Government introduced the Insolvency and Bankruptcy Code, 2016 (the "**Indian Bankruptcy Code**"), which was passed by both houses of Parliament and received Presidential assent in 2016. The Indian Bankruptcy Code offers a uniform, comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial service providers, including our Company). It allows creditors to assess the viability of a debtor as a business decision and agrees upon a plan for the revival or a speedy liquidation of the debtor. The Indian Bankruptcy Code has created a new institutional framework consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms that is expected to facilitate a formal and time-bound insolvency resolution and liquidation process. If the Indian Bankruptcy Code provisions are invoked against any of the corporate customers of our Company, it may affect our ability to recover amounts due under the loans made available to the said customers, during the moratorium period as part of the resolution proceedings.

70. ***The impact of any guidelines issued by RBI in future with respect to accounting and presentation of financial statements under Ind AS and computation of key parameters is uncertain.***

Our Company's financial statements for the Fiscals ended March 31, 2018, 2017 and 2016 have been prepared in accordance with Indian GAAP. In January 2016, the Ministry of Corporate Affairs laid out a road map for implementation of Ind AS for scheduled commercial banks, insurance companies and NBFCs. NBFCs are

required to prepare Ind AS based financial statements (consolidated and individual) in two phases. Under Phase I, NBFCs that have a net worth of Rs. 5 billion or more, including our Company, and their holding, subsidiary, joint venture or associate companies are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2018 onwards with comparatives for the periods ending March 31, 2018 or thereafter. Under Phase II, NBFCs whose equity and/or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and have a net worth less than Rs. 5 billion, NBFCs that are not listed and have a net worth of more than Rs. 2.5 billion but less than Rs. 5 billion, and their respective holding, subsidiary, joint venture or associate companies are required to prepare Ind AS based financial statements for accounting periods beginning from April 1, 2019 onwards with comparatives for the periods ending March 31, 2019 or thereafter. NBFCs that have a net worth below Rs. 2.5 billion shall continue to apply Accounting Standards specified in Annexure to the Companies (Accounting Standards) Rules, 2006, as amended by the Companies (Accounting Standards) (Amendment) Rules, 2016. Accordingly, we have adopted Ind AS notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, from April 1, 2018 and the effective date of such transition was April 1, 2017. The impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures, presented in the standalone financial statements of the Company. There are significant differences between RBI regulations and Ind AS and the RBI has not issued any clarifications with respect to these differences. From April 1, 2018, the Company has computed key parameters including capital adequacy ratio, risk weighted assets, net owned fund, gross NPA, provision for non-performing assets derived from the financial statement prepared in accordance with Ind AS. These computations may undergo changes if the RBI issues any guidelines for such computations with retrospective effect.

Risks pertaining to this Issue

71. ***If we do not generate adequate profits, we may not be able to maintain an adequate DRR for the NCDs issued pursuant to this Draft Shelf Prospectus, which may have a bearing on the timely redemption of the NCDs by our Company.***

Regulation 16 of the Debt Regulations and Section 71 of the Companies Act 2013 states that any company that intends to issue debentures must create a Debenture Redemption Reserve out of the profits of the company available for payment of dividend until the redemption of the debentures. Further, the Companies (Share Capital and Debentures) Rules, 2014, as amended, states that the Company shall create Debenture Redemption Reserve and 'the adequacy' of DRR will be 25% of the value of the debentures outstanding as on the date, issued through public issue as per present Debt regulations. Accordingly, if we are unable to generate adequate profits, the DRR created by us may not be adequate to meet the 25% of the value of the debentures outstanding as on the date. Further, every company required to create Debenture Redemption Reserve shall on or before the 30th day of April in each year, invest or deposit, as the case may be, a sum which shall not be less than fifteen per cent., of the amount of its debentures maturing during the year ending on the 31st day of March of the next year, in any one or more of the following methods, namely:(i) in deposits with any scheduled bank, free from any charge or lien;(ii) in unencumbered securities of the Central Government or of any State Government; (iii) in unencumbered securities mentioned in sub-clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (iv) in unencumbered bonds issued by any other company which is notified under sub-clause (f) of Section 20 of the Indian Trusts Act, 1882; (v) the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below fifteen per cent. of the amount of the debentures maturing during the year ending on the 31st day of March of that year. If we do not generate adequate profits, we may not be able to maintain an adequate DRR for the NCDs issued pursuant to the Shelf Prospectus read with the relevant Tranche Prospectus, which may have a bearing on the timely redemption of the NCDs by our Company.

72. ***Changes in interest rates may affect the price of our NCDs.***

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

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

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure minimum 100 % asset cover for the NCDs, which shall be free from any encumbrances, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

74. *There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.*

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and Allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to the Shelf Prospectus read together with the relevant Tranche Prospectus.

There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

75. *Our Company may raise further borrowings and charge its assets subject to receipt of necessary consents.*

Our Company may, subject to receipt of all necessary consents, raise further borrowings and charge its assets. Our Company will decide the nature of security that may be provided for future borrowings. In the event of creation of a pari passu charge with other charge holder(s) may reduce the amounts recoverable by the NCD holders upon our Company's bankruptcy, winding-up or liquidation.

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

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per Section 327 of the Companies Act, 2013 and the provisions of Insolvency and Bankruptcy Code, 2016. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

77. *You may be subject to taxes arising on the sale of the NCDs.*

Sales of NCDs by any holder may give rise to tax liability, as discussed in section titled "*Statement of Tax Benefits"* on page 83 of this Draft Shelf Prospectus.

78. *There may be no active market for the non-convertible debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.*

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities;

(iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

79. *The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.*

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company.

For further details, see the section titled "*Objects of the Issue*" on page 81. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, as per the provisions of the Debt Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

80. *There may be a delay in unblocking / making refund to Applicants.*

We cannot assure you that the monies which are to be unblocked / which are to be refunded to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the Stock Exchanges for listing of the NCDs, will be unblocked / refunded to you in a timely manner.

81. *Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.*

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time-imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

SECTION III INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as a public limited company under the provisions of the Companies Act, 1956, by a certificate of incorporation dated June 30, 1979, issued by the ROC, Chennai, Tamil Nadu. Our Company commenced its operations, pursuant to a certificate of commencement of business dated October 9, 1979. Subsequently, our Company has obtained a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007, (bearing registration no. 07-00459). Our Company is a systemically important deposit taking NBFC. Our Promoter is Shriram Capital Limited ("**SCL**"). For further details regarding the Promoter, please refer to "*Our Promoter*" at page 140 of this Draft Shelf Prospectus.

Registered Office

Mookambika Complex,
3rd Floor, No. 4, Lady Desika Road,
Mylapore, Chennai,
Tamil Nadu – 600004.
Tel: +91 44 2499 0356
Fax: +91 44 2499 3272
Website: www.stfc.in

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 9596/97
Email: stfcncd9t1comp@stfc.in
Website: www.stfc.in

Registration

Corporate Identification Number: L65191TN1979PLC007874 and Registration Number 7874 issued by the Registrar of Companies, Tamil Nadu.

Permanent Account Number: AAACS7018R

Legal Entity Identifier: 335800TM2YO24B76XL26

Our Company holds a certificate of registration dated September 4, 2000 bearing registration no. A-07-00459 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934, which has been renewed on April 17, 2007 (bearing registration no. 07-00459).

Chief Financial Officer

Mr. Parag Sharma
Shriram Transport Finance Company Limited
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 40959596/97
Email: parag@stfc.in

Compliance Officer and Company Secretary

The details of the person appointed to act as Compliance Officer for the purposes of this Issue are set out below:

Mr. Vivek Madhukar Achwal
Company Secretary
Shriram Transport Finance Company Limited
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 9596/97
Email: stfcncd9comp@stfc.in

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-Issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, refund orders, non-receipt of NCD certificates on account of rematerilisation, transfers etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch of the SCSB or the Collection Centre of the Designated Intermediary where the Application Form was submitted by the ASBA Applicant.

All grievances arising out of Applications for the NCDs made through the online stock exchanges mechanism may be addressed directly to the respective Stock Exchanges.

Lead Managers

JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025
Tel: +91 22 6630 3030
Fax: 91 22 6630 3330
Email: stfc.bondissue2019@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.: INM000010361

A. K. Capital Services Limited
30-38, 3rd Floor, Free Press House, Free Press Journal Marg, 215, Nariman Point, Mumbai - 400 021, India
Tel: +91 22 6754 6500/ 6634 9300
Fax: +91 22 6610 0594
Email: stfc.ncd2019@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Mr. Krish Sanghvi/ Mr. Malay Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411

SMC Capitals Limited
A-401/402, Lotus Corporate Park, Jai Coach Junction,
Off Western Express Highway, Goregaon (East), Mumbai 400063
Tel: +91 22 66481818
Fax: +91 22 67341697
Email: stfc.ncd2019@smccapitals.com
Investor Grievance Email: investor.grievance@smccapitals.com

Website: www.smccapitals.com
Contact Person: Mr. Satish Mangutkar/Mr. Bhavin Shah
Compliance Officer: Ms. Vaishali Gupta
SEBI Registration Number: INM000011427

Debenture Trustee

Catalyst Trusteeship Limited
'GDA House', Plot No 85, Bhusari Colony (Right),
Kothrud, Pune – 411038
Tel: 022 4922 0543
Fax: 022 4922 0505
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com
Contact Person: Umesh Salvi
SEBI Registration No.: IND000000034

Catalyst Trusteeship Limited has by its letter dated June 20, 2019 given its consent for its appointment as Debenture Trustee to the Issue pursuant to regulation 4(4) of the Debt Regulations and for its name to be included in this Draft Shelf Prospectus, Shelf Prospectus, the relevant Tranche Prospectus(es) and in all the subsequent periodical communications sent to the Debenture Holders pursuant to this Issue.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the Debenture Holders. All Debenture Holders under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company pro tanto from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed, please refer to the section titled "*Issue Related Information*" on page 183 of this Draft Shelf Prospectus.

Registrar to the Issue

Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers
No. 1, Ramakrishna Street
North Usman Road, T. Nagar
Chennai – 600 017
Tel: +91 44 2814 0801-03
Fax: +91 44 2814 2479
Email: stfcipo@integratedindia.in
Investor Grievance Email: sureshbabu@integratedindia.in
Website: www.integratedindia.in
Contact Person: Ms. Anusha N/ Mr. Sriram S
Compliance Officer: Mr. Suresh Babu K
SEBI Registration No: INR000000544

Integrated Registry Management Services Private Limited has by its letter dated June 25, 2019 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus or the Shelf Prospectus or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Joint Statutory Auditors

Our Joint Statutory Auditors being:

Haribhakti & Co. LLP
Chartered Accountants

Pijush Gupta & Co.
Chartered Accountants

705, Leela Business Park, Andheri Kurla Road,
Andheri (E), Mumbai – 400 059
Tel: +91 22 6672 9999
Fax: +91 22 6672 9777
Email: sumant.sakhardande@haribhakti.co.in
Firm Registration No.: 103523W / W100048
Membership No.: 034828
Contact Person: Mr. Sumant Sakhardande

GF – 17, Augusta Point,
Golf Course Road, Sector – 53
Gurugram – 122 002, Haryana
Tel: +91 124 456 9416
Email: sangeeta@pijushgupta.com
Firm Registration No.: 309015E
Membership No.: 064225
Contact Person: Ms. Sangeeta Gupta

Date of appointment as Joint Statutory Auditors: June 29, 2017

The Board, on April 27, 2017, appointed Haribhakti & Co. LLP and Pijush Gupta & Co. as the Joint Statutory Auditors of the Company for a period of five financial years. This was confirmed by the shareholders of the Company on June 29, 2017.

Haribhakti & Co. LLP has by its letter dated June 29, 2019 given its consent for its name to be included in this Draft Shelf Prospectus or the Shelf Prospectus or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Pijush Gupta & Co. has by its letter dated June 29, 2019 given its consent for its name to be included in this Draft Shelf Prospectus or the Shelf Prospectus or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Credit Rating Agencies

CRISIL Limited
CRISIL House, Central Avenue,
Hiranandani Business Park, Powai, Mumbai – 400 076
Tel: +91 22 3342 3000 (B)
Fax: +91 22 3342 3050
Email: crisilratingdesk@crisil.com
Contact Person: Krishnan Sitaraman
Email ID: krishnan.sitaraman@crisil.com
SEBI Registration No.: IN/CRA/001/1999

India Ratings and Research Private Limited
Wockhardt Towers, 4th Floor, Bandra Kurla Complex, Bandra East, Mumbai – 400 051
Tel: +91 22 4000 1700
Fax: +91 22 4000 1701
Email: shrikant.dev@indiaratings.co.in
Investor Grievance Email:
investor.services@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Shrikant Dev, Compliance Officer
SEBI Registration No.: IN/CRA/002/1999

CARE Ratings Limited
4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai – 400 022
Tel: +91 22 6754 3528
Fax: +91 22 6754 3457
Email: aditya.acharekar@careratings.com
Website: www.careratings.com
Contact Person: Aditya Acharekar
SEBI Registration No.: IN/CRA/004/1999

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated 'CARE AA+; Stable' by CARE for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 28, 2019, 'CRISIL AA+/Stable' by CRISIL for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 26, 2019 and 'IND AA+; Outlook Stable' by India Ratings for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 25, 2019. The rating of the NCDs by CARE, CRISIL and India Ratings indicate that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The ratings provided by CARE and/or CRISIL and/or India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions.

For the rationale for these ratings, see Annexure A, Annexure B and Annexure C of this Draft Shelf Prospectus.

Disclaimer clause of CRISIL Limited

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Disclaimer clause of India Ratings and Research Private Limited

All credit ratings assigned by India Ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.indiaratings.co.in/ratings-definitions. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site.

Disclaimer clause of CARE Ratings Limited

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Legal Advisor to the Issue

Wadia Ghandy & Co
NM Wadia Buildings,
123, Mahatma Gandhi Road,
Mumbai, Maharashtra 400001
Tel: +91 22 22715600/ 22670669
Fax: +91 22 22676784/ 22670226/ 22610249

Banker(s) to the Issue

As specified in relevant Tranche Prospectus.

Refund Bank

As specified in relevant Tranche Prospectus.

Lead Broker(s)

As specified in relevant Tranche Prospectus.

Bankers to the Company

ABU DHABI COMMERCIAL BANK
Apeejay House, 3rd Floor,
Dinshaw Vacha Road,
Churchgate, Mumbai, India - 400 020
Tel: +91 22 3953 4117
Fax: +91 22 3953 4106
Email: kunal.mota@in.adcb.com
Website: www.adcbindia.com
Contact Person: Mr. Kunal Mota

AXIS BANK LIMITED
Jeevan Prakash Building, Sir P M Road, Fort,
Mumbai- 400001
Tel: +91 22 4086 7336/ 7474
Fax: +91 22 4086 7327/ 7378
Email Id: fort.operationshead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Sudhir Raje

BARCLAYS BANK PLC
801/803 Ceejay House, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400 018
Tel: +91 22 67196473
Fax: +91 22 6719 6767
Email: shobhit.verma@barclays.com
Contact Person: Mr. Shobhit Verma

CITICORP FINANCE INDIA LIMITED
Treasury Operations Unit,
First International Financial Centre (FIFC),
11th Floor, Plot Nos. C-54 & C-55 G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400098
Tel: +91 22 6175 7242
Email: manish.ratti@citi.com
Website: www.citicorpfinance.co.in
Contact Person: Mr. Manish Ratti

DOHA BANK QPSC
Sakhar Bhavan, Ground Floor,
Plot No. 230, Backbay Reclamation,
Nariman Point, Mumbai – 400 021
Tel: +91 22 3394 1103
Email: sravindran@dohabank.co.in
Website: www.dohabank.co.in
Contact Person: S. Ravindra, Head-Corporate Banking

FIRST RAND BANK LIMITED
5th floor, TCG Financial Centre, C-53 "G" Block
Bandra-Kurla complex, Bandra (E), Mumbai - 400 098
Tel: +91 22 6625 8624
Fax: +91 22 6625 8676
Email: ritesh.sharma@firstrand.co.in
Website: www.firstrand.co.in
Contact Person: Mr. Ritesh Sharma

HDFC BANK LIMITED
Unit 401 and 402, 4th Floor, Tower B, Peninsula Business Park, Lower Parel, Mumbai 400 013
Tel: +91 22 33958116
Fax: +91 22 30788579
Email: pallavi.joshi2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Ms. Pallavi Joshi

IDBI BANK LIMITED
Mittal Court, 224, 'A' Wing,
2nd Floor, Nariman Point
Mumbai – 400 021
Tel: +91 22 6658 8201
Fax: +91 22 6658 8130
Email: salim.saudagar@idbi.co.in
Website: www.idbi.com
Contact Person: Salim Saudagar

INDUSIND BANK LIMITED
4th Floor, Unit no 401 & 404, Wing A, Peninsula Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Off Senapati Bapat Marg, Lower Parel,
Mumbai- 400 013
Tel: +91 9833821671
Email: indrajoy.bhattacharya@indusind.com

KEB HANA BANK
4th Floor, Bannari Amman Tower, No. 29,
Dr. Radhakrishnan Road, Mylapore, Chennai, Tamil Nadu, India 600 004.
Tel: +91 22 4905 6363
Fax: +91 22 4905 6300
Email: kebchennai@hanafn.com
Website: www.kebhana.com
Contact Person: Mr. Y. H. Lee

KOTAK MAHINDRA BANK LIMITED
27BKC, G block, Bandra Kurla Commercial Complex, Bandra (East) Mumbai – 400 051
Tel: +91 22 6166 0363
Fax: +91 22 6713 2416
Email: vikash.chandak@kotak.com
Website: www.kotak.com
Contact Person: Mr. Vikash Chandak

MIZUHO BANK LIMITED
Level 17, Tower – A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel,
Mumbai 400 013, India
Tel: +91 22 4911 2124
Fax: +91 22 2491 6911
Email: ajit.shinde@mizuho-cb.com
Website: www.mizuhobank.com
Contact Person: Mr. Ajit Shinde, Director- Corporate & Institutional Banking (India) India Corporate Banking Department

NATIONAL BANK FOR AGRICULTURE & RURAL DEVELOPMENT
Maharashtra Regional Office
54, Wellesley Road, Shivaji Nagar, Pune -411 001, Maharashtra
Tel: + 91 20 2550 0100
Fax: +91 20 2554 2250
Email: pune@nabard.org & dor.pune@nabard.org
Website: www.nabard.org
Contact Person: R. B. D'Souza, Deputy General Manager

RBL BANK LIMITED
One Indiabulls Centre, Tower 2B, 6th Floor, 841 Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013
Tel: +91 22 43020600
Fax: +91 22-43200520
Email: sumant.paul@rblbank.com
Website: www.rblbank.com
Contact Person: Mr. Sumant Paul

SHINHAN BANK
Unit no 001, Ground Floor, Peninsula Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
Tel: 022 6199 2000
Fax: 022 6199 2010
Email: credit.mum@shinhan.com
Website: http://in.shinhanglobal.com
Contact Person: Mr. Sandeep Aswale

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA LIMITED
Swavalamban Bhavan, Plot No. C-11,
'G' Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Tel: +91 22 67221582
Email: insti_marketing@sidbi.in
Website: www.sidbi.in
Contact Person: Shri Rajesh Kumar Mishra

STANDARD CHARTERED BANK
Crescenzo, 5th Floor, C-38/39, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400 051
Tel: +91 (0) 22 4265 8218,
Email: vivek.ramakrishnan@sc.com
Website: www.sc.com/in/

THE ZOROASTRIAN CO-OPERATIVE BANK LIMITED
Nirlon House, 5th Floor, Dr. Annie Besant Road,
Worli, Mumbai- 400 030
Tel: + 91 22 61727600
Fax: + 91 22 66661810
Email: customercare@zcbl.in
Website: www.zoroastrianbank.com

UCO BANK
10, B.T.M Sarani, Kolkata- 700 001
Tel.:+91 22 40549101
Fax: +91 22 40549122
Email: hosgr.calcutta@ucobank.co.in
Website: www.ucobank.com
Contact Person: Mr. B. Mondal (DGM)

UNITED OVERSEAS BANK LIMITED
Mumbai branch, 3 North Avenue,
Maker Maxity, Unit 31 & 37, 3rd Floor, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051
Tel: +91 22 42472828/ 42472829
Fax: +91 22 26591022
Email: suken.shah@uobgroup.com
Website: www.uobgroup.com/in
Contact Person: Mr. Suken Shah

YES BANK LIMITED
24th Floor, Indiabulls Finance Centre, Tower 2,
Elphinstone (W), Mumbai – 400021
Tel: + 91 22 7100 9701
Fax: + 91 22 2421 4513
Email: avinash.dubey@yesbank.in
Website: www.yesbank.in
Contact Person: Mr. Avinash Dubey

Self Certified Syndicate Banks

The banks which are registered with SEBI under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 as amended and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs, with which an Applicant, not applying through the Syndicate, may submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and as updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to the Members of the Syndicates or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of Applications from such Members of the Syndicate or the Trading Members of the Stock Exchanges is provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and as updated from time to time or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Applications from Members of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities, see the above-mentioned web-link.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the Debt ASBA Circular, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of NSE at https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm and as updated from time to time as updated from time to time. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

RTAs / CDPs

The list of the RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the website of the BSE for RTAs and CDPs, as updated from time to time.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013*"

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 10 lacs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 10 lacs or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 50 lacs or with both.

Underwriting

This Issue has not been underwritten.

Minimum Subscription

In terms of the Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date. In the event the Company fails to provide any instructions or information required for processing such unblocking on account which there is a delay in unblocking, the Company will become liable to make payment of interest at the rate 15 (fifteen) per cent. per annum for the delayed period on the amounts which have not been unblocked.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds please refer to the chapter titled "*Objects of the Issue*" on page 81 of this Draft Shelf Prospectus.

Issue Programme

Issue Programme*	
Issue Opens On	As specified in the relevant in the Tranche Prospectus(es)
Issue Closes On	As specified in the relevant in the Tranche Prospectus(es)

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Designated Intermediaries at the Bidding Centres, or, (ii) by the Designated Branches of the SCSBs. On the Issue Closing Date Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue.

Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or the Designated Branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board**") or the Debt Issuance Committee. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges."*

SUMMARY FINANCIAL INFORMATION

The financial information for the Fiscals 2018, 2017, 2016 and 2015 set out under the following tables are derived from Reformatted Consolidated Financial Statements and the Reformatted Standalone Financial Statements and the financial information for Fiscal 2019 set out under the following tables is based on the Audited Ind AS Consolidated Financial Statements and Audited Ind AS Standalone Financial Statements. The Reformatted Consolidated Financial Statements and the Reformatted Standalone Financial Statements should be read in conjunction with the examination report thereon issued by our Joint Statutory Auditors and statement of significant accounting policies and notes to accounts on the Reformatted Consolidated Financial Statements and the Reformatted Standalone Financial Statements contained in the section titled "*Financial Information*" beginning on page 142 of this Draft Shelf Prospectus. The Audited Ind AS Consolidated Financial Statements and the Audited Ind AS Standalone Financial Statements should be read in conjunction with the audit report thereon issued by our Joint Statutory Auditors and statement of significant accounting policies and notes to accounts on the Audited Ind AS Consolidated Financial Statements and the Audited Ind AS Standalone Financial Statements contained in the section titled "*Financial Information*" beginning on page 142 of this Draft Shelf Prospectus.

Shriram Transport Finance Company Limited
Consolidated Balance Sheet as at March 31, 2019

(Rs. in lacs)

Particulars			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
I	**ASSETS**				
	1	**Financial assets**			
		Cash and cash equivalents	102,913.54	109,071.33	113,240.45
		Bank balance other than above	295,233.14	258,384.45	341,357.83
		Derivative financial instruments	2,171.64	1,054.13	2,641.73
		Receivables			
		(I) Trade receivables	848.44	1,398.10	1,255.07
		(II) Other receivables	1,995.23	348.46	471.71
		Loans	9,675,148.57	9,074,561.59	7,401,581.39
		Investments	412,553.80	245,624.27	222,952.59
		Other financial assets	4,176.47	3,748.33	4,196.41
	2	**Non-financial Assets**			
		Current tax assets (net)	10,657.77	10,426.15	10,864.51
		Deferred tax assets (net)	7,570.07	5,218.68	49,721.54
		Investment property	206.36	209.82	190.75
		Property, plant and equipment	14,345.82	11,821.76	13,246.45
		Other intangible assets	196.56	173.78	176.33
		Other non-financial assets	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	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	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	3,418,175.01	3,243,261.27	2,136,124.76
		Borrowings (other than debt securities)	3,718,929.88	3,610,854.45	3,447,829.36
		Deposits	1,034,146.68	859,774.86	903,607.86
		Subordinated liabilities	620,188.10	499,194.11	389,131.01
		Other financial liabilities	73,129.47	65,067.78	70,894.78
	2	**Non-financial liabilities**			
		Current tax liabilities (net)	10,296.73	21,650.51	19,011.55
		Provisions	13,327.01	12,733.43	12,078.59
		Other non-financial liabilities	28,722.30	31,974.81	33,907.01
		Total liabilities	**8,945,619.95**	**8,366,956.43**	**7,030,614.86**

Particulars			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	3	**Equity**			
		Equity share capital	22,690.67	22,690.67	22,690.67
		Other equity	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**

Shriram Transport Finance Company Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in lacs)

Particulars			Year ended March 31, 2019	Year ended March 31, 2018
		Revenue from operations		
	(i)	Interest income	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	7,130.97	15,210.99
	(v)	Net gain on fair value changes	-	8,177.32
	(vi)	Other operating income	6,164.94	1,603.64
(I)		**Total Revenue from operations**	**1,552,244.35**	**1,344,395.07**
(II)		Other Income	2,325.77	6,225.02
(III)		**Total Income (I + II)**	**1,554,570.12**	**1,350,620.09**
		Expenses		
	(i)	Finance cost	751,125.94	636,647.83
	(ii)	Fee and commission expense	6,218.96	6,445.38
	(iii)	Net loss on fair value changes	258.47	-
	(iv)	Impairment of financial instruments	238,226.19	172,231.88
	(v)	Employee benefits expenses	88,305.12	74,470.20
	(vi)	Depreciation, amortisation and impairment	4,297.27	3,683.43
	(vii)	Other expenses	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**

Particulars			Year ended March 31, 2019	Year ended March 31, 2018
(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

Shriram Transport Finance Company Limited
Consolidated Cash Flow Statement for the year ended March 31, 2019

(Rs. in lacs)

Particulars		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

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
	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**
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**

Shriram Transport Finance Company Limited
Consolidated Cash Flow Statement for the year ended March 31, 2019

(Rs. in lacs)

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
	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**

Shriram Transport Finance Company Limited
Balance Sheet as at March 31, 2019

(Rs. in lacs)

Particulars			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
I	**ASSETS**				
	1	**Financial assets**			
		Cash and cash equivalents	102,913.54	109,071.33	113,079.87
		Bank balance other than above	295,233.14	258,384.45	341,036.27
		Derivative financial instruments	2,171.64	1,054.13	2,641.73
		Receivables			
		(I) Trade receivables	848.44	1,398.10	443.42
		(II) Other receivables	1,995.23	348.46	418.39
		Loans	9,675,148.57	9,074,561.59	7,401,567.61
		Investments	399,906.08	234,136.10	225,865.76
		Other financial assets	4,176.47	3,748.33	4,123.24
	2	**Non-financial assets**			
		Current tax assets (net)	10,657.77	10,426.15	10,864.51
		Deferred tax assets (net)	7,570.07	5,218.68	49,576.88
		Investment property	206.36	209.82	190.75
		Property, plant and equipment	14,345.82	11,821.76	8,217.04
		Other intangible assets	196.56	173.78	160.57
		Other non-financial assets	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	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	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	3,418,175.01	3,243,261.27	2,136,124.76
		Borrowings (other than debt securities)	3,718,929.88	3,610,854.45	3,447,829.36
		Deposits	1,034,146.68	859,774.86	906,554.36
		Subordinated liabilities	620,188.10	499,194.11	389,313.60
		Other financial liabilities	73,129.47	65,067.78	70,882.87
	2	**Non-financial liabilities**			
		Current tax liabilities (net)	10,296.73	21,650.51	18,911.89
		Provisions	13,327.01	12,733.43	11,942.98
		Other non-financial liabilities	28,722.30	31,974.81	33,599.86
		Total liabilities	**8,945,619.95**	**8,366,956.43**	**7,029,702.99**

Particulars			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	3	**Equity**			
		Equity share capital	22,690.67	22,690.67	22,690.67
		Other equity	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**

Shriram Transport Finance Company Limited
Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in lacs)

Particulars			Year ended March 31, 2019	Year ended March 31, 2018
		Revenue from operations		
	(i)	Interest income	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	7,130.97	7,690.87
	(v)	Net gain on fair value changes	-	-
	(vi)	Other operating income	6,164.94	1,601.67
(I)		**Total Revenue from operations**	**1,552,244.35**	**1,329,866.64**
(II)		Other income	2,325.77	6,297.56
(III)		**Total Income (I + II)**	**1,554,570.12**	**1,336,164.20**
		Expenses		
	(i)	Finance cost	751,125.94	636,875.38
	(ii)	Fee and commission expense	6,218.96	6,445.38
	(iii)	Net loss on fair value changes	258.47	1,749.42
	(iv)	Impairment of financial instruments	238,226.19	172,231.88
	(v)	Employee benefits expenses	88,305.12	71,317.20
	(vi)	Depreciation, amortisation and impairment	4,297.27	3,613.40
	(vii)	Other expenses	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

Particulars			Year ended March 31, 2019	Year ended March 31, 2018
		(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

Shriram Transport Finance Company Limited
Cash Flow Statement for the year ended March 31, 2019

(Rs. in lacs)

Particulars		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

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
	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**
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

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	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**

Summary of Consolidated Assets and Liabilities

(Rs. in lacs)

	Particulars	As at March 31,			
		2018	2017	2016	2015
	Equity and liabilities				
A	**Shareholders' fund**				
	Share capital	22,690.67	22,690.67	22,690.67	22,690.67
	Reserves and surplus	1,236,108.34	1,110,502.52	994,857.66	903,891.11
	Total shareholders' fund	**1,258,799.01**	**1,133,193.19**	**1,017,548.33**	**926,581.78**
B	**Non-current liabilities**				
	(a) Long-term borrowings	4,037,592.13	3,369,861.25	3,026,888.74	3,285,558.30
	(b) Other long-term liabilities	163,315.42	140,515.24	118,874.25	118,280.71
	(c) Long-term provisions	544,454.93	389,393.83	284,271.68	187,198.41
	Total non-current liabilities	**4,745,362.48**	**3,899,770.32**	**3,430,034.67**	**3,591,037.42**
C	**Current liabilities**				
	(a) Short-term borrowings	767,645.96	495,423.75	333,044.38	295,262.91
	(b) Trade payables				
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	21,976.95	17,167.28	14,387.84	14,386.20
	(c) Other current liabilities	2,011,631.80	1,858,404.48	1,954,164.52	1,346,989.51
	(d) Short-term provisions	43,188.51	40,609.94	51,739.44	41,103.62
	Total current liabilities	**2,844,443.22**	**2,411,605.45**	**2,353,336.18**	**1,697,742.24**
D	**Total equity and liabilities (A+B+C)**	**8,848,604.71**	**7,444,568.96**	**6,800,919.18**	**6,215,361.44**

(Rs. in lacs)

	Particulars	As at March 31,			
		2018	2017	2016	2015
	Assets				
E	**Non-current assets**				
	(a) Fixed assets				
	(i) Property, plant and equipment	11,821.76	13,246.45	15,052.81	15,276.44
	(ii) Intangible assets	173.78	176.33	158.43	149.29
	(b) Non-current investments	149,519.80	146,792.40	122,251.16	82,426.49
	(c) Deferred tax assets (net)	42,896.57	36,348.80	30,887.14	25,778.33
	(d) Long-term loans and advances	5,815,231.03	4,731,203.23	4,301,326.73	3,248,125.45
	(e) Other non-current assets	271.03	7,518.23	1,389.01	9,310.56
	Total non-current assets	**6,019,913.97**	**4,935,285.44**	**4,471,065.28**	**3,381,066.56**
F	**Current assets**				
	(a) Current investments	-	5,225.25	11,699.19	221,292.13
	(b) Trade receivables	-	867.85	1,009.48	298.86
	(c) Cash and bank balances	363,750.92	444,531.15	236,555.03	476,117.88
	(d) Short-term loans and advances	2,458,767.10	2,052,752.36	2,075,525.80	2,130,329.48
	(e) Other current assets	6,172.72	5,906.91	5,064.40	6,256.53
	Total current assets	**2,828,690.74**	**2,509,283.52**	**2,329,853.90**	**2,834,294.88**
G	**Total assets (E+F)**	**8,848,604.71**	**7,444,568.96**	**6,800,919.18**	**6,215,361.44**

Summary of Consolidated Profit and Loss

(Rs. in lacs)

	Particulars	For the year ended March 31,			
		2018	2017	2016	2015
A.	**Revenue**				
i	Revenue from operations	1,227,716.81	1,090,271.46	1,035,858.80	917,697.38
ii	Other income	6,239.64	175.61	338.20	264.29
	Total Revenue	**1,233,956.45**	**1,090,447.07**	**1,036,197.00**	**917,961.67**
B.	**Expenses**				

	Particulars	For the year ended March 31,			
		2018	2017	2016	2015
i	Employee benefits expense	74,667.32	58,293.31	62,349.23	50,402.36
ii	Finance cost	537,001.16	518,570.24	505,792.37	467,464.51
iii	Depreciation and amortisation	3,683.43	3,487.35	3,763.16	4,315.49
iv	Provisions & write offs	312,211.32	244,432.05	210,679.48	161,222.39
v	Other expenses	82,076.06	71,859.14	74,684.92	69,601.37
	Total Expenses	**1,009,639.29**	**896,642.09**	**857,269.16**	**753,006.12**
C.	**Profit before exceptional items and tax**	**224,317.16**	**193,804.98**	**178,927.84**	**164,955.55**
	Exceptional items	12,309.12	-	-	-
D.	**Profit before tax**	**236,626.28**	**193,804.98**	**178,927.84**	**164,955.55**
E.	**Tax expenses**				
	Current tax	89,625.45	72,703.23	65,674.83	62,280.81
	Deferred tax	(6,668.71)	(5,461.66)	(5,108.81)	(169.71)
	Tax paid for earlier years	(1,776.68)	-	-	-
	Total tax expense	**81,180.06**	**67,241.57**	**60,566.02**	**62,111.10**
F.	**Profit after tax from continuing operations (D-E)**	**155,446.22**	**126,563.41**	**118,361.82**	**102,844.45**
	Share of profit of associate	228.52	-	-	-
G.	**Net profit after taxes and share of profit of associate**	**155,674.74**	**126,563.41**	**118,361.82**	**102,844.45**
	Earnings per share				
	Basic (Rs.)	68.61	55.78	52.17	45.33
	Diluted (Rs.)	68.61	55.78	52.17	45.33
	Nominal value of equity share (Rs./share)	10.00	10.00	10.00	10.00

Summary of Consolidated Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
A. Cash flow from operating activities				
Profit before taxes	236,626.28	193,804.98	178,927.84	164,955.55
Depreciation and amortisation	3,683.43	3,487.35	3,763.16	4,315.49
Profit arising on the sale of shares in subsidiary	(12,309.12)	-	-	-

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
Interest on income tax refund	(5,796.67)	-	-	-
Loss / (profit) on sale of fixed assets (net)	31.38	27.18	35.36	38.74
Provision for diminution in value of investments	699.87	0.37	-	-
Employees stock option compensation cost	(31.14)	4.28	(38.70)	55.33
Premium on government securities	171.48	124.17	82.30	19.74
Amortisation of discount on government securities	(227.50)	(227.97)	(221.42)	(165.69)
Amortisation of issue expenses for equity shares	416.81	152.78	152.78	168.85
Amortisation of public issue expenses for non-convertible debentures	562.42	1,074.35	1,303.09	1,761.70
Amortisation of prepaid interest on commercial paper	1,663.40	-	-	-
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Provisions for non-performing assets and bad debt written off	292,551.77	230,583.52	200,867.02	158,456.12
Provision for diminution in fair value of assets for restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision for standard assets	7,976.76	3,674.37	4,990.48	2,766.27
Operating profit before working capital changes	**537,002.09**	**442,879.17**	**394,683.89**	**332,372.10**
Movements in working capital:				
Increase / (decrease) in trade payables	9,320.61	2,779.44	1.64	(1,949.99)
Increase / (decrease) in provisions	(341.31)	(14,583.27)	(1,769.88)	(5,331.98)
Increase / (decrease) in other liabilities	91,380.72	102,355.85	77,407.54	34,540.63
Decrease / (increase) in trade receivables	(516.28)	141.63	(710.62)	(108.19)
(Increase) / decrease in investments	5,269.53	(19,556.66)	169,905.15	(60,048.58)
Decrease / (increase) in loans and advances	(1,638,281.29)	(531,272.48)	(1,110,148.15)	(1,256,486.65)
Decrease/(increase) in bank deposits (having original maturity of more than three months)(net)	83,431.62	(181,009.46)	(25,816.52)	53,175.48
Decrease / (increase) in other assets	(928.59)	(1,389.04)	979.31	1,845.47
Cash generated from operations	**(913,662.90)**	**(199,654.82)**	**(495,467.64)**	**(901,991.71)**
Direct taxes paid (net of refunds)	(87,675.30)	(68,070.26)	(55,183.14)	(59,277.72)
Net cash flow/(used) in operating activities (A)	**(1,001,338.20)**	**(267,725.08)**	**(550,650.78)**	**(961,269.43)**
B. Cash flows from investing activities				

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
Purchase of fixed assets including intangible assets	(6,642.78)	(1,787.32)	(3,721.83)	(4,343.19)
Proceeds from sale of PPE	72.92	46.93	72.94	64.52
Proceeds of non-current investments	-	1653.36	-	-
Purchase of non-current investments	(699.87)	(62.81)	-	-
On account of sale of investment in subsidiary	15,637.60	-	-	-
Investment in bank deposits (having original maturity of more than three months)	299.89	-	-	-
Net cash flow/(used) in investing activities (B)	**8,667.76**	**(149.84)**	**(3,648.89)**	**(4,278.67)**
C. Cash flows from financing activities				
Amount received from institutional borrowing	4,860,576.59	2,798,406.98	2,109,331.46	2,393,115.61
Amount received from senior secured notes	116,000.00	135,000.00	-	-
Amount received from Public issue of non-convertible debentures	-	-	-	197,484.71
Increase / (decrease) in Retail borrowings	(55,709.16)	16,377.50	97,664.77	165,612.77
Amount redeemed for Public issue of non-convertible debentures and subordinated debts	(192,374.07)	(150,105.01)	(41,795.50)	(34,306.30)
Repayment of institutional borrowing	(3,709,250.77)	(2,470,721.02)	(1,855,651.85)	(1,915,501.98)
Public issue expenses for non-convertible debentures paid	-	-	-	(1,255.33)
Dividend paid	(24,957.10)	(22,688.27)	(22,688.27)	(18,150.62)
Tax on dividend	(5,080.68)	(4,618.80)	(4,618.80)	(3,356.86)
Net cash from financing activities (C)	**989,204.81**	**301,651.38**	**282,241.81**	**783,642.00**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(3,465.63)**	**33,776.46**	**(272,057.86)**	**(181,906.10)**
Add: Adjustment on disposal of subsidiary	**(477.80)**	**-**	**-**	**-**
Cash and cash equivalents at the beginning of the year	**114,323.66**	**80,547.20**	**352,605.06**	**534,511.16**
Cash and cash equivalents at the end of the year	**110,380.23**	**114,323.66**	**80,547.20**	**352,605.06**

(Rs. in lacs)

Components of cash and cash equivalents	As at March 31,			
	2018	2017	2016	2015
Cash and cash equivalents at the end of the year				
i) Cash on hand	7,996.25	7,910.29	10,124.16	10,990.89
ii) Cheques on hand	2,542.76	3,175.11	4,698.24	7,576.72
iii) Balances with scheduled banks in:				
Current accounts	92,946.60	102,155.05	59,765.26	166,700.86

Components of cash and cash equivalents	As at March 31,			
	2018	2017	2016	2015
Unclaimed dividend accounts	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	166,515.00
Total cash and cash equivalents	**110,380.23**	**114,323.66**	**80,547.20**	**352,605.06**

Shriram Transport Finance Company Limited
Summary of Standalone Assets and Liabilities

Rs. in lacs)

	Particulars	As at March 31,			
		2018	2017	2016	2015
	Equity and liabilities				
A	**Shareholders' fund**				
	Share capital	22,690.67	22,690.67	22,690.67	22,690.67
	Reserves and surplus	1,234,540.96	1,107,532.20	992,720.78	901,105.83
	Total shareholders' fund	**1,257,231.63**	**1,130,222.87**	**1,015,411.45**	**923,796.50**
B	**Non-current liabilities**				
	(a) Long-term borrowings	4,037,592.13	3,370,018.31	3,026,967.38	3,157,076.48
	(b) Other long-term liabilities	163,315.42	140,536.73	118,877.99	118,252.79
	(c) Long-term provisions	544,454.93	389,393.83	284,271.68	158,650.37
	Total non-current liabilities	**4,745,362.48**	**3,899,948.87**	**3,430,117.05**	**3,433,979.64**
C	**Current liabilities**				
	(a) Short-term borrowings	767,645.96	498,313.75	333,035.34	266,140.59
	(b) Trade payables				
	- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	21,976.95	13,443.90	11,866.74	7,520.88
	(c) Other current liabilities	2,011,631.80	1,858,382.69	1,953,991.66	1,261,081.32
	(d) Short-term provisions	43,188.51	40,233.22	51,480.44	40,196.28
	Total current liabilities	**2,844,443.22**	**2,410,373.56**	**2,350,374.18**	**1,574,939.07**
D	**Total equity and liabilities (A+B+C)**	**8,847,037.33**	**7,440,545.30**	**6,795,902.68**	**5,932,715.21**
E	**Non-current assets**				
	(a) Fixed assets				
	(i) Property, plant and equipment	11,821.76	8,217.04	9,961.01	9,944.50
	(ii) Intangible assets	173.78	160.57	145.29	127.87
	(b) Non-current investments	147,952.41	149,713.52	125,216.98	111,426.49
	(c) Deferred tax assets (net)	42,896.57	36,228.16	30,770.26	25,648.45

	Particulars	As at March 31,			
		2018	2017	2016	2015
	(d) Long-term loans and advances	5,815,231.03	4,730,887.55	4,301,019.05	3,082,287.15
	(e) Other non-current assets	271.03	7,514.84	1,387.51	9,310.56
	Total Non-current assets	**6,018,346.58**	**4,932,721.68**	**4,468,500.10**	**3,238,745.02**
F	**Current assets**				
	(a) Current investments	-	5,220.97	10,399.52	221,292.13
	(b) Cash and bank balances	363,750.92	444,068.53	236,385.69	472,339.89
	(c) Short-term loans and advances	2,458,767.11	2,052,647.01	2,075,559.21	1,994,093.71
	(d) Other current assets	6,172.72	5,887.11	5,058.16	6,244.46
	Total current assets	**2,828,690.75**	**2,507,823.62**	**2,327,402.58**	**2,693,970.19**
G	**Total assets (E+F)**	**8,847,037.33**	**7,440,545.30**	**6,795,902.68**	**5,932,715.21**

Shriram Transport Finance Company Limited
Summary of Standalone Profit and Loss

(Rs. in lacs)

	Particulars	For the year ended March 31,			
		2018	2017	2016	2015
A.	**Revenue**				
i	Revenue from operations	1,220,165.70	1,082,875.14	1,028,977.79	863,691.98
ii	Other income	7,517.76	186.09	370.33	780.47
	Total revenue	**1,227,683.46**	**1,083,061.23**	**1,029,348.12**	**864,472.45**
B.	**Expenses**				
i	Employee benefits expense	71,515.37	54,796.00	58,883.96	42,957.31
ii	Finance costs	537,234.94	518,741.75	505,792.60	438,998.20
iii	Depreciation and amortisation	3,613.40	3,390.78	3,630.61	4,050.62
iv	Provisions and write-offs	312,211.32	244,432.05	210,679.48	128,915.27
v	Other expenses	79,899.51	69,308.10	72,218.35	65,312.24
	Total expenses	**1,004,474.54**	**890,668.68**	**851,205.00**	**680,233.64**
C.	**Profit before exceptional items and tax (A-B)**	**223,208.92**	**192,392.55**	**178,143.12**	**184,238.81**
D.	**Exceptional Items**	13,974.55	-	-	-

	Particulars	For the year ended March 31,			
		2018	2017	2016	2015
E.	**Profit before tax (C+D)**	**237,183.47**	**192,392.55**	**178,143.12**	**184,238.81**
F.	**Tax expense**				
	Current tax	88,826.31	72,116.20	65,445.17	60,947.79
	Deferred tax	(6,668.41)	(5,457.90)	(5,121.81)	(489.96)
	Tax paid for earlier years	(1,776.68)	-	-	-
	Total tax expense / (income)	**80,381.22**	**66,658.30**	**60,323.36**	**60,457.83**
G.	**Profit after tax from continuing operations (E-F)**	**156,802.25**	**125,734.25**	**117,819.76**	**123,780.98**
	Earnings per share				
	Basic (Rs.)	69.11	55.42	51.93	54.56
	Diluted (Rs.)	69.11	55.42	51.93	54.56
	Nominal value of equity share (Rs./share)	10.00	10.00	10.00	10.00

Shriram Transport Finance Company Limited
Summary of Standalone Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
A. Cash flow from operating activities				
Profit before taxes	237,183.47	192,392.55	178,143.12	184,238.81
Depreciation and amortisation	3,613.40	3,390.78	3,630.61	4,050.62
Profit arising on the sale of shares in subsidiary	(13,974.55)	-	-	-
Interest on income tax refund	(5,796.67)	-	-	-
Loss / (profit) on sale of fixed assets (net)	18.16	27.26	36.37	35.75
Dividend received on long-term investments	(1,200.00)	-	-	(2.75)
Provision for diminution in value of investments	699.87	0.37	-	-
Employees stock option compensation cost	-	-	(47.77)	-
Premium on government securities	171.48	124.17	82.30	19.74
Amortisation of discount on government securities	(227.50)	(227.97)	(221.42)	(165.69)
Amortisation of issue expenses for equity shares	416.81	152.78	152.78	168.85
Amortisation of public issue expenses for non-convertible debentures	562.42	1,074.35	1,303.09	1,761.70
Amortisation of prepaid interest on commercial paper	1,663.40	-	-	-
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
Provisions for non performing assets and bad debt written off	292,551.77	230,583.52	200,867.02	125,934.32
Provision for diminution in fair value of assets for restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision on standard assets	7,976.76	3,674.37	4,990.48	2,980.95
Operating profit before working capital changes	**534,641.74**	**441,365.97**	**393,758.56**	**319,022.30**
Movements in working capital:				
Increase / (decrease) in trade payables	8,533.05	1,577.16	4,345.86	(916.15)
Increase / (decrease) in provisions	(328.27)	(14,601.66)	27,243.98	(5,383.29)
Increase / (decrease) in other liabilities	91,219.75	102,521.12	78,944.82	36,402.80
(Increase) / decrease in investments	5,394.13	(20,807.35)	196,738.13	(60,048.59)
Decrease / (increase) in loans and advances	(1,637,861.33)	(531,110.68)	(1,410,622.17)	(1,277,183.79)
Decrease/(increase) in bank deposits (having original maturity of more than three months) (net)	83,431.62	(180,709.38)	(25,820.25)	53,179.53
Decrease / (increase) in other assets	(917.89)	(1,373.35)	974.74	1,857.14
Cash generated from operations	**(915,887.20)**	**(203,138.17)**	**(734,436.33)**	**(933,070.05)**
Direct taxes paid (net of refunds)	(86,960.16)	(67,582.55)	(56,091.88)	(57,743.68)
Net cash flow/ (used) in operating activities (A)	**(1,002,847.36)**	**(270,720.72)**	**(790,528.21)**	**(990,813.73)**
B. Cash flows from investing activities				
Purchase of fixed assets including intangible assets	(6,594.60)	(1,765.21)	(3,821.62)	(4,080.87)
Proceeds from sale of fixed assets	72.28	46.50	50.98	63.10
Proceeds from sale of non-current investments	-	1,653.36	-	-
Purchase of non-current investments	(699.87)	(62.81)	-	-
Proceeds from sale of shares in subsidiary	15,637.60	-	-	-
Dividend received on long-term investments from erstwhile subsidiary	1,200.00	-	-	2.75
Net cash flow/(used) in investing activities (B)	**9,615.41**	**(128.16)**	**(3,770.64)**	**(4,015.02)**
C. Cash flows from financing activities				
Amount received from institutional borrowing	4,855,836.59	2,801,296.98	2,350,574.28	2,220,993.36
Amount received from public issue of non-convertible debentures	-	-	-	197,484.71
Amount received from senior secured notes	116,000.00	135,000.00	-	-
Increase / (decrease) in retail borrowings	(55,709.16)	16,459.47	97,743.41	165,612.77

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
Amount redeemed for public issue of non-convertible debentures and subordinated debts	(192,374.07)	(150,105.01)	(41,795.50)	(34,306.30)
Repayment of institutional borrowing	(3,704,510.77)	(2,470,711.98)	(1,855,069.86)	(1,714,627.52)
Public issue expenses for non-convertible debentures paid	-	-	-	(1,255.33)
Dividend paid	(24,957.10)	(22,688.27)	(22,688.27)	(18,150.62)
Tax on dividend	(4,836.39)	(4,618.80)	(4,618.80)	(3,356.44)
Net cash flow from financing activities (C)	**989,449.10**	**304,632.39**	**524,145.26**	**812,394.63**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(3,782.85)**	**33,783.51**	**(270,153.59)**	**(182,434.12)**
Cash and Cash Equivalents at the beginning of the year	**114,163.08**	**80,379.57**	**348,832.76**	**531,266.88**
Cash and bank balances taken over on merger	**-**	**-**	**1,700.40**	**-**
Cash and Cash Equivalents at the end of the year	**110,380.23**	**114,163.08**	**80,379.57**	**348,832.76**

(Rs. in lacs)

Components of Cash and Cash Equivalents	As at March 31,			
	2018	2017	2016	2015
Cash and Cash Equivalents at the end of the year				
i) Cash on hand	7,996.25	7,865.26	10,079.91	10,794.43
ii) Cheques on hand	2,542.76	3,175.11	4,698.24	7,367.11
iii) Balances with scheduled banks in:				
Current accounts	92,946.60	102,039.50	59,641.88	165,145.63
Unclaimed dividend accounts	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	164,704.00
Total cash and cash equivalents	**110,380.23**	**114,163.08**	**80,379.57**	**348,832.76**

CAPITAL STRUCTURE

1. Details of share capital

The share capital of our Company as at date of this Draft Shelf Prospectus is set forth below:

Share Capital	Aggregate nominal value (Rs. in lacs)
Authorised Share Capital	
64,70,00,000 Equity Shares of Rs. 10 each	64,700.00
9,50,00,000 Preference Shares of Rs. 100 each	95,000 .00
Total Authorised Share Capital	159,700.00
Issued*	
226,888,877 Equity Shares of Rs. 10 each	22,688.89
Subscribed*	
226,882,736 Equity Shares of Rs. 10 each	22,688.27
Paid-up Share Capital	
22,68,82,736 Equity Shares of Rs. 10 each	22,688.27
Total	22,690.67
Securities premium account	175,481.06
Notes:	
The Equity Shares allotted for consideration other than cash are as follows: a) 60,633,350 fully paid-up Equity Shares of our Company have been allotted to the shareholders of SIL, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, in a ratio of 1 fully paid up Equity Share of our Company, for every 1 fully paid up equity share of the face value of Rs.10 each, of SIL; b) 18,645,886 fully paid-up Equity Shares of our Company have been allotted to the shareholders of SOFL, pursuant to a scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated December 1, 2006, in a ratio of 3 fully paid up Equity Shares of our Company, for every 5 fully paid up equity shares of the face value of Rs. 10 each, of SOFL; c) Pursuant to SHMPL Scheme of Merger sanctioned vide the SHMPL Merger Order passed by the Hon'ble High Court of Madras, our Company issued and allotted 93,872,380 fully paid up equity shares of our Company to the shareholders of SHMPL, whose names appeared in the register of members on the specified date in connection with the aforesaid scheme of amalgamation, in a ratio of 313 fully paid up Equity shares of our Company, for every 124 fully paid up equity shares of the face value of Rs. 10 each, of SHMPL;	

Share Capital	Aggregate nominal value (Rs. in lacs)
d) Pursuant to the issuance of 6,495,420 Equity Shares on a rights basis on April 21, 1995, 6,484,910 Equity Shares were allotted, and 10,510 Equity Shares were kept in abeyance and not allotted, on account of unavailability of certain information in connection with certain applicants of Equity Shares in the said rights issue. Subsequently, 2,369 Equity Shares and 2,000 Equity Shares of the aforementioned Equity Shares kept in abeyance were allotted on November 11, 1995 and December 28, 1995, respectively. Currently, 6,141 Equity Shares are still kept in abeyance and pending allotment;	

** 48,000 equity shares of Rs. 10 each of SIL, on which Rs. 5 was paid up for each of the said shares, were forfeited on January 17, 1997, ("**Forfeited Shares**"). Pursuant to the scheme of amalgamation sanctioned by the Hon'ble High Court of Madras vide its order dated November 25, 2005, as detailed in para (a) above, the Forfeited Shares have become a part of the share capital of our Company, by operation of law. The shareholders in their 40th annual general meeting held on June 27, 2019 considered and approved the cancellation of the forfeited shares from the issued and subscribed share capital of the Company. The appropriate accounting entries have been made in the books of accounts of the Company in this regard.*

This Issue will not result in any change in the issued, subscribed and paid up equity share capital and/or securities premium account of our Company.

2. Changes in the capital structure of our Company, as on March 31, 2019, in the last five years from date of this Draft Shelf Prospectus

Date of change (AGM/ EGM)	Alteration
March 31, 2016*	The authorised share capital of our Company was reorganised from Rs. 5,970,000,000 divided into 397,000,000 Equity Shares of Rs. 10 each and 2,00,00,000 cumulative redeemable preference shares of Rs. 100 each to Rs. 15,970,000,000 divided into 647,000,000 Equity Shares of Rs. 10 each and 95,000,000 redeemable preference shares of Rs. 100 each*
NOTES: ** The authorised capital of our Company was increased, pursuant to a scheme of amalgamation of our erstwhile subsidiary, Shriram Equipment Finance Company Limited, with our Company ("**SEFCL Scheme of Merger**"). The appointed date for the SEFCL Scheme of Merger was April 1, 2015. The SEFCL Scheme of Merger was approved by the Hon'ble High Court of Madras, vide its order dated March 31, 2016. The SEFCL Scheme of Merger was effective from April 19, 2016.*	

3. Equity Share Capital History of our Company as of the date of this Draft Shelf Prospectus, for the last five years preceding the date of this Draft Shelf Prospectus

Date of Allotment	Number of equity shares issued and allotted	Face Value (in Rs.)	Premium per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Form of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital (Rs.)	Cumulative Share Premium (Rs. in lacs)	Remarks
NIL										

4. Shareholding pattern of our Company as on March 31, 2019

Sr. No.	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	Total nos. equity shares held	Total Shareholding as a % of total no. of equity shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of equity shares held in dematerialised form
						No of Voting Rights		Total as a % of (A+B+C)		
						Class	Total			
(A)	Promoter & promoter group	1	59,173,023	59,173,023	26.08	59,173,023	59,173,023	26.08	26.08	59,173,023
(B)	Public	51,575	167,709,713	167,709,713	73.92	167,709,713	167,709,713	73.92	73.92	164,888,070
(C)	Non-Promoter - Non-Public	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(C1)	Shares Underlying DRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(C2)	Shares Held by Employee Trust	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**51,576**	**226,882,736**	**226,882,736**	**100.00**	**226,882,736**	**226,882,736**	**100.00**	**100.00**	**224,061,093**

**None of the Equity Shares are pledged or otherwise encumbered by our Promoter.*

5. Shareholding of the Promoter and promoter group as on March 31, 2019

Sr. No.	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	Total nos. equity shares held	Shareholding as a % of total no. of equity shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of equity shares held in dematerialised form
						No of Voting Rights		Total (per cent.)		
						Class	Total			
1	Indian									
a	Individuals/Hindu undivided Family	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b	Central Government/ State Government(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c	Financial Institutions/ Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d	Any Other (specify)									
	Body Corporate (Shriram Capital Limited)	1	59,173,023	59,173,023	26.08	5,91,73,023	59,173,023	26.08	26.08	59,173,023
	Sub-Total	1	59,173,023	59,173,023	26.08	5,91,73,023	59,173,023	26.08	26.08	59,173,023
2	Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a	Individuals (Non-Resident Individuals / Foreign Individuals)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b	Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c	Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d	Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e	Any Other (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Sr. No.	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	Total nos. equity shares held	Shareholding as a % of total no. of equity shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of equity shares held in dematerialised form
						No of Voting Rights		Total (per cent.)		
						Class	Total			
	Total Shareholding of Promoter and promoter group	**1**	**59,173,023**	**59,173,023**	**26.08**	**59,173,023**	**59,173,023**	**26.08**	**26.08**	**59,173,023**

6. Details of acquisitions, amalgamations, reorganizations, reconstructions in the last one year

There have been no acquisitions, amalgamations, reorganizations or reconstructions in our Company in the last one year preceding the date of this Draft Shelf Prospectus.

7. List of top ten holders of Equity Shares of our Company as on June 28, 2019

Sr. No.	Name of shareholder	Address	Total Number of Equity Shares held	Total Shareholding as % of total no. of equity shares (per cent.)	No. of Equity Shares held in demat form
1.	SHRIRAM CAPITAL LIMITED	SHRIRAM HOUSE NO 4 BURKIT ROAD T NAGAR, CHENNAI 600017	59,173,023	26.08	59,173,023
2.	HDFC TRUSTEE COMPANY LTD (Under Different sub Accounts)	HDFC BANK LTD, CUSTODY SERVICES LODHA - I THINK TECHNO CAMPUS OFF FLR 8, NEXT TO KANJURMARG STN KANJURMARG EAST MUMBAI 400042	7,418,568	3.27	7,418,568
3.	SANLAM LIFE INSURANCE LIMITED	CITIBANK N.A. CUSTODY SERVICES FIFC- 11TH FLR, G BLOCK, PLOT C-54 AND C-55, BKC, BANDRA - EAST, MUMBAI 400098	6,757,267	2.98	6,757,267
4.	SBI MUTUAL FUND (Under different sub accounts)	SBI SG GLOBAL SECURITIES SERVICES PL JEEVAN SEVA ANNEXE BUILDING GR FLOOR, S V ROAD SANTACRUZ WEST, MUMBAI 400054	4,475,717	1.97	4,475,717
5.	NEW WORLD FUND INC	JPMORGAN CHASE BANK N.A. INDIA SUB CUSTODY 6th FLOOR, PARADIGM B MINDSPACE, MALAD W, MUMBAI 400064	4,391,063	1.94	4,391,063
6.	GOVERNMENT PENSION FUND GLOBAL	CITIBANK N.A. CUSTODY SERVICES FIFC- 11TH FLR, G BLOCK PLOT C-54 AND C-55, BKC BANDRA - EAST, MUMBAI 400098	4,379,988	1.93	4,379,988
7.	INVESTEC GLOBAL STRATEGY FUND - ASIAN EQUITY FUND	HSBC SECURITIES SERVICES, 11TH FLR, BLDG NO.3, NESCO - IT PARK NESCO COMPLEX, W E HIGHWAY GOREGAON EAST, MUMBAI 400063	3,740,368	1.65	3,740,368
8.	ABU DHABI INVESTMENT AUTHORITY (Under Different Sub accounts)	JPMORGAN CHASE BANK N.A. INDIA SUB CUSTODY 6th FLOOR, PARADIGM	3,658,189	1.61	3,658,189

		B MINDSPACE, MALAD W, MUMBAI 400064			
9.	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS OPPORTUNITIES FUND	CITIBANK N.A. CUSTODY SERVICES FIFC- 11TH FLR, G BLOCK PLOT C-54 AND C-55, BKC BANDRA - EAST, MUMBAI 400098	3,268,498	1.44	3,268,498
10.	PLATINUM ASIA FUND	HSBC SECURITIES SERVICES 11TH FLR, BLDG NO.3, NESCO - IT PARK NESCO COMPLEX, W E HIGHWAY GOREGAON EAST, MUMBAI 400063	3,210,784	1.42	3,210,784

8. List of top ten Debenture Holders (secured and unsecured, on a cumulative basis for all the outstanding debenture issues), as on June 28, 2019

Sr. No.	Name of the debenture holder	Address	Aggregate Amount (Rs. in lacs)
1.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED (Under different sub accounts)	CITIBANK N.A. CUSTODY SERVICES, FIFC- 11TH FLR, G BLOCK,PLOT C-54 AND C-55, BKC-BANDRA - EAST, MUMBAI-400098	221,000
2.	FRANKLIN INDIA MUTUAL FUND	CITIBANK N.A. CUSTODY SERVICES, FIFC- 11TH FLR, G BLOCK,PLOT C-54 AND C-55, BKC-BANDRA - EAST, MUMBAI-400098	231,300
3.	POSTAL LIFE INSURANCE FUND (Under different sub accounts)	HDFC BANK LTD, CUSTODY SERVICES, LODHA - I THINK TECHNO CAMPUS,OFF FLR 8, NEXT TO KANJURMARG STN-KANJURMARG EAST MUMBAI-400042	171,500
4.	SBI MUTUAL FUND (Under different sub accounts)	SBI SG GLOBAL SECURITIES SERVICES PL, JEEVAN SEVA ANNEXE BUILDING, GR FLOOR, S V ROAD-SANTACRUZ WEST, MUMBAI-400054	147,240
5.	SBI LIFE INSURANCE CO. LTD.	HDFC BANK LIMITED CUSTODY SERVICES, LODHA-I THINK TECHNO CAMPUS 8TH FLR, NEXT TO KANJURMARG RAILWAY STATION-KANJURMARG E MUMBAI-400042	114,260

Sr. No.	Name of the debenture holder	Address	Aggregate Amount (Rs. in lacs)
6.	HINDUSTAN ZINC LIMITED	YASHAD BHAVAN, UDAIPUR-313004	105,000
7.	UTI MUTUAL FUND (Under different sub accounts)	UTI MUTUAL FUND, UTI ASSET MANAGEMENT COMPANY LTD, DEPT. OF FUND ACCOUNTS, UTI TOWER, GN BLOCK-BKC, BANDRA (EAST), MUMBAI-400051	79,680
8.	NPS TRUST (Under different sub accounts)	C/O LIC PENSION FUND LIMITED,1ST FLOOR, PLOT NO.194, VEER NARIMAN ROAD, INDUSTRIAL ASSURANCE BUILDING-CHURCHGATE, MUMBAI-400020	84,359.63
9.	HDFC TRUSTEE CO. LTD.	HDFC BANK LTD CUSTODY SERVICES, LODHA I THINK TECHNO CAMPUS OFF, FLR 8, NEXT TO KANJURMARG RLY STN-KANJURMARG - E MUMBAI-400042	79,200
10.	LIFE INSURANCE CORPORATION OF INDIA / LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	INVESTMENT DEPARTMENT, 6TH FLOOR, WEST WING, CENTRAL OFFICE,YOGAKSHEMA, JEEVAN BIMA MARG-MUMBAI-400021	66,602

9. Statement of the aggregate number of securities of our Company and its associates purchased or sold by our Promoter/ Promoter Group, our Directors and/or their relatives within six months immediately preceding the date of filing the Draft Shelf Prospectus

On June 27, 2019 and on June 28, 2019, our Promoter acquired an aggregate number of 331,924 Equity Shares in the Company and Shriram Financial Ventures (Chennai) Private Limited, a company forming part of the promoter group, acquired an aggregate number of 50,037 Equity Shares in the Company. Post such acquisition, SCL holds 59,504,947 Equity Shares in the Company aggregating 26.23% of the paid-up capital and Shriram Financial Ventures (Chennai) Private Limited holds 50,037 Equity Shares in the Company aggregating 0.02% of the paid-up capital. For further details on our Promoter and promoter group, please refer to the section titled *"Our Promoter"* on page 140 of this Draft Shelf Prospectus.

10. Debt - equity ratio

The debt equity ratio prior to this Issue is based on a total outstanding debt of Rs. 8,791,439.67 lacs and total equity amounting to Rs. 1,583,628.18 lacs as on March 31, 2019. The debt equity ratio post the Issue (assuming subscription of Rs. 1,000,000.00 lacs) is 6.18 times, based on a total outstanding debt of Rs. 9,791,439.67 lacs and total equity of Rs. 1,583,628.18 lacs as on March 31, 2019.

(Rs. in lacs)

Particulars	Prior to the Issue (A)	Proposed proceeds from the Issue* (B)	Post the Issue* (A+B)
Borrowing:			
Debt Securities	3,418,175.01	1,000,000.00	4,418,175.01
Borrowings	3,718,929.88	-	3,718,929.88
Deposits	1,034,146.68	-	1,034,146.68
Subordinated liabilities	620,188.10	-	620,188.10
Total Borrowings	**8,791,439.67**	**1,000,000.00**	**9,791,439.67**
Total equity:			
Equity share capital	22,690.67	-	22,690.67
Other equity	1,560,937.51	-	1,560,937.51
Total equity	**1,583,628.18**	**-**	**1,583,628.18**
Debt Equity Ratio	5.55		6.18

** The debt-equity ratio post the Issue is indicative and is on account of assumed inflow of Rs. 1,000,000 lacs from the Issue, as on March 31, 2019 and does not include contingent and off-balance sheet liabilities. The actual debt- equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.*

For details on the total outstanding debt of our Company, please see "*Disclosures on Existing Financial Indebtedness*" beginning on page 143 of this Draft Shelf Prospectus.

11. Change in the Promoter holding in our Company during the last financial year.

In terms of the SEBI circular dated September 15, 2015 on "Disclosures to be made by NBFCs in the Offer Documents for public issue of Debt Securities under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008", NBFCs are required to disclose any change in promoter's holdings during last financial year beyond the threshold limit of 26% as prescribed by the RBI. There is no change in the Promoter holding in our Company during the last financial year.

12. Details of Director shareholding in the Associate Company as on March 31, 2019.

Nil

13. Stock Option Plans

The Company does not have any employee stock option scheme in place.

OBJECTS OF THE ISSUE

Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("***Net Proceeds***"), towards funding the following objects (collectively, referred to herein as the "**Objects**"):

1. For the purpose of onward lending, financing, and for repayment/ prepayment of interest and principal of existing borrowings of the Company; and

2. General corporate purposes.

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which our Company has been carrying on till date.

The details of the proceeds of the Issue are set forth in the following table:

(Rs. in lacs)

Description	Amount
Gross Proceeds of the Issue	As per relevant Tranche Prospectus
Less: Issue Related Expenses	As per relevant Tranche Prospectus
Net Proceeds	As per relevant Tranche Prospectus

Requirement of funds and Utilisation of Net Proceeds

The following table details the objects of the Issue and the amount proposed to be financed from the Net Proceeds:

Sr. No.	Objects of the Fresh Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment/ prepayment of interest and principal of existing borrowings of the Company#	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%
	Total	**100%**

 # Our Company shall not utilise the proceeds of the Issue towards payment of prepayment penalty, if any
**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the Debt Regulations.*

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Interim Use of Proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time.

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the Debt Regulations. The Board shall monitor the utilization of the proceeds of the Issue. For the relevant Financial Years commencing from Financial Year 2019-20, our Company will disclose in our financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

Variation in terms of contract or objects

The Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Shelf Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Other confirmations

All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account maintained with the Public Issue Account Bank, as referred to in Section 40(3) of the Companies Act.

In accordance with the Debt Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or for acquisitions of shares of any person or entity who is a part of the same group as our Company or who is under the same management of our Company.

No part of the proceeds from this Issue will be paid by us as consideration to our Promoters, our Directors, Key Managerial Personnel, or companies promoted by our Promoters. Neither the Promoter nor the Directors of our Company are interested in the Objects of this Issue.

The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property. The Issue proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

Our Company confirms that it will not use the proceeds of the Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, directly or indirectly in the acquisition of any immovable property or acquisition of securities of any other body corporate.

The allotment letter shall be issued or application money shall be refunded in accordance with the applicable law failing which interest shall be due to be paid to the Applicants at the rate of 15% per annum for the delayed period.

Details of all monies unutilised out of the monies to be raised through this Issue, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of the Issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.

Details of all monies utilised out of the monies to be raised through this Issue, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.

We shall utilize the Issue proceeds only (a) receipt of minimum subscription, i.e. 75% of the Base Issue pertaining to each Tranche Issue; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Draft Shelf Prospectus in the section titled "*Issue Structure*" beginning on page 183 of this Draft Shelf Prospectus.

STATEMENT OF TAX BENEFITS

June 29, 2019

To,

The Board of Directors
Shriram Transport Finance Company Limited
Wockhardt Towers, 3rd Floor, West Wing
G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400051
Maharashtra, India

(the "**Company**")

Dear Sirs,

Sub: Statement of tax benefits in relation to proposed public issue ("Issue") of secured, redeemable, non-convertible debentures ("NCDs") by Shriram Transport Finance Company Limited

1. We, Haribhakti & Co. LLP, Chartered Accountants, and Pijush Gupta & Co., Chartered Accountants, the joint statutory auditors of the Company have performed the procedures agreed with you, *vide* the engagement letter dated June 04, 2019, and enumerated in paragraph 2 below with respect to the possible tax benefits available to the Debenture Holder(s), under the Income Tax Act, 1961, as amended (the "**I.T. Act**") and Income tax Rules, 1962 including amendments made by Finance Act 2019 as applicable for the financial year 2019-20, presently in force in India, in the enclosed Annexure I. Our engagement was performed in accordance with the Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India.

2. We have performed the following procedures:

   i. Read the statement of tax benefits as given in Annexure I, and

   ii. Evaluated with reference to the provisions of the I.T. Act to confirm that the same is in accordance with our interpretation of the existing tax laws and provisions.

3. Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the subject.

4. Had we performed additional procedures, or had we performed an audit or review of the financial information in accordance with generally accepted auditing standards of India, other matters might have come to our attention that would have been reported to you.

5. We confirm that the Statement of Tax Benefits as set out in Annexure I materially covers all the provisions of the I.T. Act as amended, with respect to Debenture Holder(s).

6. The amendments made by the Finance Act, 2019 have been incorporated to the extent relevant in the enclosed Annexure I.

7. Several of these benefits are dependent on the Debenture Holder(s) fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Debenture Holder(s) to derive the tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives the Debenture Holder(s) would face in the future. The Debenture Holder(s) may or may not choose to fulfill such conditions.

8. The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which a debenture holder can avail. Neither are we suggesting nor are we advising the debenture holders to invest

money based on this statement.

9. Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

10. We do not express any opinion or provide any assurance as to whether:

    - The Company or its debenture holders will continue to obtain these benefits in future; or
    - The conditions prescribed for availing the benefits, where applicable have been or would be met with;
    - The revenue authorities/courts will concur with views expressed herein.

11. The preparation of the contents stated is the responsibility of Company's management. We accept no responsibility to debenture holders or any third party and this should be stated in the Draft Shelf Prospectus, Shelf Prospectus and/or Prospectus and/or Tranche Prospectus(es). The contents of the enclosed annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

12. No assurance is given that the revenue authorities/ Courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation which could vary from others, and which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

13. This statement has been issued at the request of the Company in connection with the proposed issue of secured, redeemable NCDs for inclusion in the offer documents to be filed with the Securities and Exchange Board of India, the National Stock Exchange of India Limited and the BSE Limited or any other regulatory authorities, as required.

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

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Sumant Sakhardande
Partner
Membership No: 034828
Mumbai
June 29, 2019

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

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Sangeeta Gupta
Partner
Membership No: 064225
Mumbai
June 29, 2019

Encl.: Annexure I

ANNEXURE I

Under the existing provisions of law, the following tax benefits, inter-alia, will be available to the Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The information given below lists out the possible benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested as defined in Section 2(18)(b)(B) of the Income Tax Act, 1961, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture.

The Debenture Holder is advised to consider in its own case, the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible. We are not liable to the Debenture Holder in any manner for placing reliance upon the contents of this statement of tax benefits.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

A. Under the Income-Tax Act, 1961 ("I.T. Act")

I. Tax benefits available to the Resident Debenture Holders

1. Interest on debentures received by resident debenture holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. Income tax is deductible at source at the rate of 10% at the time of credit/ payment as per the provisions of section 193 of the I.T. Act. However, no income tax is deductible at source in respect of the following:

   a) Any security issued by a Company in a dematerialised form and is listed on recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.

   b) In case the payment of interest on debentures to a resident individual or a Hindu Undivided Family ('HUF'), Debenture Holder does not or is not likely to exceed Rs. 5,000 in the aggregate during the Financial Year and the interest is paid by an account payee cheque.

   c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.

   d) (i) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax".

   (ii) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the I.T. Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on total income of the person is NIL.

   (iii) In all other situations, tax would be deducted at source as per prevailing provisions of the I.T. Act. Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company before the prescribed date of closure of books for payment of debenture interest without any tax withholding.

2. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess.

3. As per section 2(29A) read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer, else same is treated as short term capital asset.

4. As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed securities are subject to tax at the rate of 20% of capital gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition.

   As per the fourth proviso to section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds. Accordingly, long term capital gains arising to the Debenture Holder(s), would be subject to tax at the rate of 10%, computed without indexation, as the benefit of indexation of cost of acquisition is not available in case of debentures.

   In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

5. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described at para 2 above would also apply to such short term capital gains.

6. In case debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

7. As per Section 74 of the I.T. Act, short-term capital loss on debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

8. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act

II Tax benefits available to the Non-Resident Debenture Holders

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:

   Meaning

   (a) As per section 115C(e) of the Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

   Interest and capital gains on transfer

   (a) As per section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition.

Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

(b) As per section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the new assets are transferred or converted into money.

Other relaxations

(a) As per section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.

(b) As per section 115H of the I.T. Act, where a non-resident Indian becomes assessable as resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.

2. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,
   (a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
   (b) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act
   (c) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

3. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per section 115E of the I.T. Act, and at the normal rates for Short Term Capital Gains if the payee debenture holder is a non-resident Indian.

4. The income tax deducted shall be increased by surcharge as under:
   (a) In the case of non-resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000) and 15% of such tax liability (if net income exceeds Rs. 1,00,00,000) subject to deduction.
   (b) In the case of foreign companies, surcharge at the rate of 2% of such tax liability where the income or the aggregate of such income paid or likely to be paid and subject to deduction exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000, surcharge at the rate of 5% of such income tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 10,00,00,000.
   (c) Further health and education cess on the total income tax (including surcharge) is also deductible.

5. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be set- off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) during the year is allowed to be set-off only against long-term capital gains.

Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

6. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 195 of the I.T. Act.

7. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate ("**TRC**"), is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.

8. Alternatively, to ensure non-deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 195(2) & 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest. However, an application for the issuance of such certificate would not be entertained in the absence of PAN as per the provisions of section 206AA.

III Tax benefits available to the Foreign Portfolio Investors ("FPIs")

1. As per Section 2(14) of the I.T. Act, any securities held by FPIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FPIs as capital gains.

2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FPIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.

3. Income other than capital gains arising out of debentures is taxable at 5% (in cases where section 194LD is applicable) / 20% (in other cases) (plus applicable surcharge and cess) in accordance with and subject to the provisions of Section 115AD of the I.T. Act.

4. Section 194LD in the I.T. Act provides for lower rate of withholding tax at the rate of 5% (plus applicable surcharge and cess) on payment by way of interest paid by an Indian company to FPIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government.

5. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FPIs.

6. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

IV Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf. Further, as per the provisions of Section 196 of the I.T. Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the I.T. Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V Exemption under Sections 54EE and 54F of the I.T. Act

1. As per provisions of Section 54EE of the I.T. Act, long term capital gains arising to debenture holders on transfer of their debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified units within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified units are transferred within three years from their date of acquisition, the amount of capital gain exempted earlier would become chargeable to tax as long term capital gains in the year in which units are transferred. Further, in case where loan or advance on the security of such notified units is availed, such notified units shall be deemed to have been transferred on the date on which such loan or advance is taken. However, the amount of exemption with respect to the investment made in the aforesaid notified units during the financial year in which such debentures are transferred and the subsequent financial year, should not exceed Rs. 50 lacs.

2. As per the provisions of section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

   This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

VI Requirement to furnish PAN under the I.T. Act

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.

2. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIB ("deductee") to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:
   (a) at the rate specified in the relevant provision of the I.T. Act; or
   (b) at the rate or rates in force; or
   (c) at the rate of twenty per cent.

3. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

4. A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (1) above in such a case.

5. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (1) above will apply apart from penal consequences.

VII Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April, 2017:

(a) without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;

(b) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration;
(c) shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated in section 56(2)(x) of the I.T. Act.

VIII General Anti-Avoidance Rule ('GAAR)

In terms of Chapter XA of the I.T. Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the I.T. Act. By this Rule, any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be interalia denial of tax benefit, applicable w.e.f 1-04-2017. The GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

NOTES:

1. The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by the Finance Act, 2019.
2. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.
3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the nonresident has Fiscal domicile.
4. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty.
5. Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person at the rate of 10% on tax where total income exceeds Rs. 50 lacs but does not exceed Rs. 1 crore and at the rate of 15% on tax where the total income exceeds Rs. 1 crore.
6. Surcharge is levied on firm, co-operative society and local authority at the rate of 12% on tax where the total income exceeds Rs. 1 crore.
7. Surcharge is levied on domestic companies at the rate of 7% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 12% on tax where the income exceeds Rs. 10 crores.
8. Surcharge is levied on every company other than domestic companies at the rate of 2% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 5% on tax where the income exceeds Rs. 10 crores.
9. Health and Education Cess is to be applied at 4% on aggregate of base tax and surcharge.
10. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.
11. The above statement sets out the provisions of law in a summary manner only and is not complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds.
12. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
13. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV ABOUT THE ISSUER AND THE INDUSTRY

INDUSTRY

Unless noted otherwise, the information in this section has been obtained or derived from the ICRA Report, the India Ratings Report as well as other industry sources and government publications. All information contained in the ICRA Report has been obtained by ICRA from sources believed by them to be accurate and reliable. Although reasonable care has been taken by ICRA to ensure that the information in the ICRA Report is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion. It must be noted ICRA is not liable for investment decisions which may be based on the views expressed in this report. All information contained in the India Ratings Report has been obtained by India Ratings from sources believed by them to be accurate and reliable. Although reasonable care has been taken by India Ratings to ensure that the information in the India Ratings Report is true, such information is provided 'as is' without any warranty of any kind, and India Ratings in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion. It must be noted India Ratings is not liable for investment decisions which may be based on the views expressed in this report.

The industry information in this section has not been independently verified by us, the Lead Managers or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded off for presentation in the Draft Prospectus.

Overview of the Indian Economy

India Ratings expects GDP growth to be only a tad higher at 7.5% in FY20. Post demonetisation and GST implementation, the agency had expected FY19 to be a year of quick recovery and indeed the recovery has been sharp with GDP growth coming in at 7.2% (FY18: 6.7%). India Ratings believes GDP growth would have been even better but for the global headwinds caused by (i) an abrupt rise in crude oil prices and (ii) strengthening of USD and hiccups faced on the domestic front due to (i) frequent revisions in GST rates, (ii) continued agrarian distress, (iii) slow progress on Insolvency and Bankruptcy Code cases, and (iv) liquidity crunch faced by non-banking finance companies post IL&FS saga. However, GDP growth in FY20 will be more dispersed and evenly balanced across sectors as well as demand-side growth drivers.

Over the past few years, private final consumption expenditure and government final consumption expenditure have been the primary growth drivers of Indian economic growth. India Ratings believes investments are slowly but steady gaining traction with gross fixed capital formation growing 12.2% in FY19 and projected to clock 10.3% in FY20. This is certainly a comforting development, but the flip side of this development is that it is primarily driven by the government capex, as incremental private corporate capex has yet to revive. An India Ratings study of top 200 listed and unlisted non-financial asset-heavy corporates suggests that private sector capex is unlikely to revive before FY21. India Ratings believes that due to the slowdown in private corporate and household capex, the GDP growth has failed to accelerate and sustain itself close to or in excess of 8.0%.

Like FY19, the agency expects all major sectors namely agriculture, industry and services to contribute to gross value added (GVA) growth in FY20 from the supply side. However, key support to the GVA growth is expected to come from services, followed by industry and they are expected to grow at 8.3% and 7.4%, respectively, in FY20. Under normal monsoons, agricultural GVA is expected to grow at 3.0%. All this would translate into overall GVA growth of 7.3% in FY20 compared to 7.0% in FY19.

Overall, the pressure on wholesale/retail inflation is likely to remain benign, subject to normal monsoons and Indian crude oil basket averaging about USD55/barrel. India Ratings expects wholesale and retail inflation to average 3.4% and 4.3%, respectively, in FY20 (FY19: 4.9% and 3.5%). This may prompt the Reserve Bank of India to change its policy stance from calibrated tightening to neutral in the February 2019 monetary review, but

the agency believes a rate cut will happen in FY20. Besides being data dependent, its timing will be influenced by the government stance on the fiscal front. Slippage on the fiscal front looks imminent, with fiscal deficit rising to 3.5% of GDP in FY19 instead of budgeted 3.3%. Also, there is a likelihood of a fiscal package for distressed farmers in the FY20 budget. In case the government decides to pay INR10,000/acre/year to small and marginal farmers, under ceteris paribus condition, this will push fiscal deficit of the central government by 72bp in FY20. Though not an easy option, if opted it will delay the rate cut process.

India Ratings expects the benchmark 10 year G-sec bond yields to be in the 7.3%-7.4% range by FYE20, compared to 7.5%-7.6% by FYE19.

Aided by the softening of crude oil prices, India Ratings expects current account deficit to decline to 1.9% of GDP in FY20 from 2.4% of GDP in FY19. Even capital account is expected to record a surplus supported by foreign direct investments, foreign portfolio investments and banking capital inflows. This will help rupee to average 71.36 against the USD in FY20.

Economic Outlook FY20

(% change, yoy)	FY14	FY15	FY16	FY17	FY18	FY19	FY20
GVA at FY12 prices	6.1	7.2	8.1	7.1	6.5	7	7.3
- Agriculture	5.6	-0.2	0.6	6.3	3.4	3.8	3
- Industry	3.8	7	9.8	6.8	5.5	7.8	7.4
- Services	7.7	9.8	9.6	7.5	7.9	7.3	8.3
Real GDP	6.4	7.4	8.2	7.1	6.7	7.2	7.5
- Private final consumption expenditure	7.3	6.4	7.4	7.3	6.6	6.4	7.3
- Government final consumption expenditure	0.6	7.6	6.8	12.2	10.9	9.2	10.8
- Gross fixed capital formation	1.6	2.6	5.2	10.1	7.6	12.2	10.3
Nominal GDP	13	11	10.4	10.8	10.1	12.3	11.3
Average wholesale inflation	5.2	1.3	-3.7	1.7	2.9	4.9	3.4
Average retail inflation	9.4	5.9	4.9	4.5	3.6	3.5	4.3
Year-end interest rate (10-yr G-sec)	8.8	7.8	7.5	6.7	7.4	7.5-7.6	7.3-7.4
Average exchange rate (INR/USD)	60.5	61.14	65.47	67.07	64.45	69.79	71.36
Fiscal deficit (central government, % of GDP)	4.4	4	3.9	3.5	3.5	3.5	3.3
Current account deficit (% of GDP)	1.7	1.3	1.1	0.6	1.9	2.4	1.9

Source: India Ratings, Central Budget, Central Statistics Office and Reserve Bank of India

(Source: Credit Outlook FY20 published by India Ratings in March 2019)

Overview on NBFC's in India

Classification

NBFCs are classified on the basis of a) their liability structures; b) the type of activities they undertake; and c) their systemic importance. In the first category, NBFCs are further subdivided into NBFCs-D–which are authorised to accept and hold public deposits– and non-deposit taking NBFCs (NBFCs-ND)– which do not accept public deposits but raise debt from market and banks.

Among NBFCs ND, those with an asset size of Rs. 5 billion or more are classified as NBFCs-ND-SI. At the end of September 2018, there were 108 NBFCs-D and 276 NBFCs-ND-SI as compared with 168 and 230, respectively, at the end of March 2018.

NBFCs can also be categorised on the basis of activities undertaken as they typically focus on niche segments and fulfil sector– specific requirements. Consequently, their varied business models require appropriate modulation of the regulatory regime. Till 2010, the NBFC sector was divided into five categories viz., asset finance companies; loan companies; residuary non-banking companies; investment companies and mortgage guarantee companies. Since then, however, newer types of activity have been added to the NBFC space. At the end of September 2018, there were 12 activity-based classifications of NBFCs.

Table VI.1: Classification of NBFCs by Activity

Type of NBFC	Activity
1. Asset Finance Company (AFC)	Financing of physical assets including automobiles, tractors and generators.
2. Loan Company	Provision of loan finance.
3. Investment Company	Acquisition of securities for purpose of selling.
4. NBFC-Infrastructure Finance Company (NBFC-IFC)	Provision of infrastructure loans.
5. NBFC-Systemically Important Core Investment Company (CIC-ND-SI)	Makes investments and loans to group companies.
6. Infrastructure Debt Fund-NBFC (IDF-NBFC)	Facilitation of flow of long-term debt into infrastructure projects.
7. NBFC-Micro Finance Institution (NBFC-MFI)	Credit to economically dis-advantaged groups.
8. NBFC-Factor	Acquisition of receivables of an assignor or extending loans against the security interest of the receivables at a discount.
9. NBFC-Non-Operative Financial Holding Company (NOFHC)	Facilitation of promoters/ promoter groups in setting up new banks.
10. Mortgage Guarantee Company (MGC)	Undertaking of mortgage guarantee business.
11. NBFC-Account Aggregator (NBFC-AA)	Collecting and providing information about a customer's financial assets in a consolidated, organised and retrievable manner to the customer or others as specified by the customer.
12. NBFC–Peer to Peer Lending Platform (NBFC-P2P)	Providing an online platform to bring lenders and borrowers together to help mobilise funds.

Source: RBI.

Ownership Pattern

NBFCs-ND-SI constitute 84.8 per cent of the total assets of the NBFC sector. Within the NBFCs-ND-SI sphere, government owned NBFCs hold more than a third assets, indicating their systemic importance (Table VI.2). During 2017-18, the regulatory requirements for government-owned NBFCs—both non-deposit taking and deposit taking—were aligned with those for other NBFCs in a phased manner.

Balance Sheet

The growth of loans and advances, constituting about three-fourth of total assets of NBFCs-ND-SI, accelerated in 2017-18 and 2018 19 (up to September). While the retail and the services sectors were the driving forces, loan books also expanded due to credit to medium and large industries sector. The more active role of these entities in 2017-18 and 2018-19 (up to September) is attributable to improved credit demand due to revival in manufacturing and service activity, coupled with robust consumption demand, and the tepid performance of equity markets.

Sectoral Credit

Industry accounts for more than half of total credit extended by NBFCs, followed by retail, services and agriculture. A significant part of the credit to industry is provided by government-owned NBFCs, especially by NBFCs-IFC.

Retail loans of NBFCs grew at a robust 46.2 per cent during 2017-18—on top of a growth of 21.6 per cent during 2016-17—reflecting upbeat consumer demand, especially in the vehicle loans segment. Credit to the services sector was driven mainly by commercial real estate and retail trade. The growth in lending to commercial real estate is noteworthy in view of a sharp deceleration in SCBs' credit to this sector. Credit to agriculture and allied activities revived during 2017-18, reflecting the low base of the preceding year. NBFCs' lending to the MSME sector was also robust, compensating for the deceleration in SCBs' credit (Table VI.6). Increasingly, NBFCs are looking for newer avenues to diversify their lending portfolios.

Resource Mobilisation

The major sources of resource mobilisation of NBFCs-ND-SI have been debentures and bank borrowings with the latter being preferred during 2017-18 and in 2018- 19 (up to September), in contrast to the larger recourse to debentures in 2016-17. The share of CPs which declined during 2017-18 turned around in H1:2018-19 partly replacing the reduction in share of debentures. The compositional shift in borrowings in 2017-18 was mainly due to rising yields, which adversely affected the cost of market borrowings, especially of CPs, while lending rates of banks fell in the monetary easing cycle, making borrowing from banks more attractive. Secondly, lending to NBFCs especially to those with high credit ratings and better financial performance—presented a lucrative business alternative to banks in an environment characterised by rising non performing assets (NPAs) and pervasive risk aversion.

Financial Performance of NBFCs

NBFCs' profitability improved during 2017-18 and 2018-19 (up to September) mainly due to an increase in fund-based income. The income of NBFCs-D increased faster than that of NBFCs-ND-SI in 2017-18. While the cost to income ratio of NBFCs and in particular of NBFCs-D declined, reflecting improvement in operational efficiency, this ratio rose in respect of NBFCs-ND-SI pointing to the increasing operating costs. In H1:2018-19, net profits of NBFCs-ND-SI decelerated mainly due to increased expenditure.

Asset Quality

Since November 2014, the asset classification norms of NBFCs have been incrementally aligned with those of banks, leading to higher NPA recognition. During 2017- 18, however, there has been an improvement in asset quality, with a part of the portfolio of assets classified as NPAs in 2016-17 being upgraded to standard assets. As a result, both the gross nonperforming assets (GNPAs) ratio and the net non-performing assets (NNPAs) ratio declined during 2017-18. In quarter-ended September 2018, however, since the GNPA ratio deteriorated marginally, NBFCs made larger provisions and hence, the NNPA ratio improved.

Capital Adequacy

NBFCs are generally well capitalised, with the system level capital to risk-weighted assets ratio (CRAR) remaining well above the stipulated norm of 15 per cent. During 2017-18, the NBFC sector's CRAR improved further. In 2018-19 (up to September), however, their capital positions moderated somewhat due to the increase in non-performing assets.

(*Source: RBI: Report on Trend and Progress of Banking in India 2017-18 submitted by the RBI Governor on December 28, 2018 to the Ministry of Finance*)

Credit Outlook on NBFCs

India Ratings has a stable outlook on the retail non-banking financial company (NBFC) sector and a negative outlook for wholesale NBFCs (especially lenders to real estate players) and large ticket housing.

India Ratings expects NBFCs to witness margin pressures in FY20. Over the years, NBFCs have increased reliance on short-term borrowings, while reducing on-balance sheet liquidity. This was done to shore up profitability, which had been reeling under the pressure of higher credit cost and falling yields. However, the recent liquidity crisis has given rise to funding challenges, which may prompt NBFCs to overhaul their balance sheets, at least partially, by replacing short-term borrowings with long-term funds. In terms of passing on the rise in funding cost, India Ratings believes retail NBFCs are better placed than wholesale NBFCs. Housing finance companies will face contraction in their margins in the large ticket housing segment. Earlier, the margin pressure had been partly offset through higher yields on non-housing loan books; however, this segment is likely to face growth-related challenges in FY20.

India Ratings expects NBFCs to register tepid growth in FY20 due to slower traction in segments such as auto and real estate. The current capital buffers and internal accruals are estimated to be sufficient to take care of the resultant growth requirements. India Ratings's stress test for the standalone higher-rated NBFCs shows reasonable resilience in the event of short-term liquidity tightness and a spike in delinquencies; the stress case equity buffers would largely remain comfortable in such a scenario.

India Ratings expects the performance of collateral-backed MSME loans to continue to deteriorate, leading to the outlook for the segment being revised to negative from stable-to-negative. The lenders are grappling with moderation in real estate prices, resulting in lower balance transfers and less-than-expected recoveries for repossessed assets. Lenders' over-reliance on collateral comfort rather than business cash flows of prospective borrowers, which had been stretched during demonetisation and formalisation of income post GST implementation, has led to the current spate of continuing defaults.

For tractor loans, India Ratings does not anticipate any further improvement in delinquencies in the near term, as the borrowers continue to grapple with less-than-normal monsoons and falling prices of agricultural produce, as evident from lower food inflation. In the past, despite an increase in fuel prices, asset quality in the commercial vehicles (CV) segment did not deteriorate. The asset quality for CVs is unlikely to deteriorate in FY20 as well because of adequate fleet utilisation for lower tonnage vehicles. CV sales are expected to remain muted amidst sufficient system capacity. For microfinance NBFCs, loan collection and delinquency performance are expected

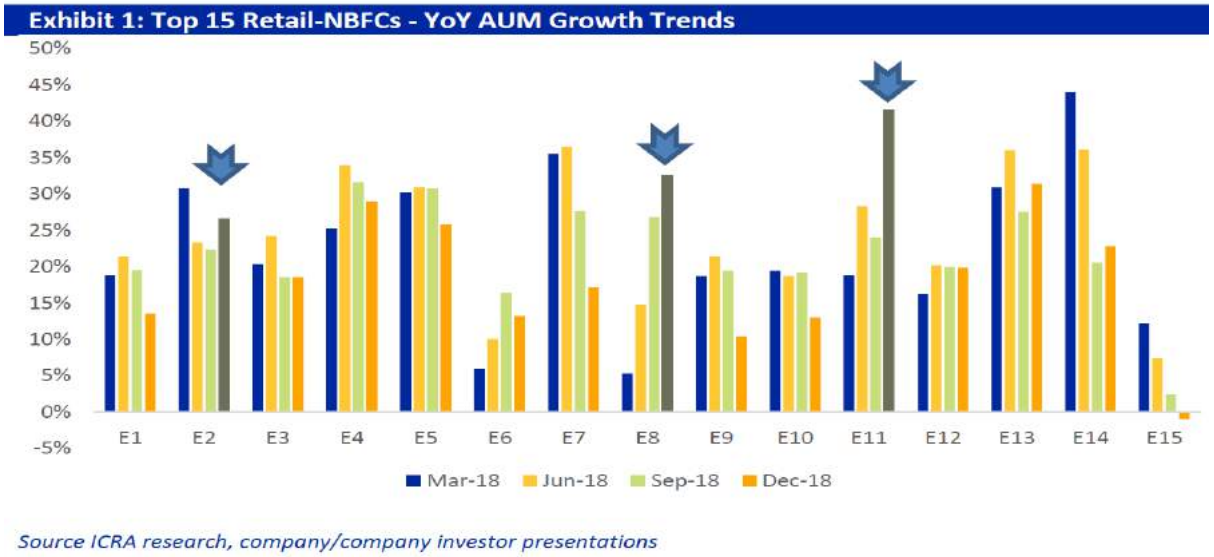
to return to and remain at the pre-demonetisation levels; however, the NBFCs would exercise caution while foraying into new geographies. Wholesale NBFCs, especially those financing real estate developers, could face heightened credit cost pressures due to a prolonged slowdown in the real estate sector and lower refinancing in the wake of weak system-wide liquidity.

(Source: Credit Outlook FY20 published by India Ratings in March 2019)

Overview of Retail Credit in India

Credit to grow at 15-17% in FY2020

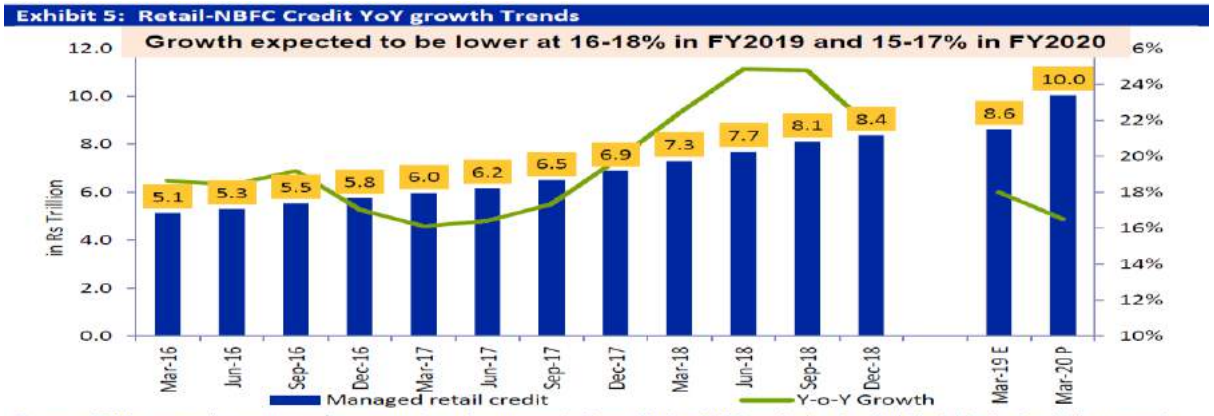
Retail NBFC credit growth slows in Q3 FY2019



Source ICRA research, company/company investor presentations

The AUM of retail-NBFCs grew at a slow pace of 3.3% in Q3 FY2019, the slowest in the last 10 quarters, as liquidity tightened, and entities moderated their disbursements. The sharp reduction comes on the back of the high QoQ growth registered during the previous 4-5 quarters. Retail-NBFC performance during September 2017-June 2018 was buoyed by comfortable market liquidity, which supported business expansion. NBFCs also witnessed an improvement in their asset quality indicators, especially over the last year or so, which further supported their overall risk profile and growth.

Retail-NBFCs registered a healthy credit growth of 22% in FY2018. The strong growth trend continued in H1 FY2019, as credit grew by about 24-25% YoY, the highest in the last 4-5 years. Retail-NBFC credit stood at Rs. 8.4 trillion (excluding Capital First Limited, which merged with IDFC Bank in December 2018) as on December 31, 2018. The growth uptrend was witnessed more strongly from Q3 FY2018 as the impact of GST implementation and the spill-over effects of demonetisation on some key asset segments waned.



Source: ICRA research, company/company investor presentations; Note: AUM excludes Capital First Limited, which merged with IDFC Bank in December 2018

Note: NBFC credit excludes entities converted to banks and SFBs

NBFCs shored up liquidity and created adequate on-balance sheet buffers and slowed down their business growth. Faced with higher cost of funds, the entities are becoming less competitive in some key asset classes (new, medium & heavy CVs (M&HCVs), passenger vehicles (PVs), construction equipment (CE) and higher-ticket LAP/ secured SME finance or business loans.

ICRA expects the credit growth to remain moderate till H1 FY2020 and revive only in H2 FY2020. The AUM of Retail-NBFCs would register a growth of 16-18% in FY2019 while the growth would moderate further in H1 FY2020 because of the ongoing liquidity conditions and the general elections in Q1 FY2020. Revival could be anticipated in H2 FY2020. ICRA expects the NBFC credit growth in FY2020 to be about 15-17% and NBFC-Retail credit to touch Rs 10 trillion, growth rate could be higher if the fund flow to NBFCs improves.
(Source: CR-NBFC – Retail & Commercial Finance – Q2-April 2019)

Indian Automobile Industry

Commercial Vehicles:

Commercial Vehicles: Weakness in the CV industry worsens as domestic sales declined by 10% in May 2019 with subdued demand for Goods Carrier
The domestic CV industry has been reeling from the impact of multiple headwinds since November 2018, and this has further intensified in the current Fiscal with volumes contracting by 8% in 2m FY2020. Overcapacity in the system post the revision in axle load norms in the previous Fiscal, and tightening financing environment on the back of the liquidity crunch in the economy have played spoilsport in the Goods carrier market. Additionally, market sentiments remain weak, with slowing economic growth impacting the freight availability. Coupled with tepid freight rates and high fuel costs, the viability pressure on SFOs has increased over recent months. The interplay of these various factors has resulted in contraction in the M&HCV (Truck) volumes in May 2019 as well, with pressure largely visible in the HCV segment (>12T). Although the LCV (Truck) segment was relatively less impacted by the revision in axle load norms, volumes started coming under pressure from the beginning of FY2020, with the tight liquidity scenario and slowing consumption trends impacting the segment. Consequently, it declined by 4.6% in May 2019. The bus segment reported flat sales in May 2019, with divergent trends visible in LCV and M&HCV bus sales.

Exhibit 1: Trend in Domestic Commercial Vehicle Sales

Industry Volumes	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY2018	FY2019	May 2018	May 2019
M&HCV Trucks	221,776	161,909	195,918	258,488	255,257	304,664	351,128	26,444	20,649
LCV Trucks	476,695	389,434	337,377	334,371	360,765	467,133	564,409	40,684	38,803
Buses	94,740	81,508	81,653	92,845	98060	85,119	91,782	9,389	9,395
Total	**793,211**	**632,851**	**614,948**	**685,704**	**714,082**	**856,453**	**1,007,319**	**76,517**	**68,847**
Growth (%) – YoY									
M&HCV Trucks	*-25.9%*	*-27.0%*	*21.0%*	*31.9%*	*(1.2%)*	*19.4%*	*15.3%*		*(21.9%)*
LCV Trucks	*15.9%*	*-18.3%*	*-13.4%*	*-0.9%*	*7.9%*	*29.5%*	*20.8%*		*(4.6%)*
Buses	*-4.1%*	*-14.0%*	*0.2%*	*13.7%*	*5.7%*	*(13.7%)*	*7.8%*		*0.1%*
Total	***-2.0%***	***-20.2%***	***-2.8%***	***11.5%***	***4.2%***	***19.9%***	***17.6%***		***(10.0%)***

Source: SIAM Data, ICRA research

Outlook: Domestic CV industry facing challenges in the near-term but pre-buying to support recovery in FY2020
ICRA expects the impact of aforementioned factors to play out in the near-term before the demand environment stabilizes going forward with a stable government at the center. The outlook for FY 2020 remains supported by potential pre-buying ahead of the implementation of BS-VI emission norms (from April 2020 onwards) as well as expectation of continued thrust towards infrastructure investments. As vehicle prices are expected to increase by approximately 10-12% (post new norms), the industry is likely to witness pre-buying in H2 FY2020. ICRA expects the M&HCV (Truck) segment to register a growth of 14-16% in volume terms. In the LCV segment, expectation of stable demand from consumption-driven sectors, normal monsoons and investments in the E-commerce space would remain key growth drivers but some moderation in growth momentum is likely owing to high-base. Accordingly, the segment is expected to witness a growth of 9-11% during FY 2020. In the bus segment, the growth is expected to be aided by expectation of replacement-led demand from SRTUs and continuation of improvement in public transport segment across various cities. ICRA expects bus sales to grow by 9-11% in FY2020.

Light Commercial Vehicles: Weakening consumption trends resulted in decline of 4.6% in LCV (Truck) volumes in May 2019

Exhibit 2: Trend in LCV (Goods) Monthly Volumes



Exhibit 3: Trend in LCV (Passenger) Monthly Volumes



Despite being relatively insulated from the slowdown in the Goods Carrier segment since November 2018, the impact of tight liquidity scenario among NBFCs and weakening consumer sentiment started reflecting in the LCV (Truck) segment from the beginning of FY2020. Within the LCV (Truck) segment, while the SCVs (sub 2T) were impacted by the slowing consumption, including in rural areas, the Pick-Up Trucks and Bigger LCVs (between 3.5-7.5T) reported a modest growth of 5.4% and 0.9% respectively on a YoY basis.

Source: SIAM Data, ICRA Research

Medium & Heavy Commercial Vehicles: Stress in M&HCV (Truck) segment continues into May 2019 with de-growth of 22%

Exhibit 6: Trend in M&HCV (Goods) Monthly Volumes



Exhibit 7: Trend in M&HCV (Passenger) Monthly Volumes



From November 2018, the domestic CV market has been facing headwinds, reflected in the YoY decline in M&HCV (Truck) volumes, which continued for the seventh consecutive month into May 2019. With surplus capacity in the system post the revision of axle load norms last year, tight financing environment in light of the ongoing NBFC crisis, and viability pressure on SFOs due to depressed freight rates and underutilization of trucks, market sentiments continue to be weak, especially in the Heavy-Duty truck segment. The M&HCV (Bus) segment, which had been bucking the de-growth over the past five months, also de-grew in May 2019, with an instable demand environment prior to the General elections. ICRA expects recovery in the segment from H2 FY2020, led by pre-buying prior to BS VI implementation.

Source: SIAM Data, ICRA Research

(Source: CR- Commercial Vehicles -1- June 2019)

Passenger Vehicles:

Muted retail demand and consequent inventory correction continue to take toll on wholesale dispatches

- Domestic wholesale PV dispatches continue to witness sharp decline amid muted retail demand and inventory destocking at dealership end. While volumes were expected to decline during Q1 FY2020, owing to high base and election related uncertainty, the sharp correction of 20.5% YoY was steeper than expectations. During 2m FY2020, industry volume declined by 18.8% and wholesale volume is expected to remain weak in June 2019 as well. Nevertheless, retail volume performance is relatively better than wholesale growth trend.
- Dealership inventory level has eased to sub 40 days from 50 days, but it remains higher than sub 30 days during normal business cycle. Given moderate fuel prices, stable government and expectation of normal monsoon, the PV demand should recover during H2 FY2020. In line with our expectations, UV sales has outperformed other segments. Discontinuation of MSIL's Omni van, the leader in van segment, will weigh on van segment performance.

Exhibit 1: Segmental volume breakup of domestic passenger vehicle industry

Industry Volumes	FY 2017	FY 2018	FY2019	Apr-2018	Apr-2019
Passenger Cars	21,03,847	21,74,024	22,18,549	1,99,479	1,47,546
Utility Vehicles	7,61,998	9,22,322	9,41,461	82,086	77,453
MPVs	1,81,737	1,92,235	2,17,426	19,673	14,348
Total	**30,47,582**	**32,88,581**	**33,77,436**	**3,01,238**	**2,39,347**
Growth (%) – YoY					
Passenger Cars	3.8%	3.3%	2.0%	19.6%	-26.0%
Utility Vehicles	29.9%	21.0%	2.1%	17.5%	-5.6%
MPVs	2.4%	5.8%	13.1%	29.7%	-27.1%
Total	9.2%	7.9%	2.7%	19.7%	-20.5%

Source: SIAM Data, ICRA's Estimates

Domestic PV wholesale dispatches declined by 20.5% during May 2019, because of high base effect, subdued demand and uncertainty during election season. While dealership inventory level has eased below 40 days, it remains higher than 30 days average during regular time.

- Passenger Car: Production of two key models i.e. Tata Nano and Hyundai Eon stopped in Dec-2018; hence, their volume contribution was NIL. Discontinuation of Eon impact volume growth in mini segment; however, incremental contribution in compact segment negate overall impact on PC segment.
- Utility Vehicle: After disappointing Q2 and Q3 of FY2019, UV segment recovered in Q4 FY2019, supported by new launches XUV 3OO and Harrier. ICRA believes that UV segment will outperform car segment over the medium term.
- Van Segment: Segment's performance is primarily driven by MSIL which alone contributed over 85% of segment's volume. Sales in MPV segment are driven by rural segment, where their growth dynamics are closely linked with SCV passenger carrier rather than PV segment. MSIL Omni, which accounts for bulk of van segment sales has been discontinued which will ultimately weigh on van segment demand over the near term.

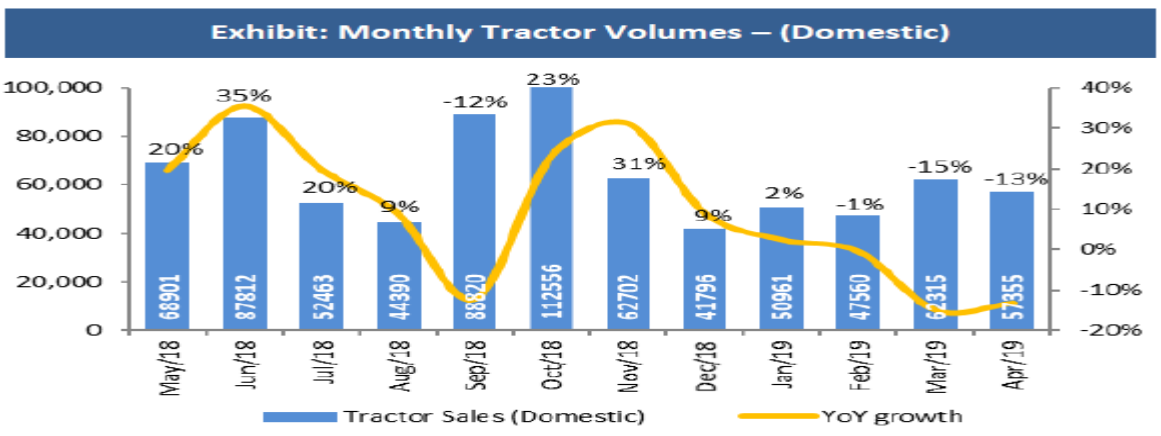
Outlook: Given election related uncertainty as well as high base of Q1 FY2019, the volume growth was expected to be muted in Q1 FY2020. However, stable government formation, stable fuel prices and expected normal monsoon should revive demand during later part of Q2 FY2019. Moreover, there could be some pre-buying witnessed in Q3 and Q4 of FY2020 ahead of BS VI rollout, which should support volume growth.

(Source: CR- Passenger Vehicles -1- June 2019)

Tractors:

Industry volumes continue to decline in April, amid a weakened demand scenario

The demand sentiments in the domestic tractor industry have remained weak over the past few months, with depressed crop prices and weak rabi crop production estimates (decline of 3% yoY) portending weaker rabi crop cash flows. After a marginal contraction in volumes (0.2% on a YoY basis) in February 2019, industry volumes declined by 15% and 13% in March 2019 and April 2019 respectively. While concerns persist regarding weak cash flows continue to persist, fears of an inadequate and delayed monsoon precipitation and a tightening liquidity scenario have also dampened demand.



Source: CMIE, ICRA research

- The volume growth in the previous Fiscal was led by eastern region; while the region's largest market – Bihar, saw a robust volume growth of ~34% in FY2019, on the back of stable farm cash flows and improved haulage demand, tractor volumes in Assam increased by ~106% in the same period on the back of government subsidy backed purchases.

- The Southern region also grew at a moderate pace, with key markets Andhra Pradesh and Karnataka recoding healthy volume growth; volume growth in the central region remained healthy with the region benefitting from stable farm cash flows.

- The volume growth in the Northern region remained weak in the previous Fiscal; even as Uttar Pradesh, continued to record a healthy volume growth (~14%); Rajasthan struggled with sales remaining flattish in FY2019.
- In the west, even as demand trends in Gujarat remained healthy, Maharashtra market struggled on the back of weak monsoon precipitation (13% contraction in volume in FY2019).

- It must be noted that OEMs stocking strategies during the Fiscal (especially in view of upcoming festive season) vary and the same generally leads to changes in market share for a temporary period.

Exhibit: Region wise distribution

Trend in growth rates across regions

Regions	FY2015	FY2016	FY2017	FY2018	FY2019
North	-10%	-18%	9%	25%	11%
South	-7%	15%	29%	20%	6%
East	-10%	5%	16%	25%	27%
West	-14%	-15%	21%	23%	-2%
Central	-25%	-22%	24%	14%	18%

Region-wise volume mix

Regions	FY2015	FY2016	FY2017	FY2018	FY2019
North	39.9%	36.5%	33.8%	34.6%	34.5%
South	14.4%	18.5%	20.3%	19.9%	19.1%
East	13.0%	15.2%	14.9%	15.2%	17.5%
West	17.5%	16.6%	17.1%	17.2%	15.2%
Central	15.2%	13.2%	13.9%	13.0%	13.8%

Source: Industry Data, ICRA research

Crop Production Estimates

- The Second Advance Estimate of crop production for FY2019, indicated a decline in crop production levels for FY2019; even as kharif crop production is estimated to be 1% higher than previous year, the rabi crop production is expected to represent a 3% decline over the previous year.
- Estimates for pulses production forecast an overall increase in production levels; estimates for other crops however (barring sugarcane) represent a decline in production levels.
- In line with weak rabi sowing trends, following drought conditions across several states, rabi production is expected to decline for every crop.
- Rate of inflation based on WPI Food Index remains subdued; thereby indicating weak crop prices.

Exhibit: Crop Production estimates

	Kharif			Rabi		
Crop	4th AE FY2018	2nd AE FY2019	Surplus/ Shortfall	4th AE FY2018	2nd AE FY2019	Surplus/ Shortfall
Wheat	-	-	-	99.7	99.1	-1%
Rice	97.5	102.0	5%	15.4	13.6	-11%
Coarse Cereals	33.9	31.3	-8%	13.1	11.3	-13%
Pulses	9.3	9.0	-3%	15.9	15.0	-6%
Foodgrains	140.7	142.3	1%	144.1	139.1	-3%
Oilseeds	21.0	21.3	1%	10.3	10.2	0%
Cotton	34.9	30.1	-14%	-	-	-
Sugarcane	376.9	380.8	1%	-	-	-

Source: Ministry of Agriculture, ICRA research; All figures in Mn Tonnes

IMD Monsoon Forecast

- The India Meteorological Department's (IMD's) first stage forecast has predicted that the monsoon precipitation in the upcoming southwest monsoon season (June-September) would be 96% of the long period average (LPA), with an error range of +/-5%.
- Even as weak El Nino conditions are expected to persist in the monsoon season, IMD estimates the impact of the same on the overall precipitation to remain low, estimating a 39% probability of near normal rainfall.
- Contrary to IMD's forecast, Skymet, a private weather forecaster, expects the monsoon to be 'below normal' at levels of 93% of LPA.
- The temporal and spatial distribution of precipitation would remain critical; while a healthy rainfall in the initial part of the monsoon will be crucial for timely sowing given the low reservoir levels, adequate rainfall in the second half of the season would remain important for yields.

Exhibit: IMD Monsoon Forecast

Year	Occurrence	IMD April Forecast (+/- 5% of LPA)	Actual Rainfall (% of LPA)	
2012	Mild EL Nino	99%	92%	Below Normal
2013	Neutral	98%	105%	Above Normal
2014	Neutral	98%	88%	Deficient
2015	El Nino	88%	86%	Deficient
2016	Neutral	106%	97%	Normal
2017	Neutral	96%	95%	Normal
2018	Neutral	97%	91%	Below Normal
2019	Mild EL Nino	96%	-	-

Source: Ministry of Water Resources; ICRA research

Outlook: Industry growth to remain muted in FY2020

Fears continue to persist regarding the adverse impact of a weak and uneven monsoon precipitation on crop output. The second advance estimates indicate a decline in crop production in the current Fiscal, with rabi crop production particularly impacted by drought conditions across several states. Even as the Indian Meteorological Department (IMD) first stage forecast has predicted that the monsoon precipitation would be 96% of the long period average, there remains a likelihood of El Nino impacting the upcoming monsoon performance. A weak monsoon precipitation, if it materializes, would significantly dampen the farm sentiments and constrain industry volumes over the short term. The Union Government initiatives towards doubling farmers' incomes continue to remain a positive and are likely to lend support to industry volumes to an extent.

ICRA expects industry to grow at a muted pace in the current Fiscal (expected growth of 4-5% in the current Fiscal) in the event of normal monsoons. Over the long term, ICRA continues to maintain a long term CAGR estimate of 8-9% for the industry, with the long-term industry drivers remaining intact.

(Source: CR- Tractors Monthly – 1 - May 2019)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 12 of this Draft Shelf Prospectus for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 16 of this Draft Shelf Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our financial year ends on March 31 of each year, and references to a particular Fiscal are to the twelve months ended March 31 of that year. Unless context requires otherwise, the financial information used in this section for the Fiscals 2018, 2017, 2016 and 2015 is derived from the Standalone Reformatted Financial Statements included in this Draft Shelf Prospectus and the financial information included herein for Fiscal 2019 is based on the Audited Ind AS Financial Statement, included in this Draft Shelf Prospectus. For further information, see "Financial Information" on page 142 of this Draft Shelf Prospectus.

The financial information for Fiscal 2019 (which has been prepared under IND AS) and financial information upto and for the Fiscal 2018 (which has been prepared in accordance with Indian GAAP) are not comparable.

Overview

Our Company was established in 1979 and we have a long track record of over three decades in the commercial vehicle financing industry in India. The Company has been registered as a deposit-taking NBFC with the Reserve Bank of India (RBI) since 4 September 2000 under Section 45IA of the Reserve Bank of India Act, 1934. We are a part of the Shriram group of companies, which has a strong presence in financial services in India, including commercial vehicle financing, consumer finance, life and general insurance, stock broking, chit funds and distribution of financial products, such as life and general insurance products and mutual fund products. Notably, our Company registered with Insurance Regulatory and Development Authority of India as a corporate agent to deal in general insurance and life insurance in 2013.

We believe that we are one of the largest asset financing non-banking finance companies in the organised sector in India that cater to first time buyers ("**FTB**") and small road transport operators ("**SRTOs**") for financing preowned commercial vehicles. In addition, we provide commercial vehicle finance for new commercial vehicles. We are among the leading NBFCs in the organised sector for the commercial vehicle industry in India for FTBs and SRTOs. We also provide financing for passenger commercial vehicles, multi-utility vehicles, three wheelers and tractors as well as ancillary equipment and vehicle parts finance, such as loans for tyres and engine replacements, and provide working capital facility for FTBs and SRTOs. We offer financial services to commercial vehicle operators, thereby providing comprehensive financing solutions to the road logistics industry in India.

Our widespread network of branches across India has been a key driver of our growth over the years. As of March 31, 2019, we had 1,545 branches across India, including most of the major commercial vehicle hubs along various road transportation routes in India. We have also established our presence in 838 rural centres as of March 31, 2019, with a view towards increasing our market share in the pre-owned commercial vehicle market and reaching out to a relatively newer customer segment in rural areas. We have also strategically expanded our marketing network and operations by entering into revenue sharing agreements with private financiers in the unorganised sector involved in commercial vehicle financing. As of March 31, 2019, the total number of our employees was 26,630.

We have demonstrated consistent growth in our business and in our profitability. Our Assets Under Management as of March 31, 2018 was Rs. 9,530,602.57 lacs (comprising assets under financing activities of Rs. 8,051,415.05 lacs and loan assets securitised and assigned of Rs. 1,479,187.52 lacs) on a standalone basis as per IGAAP as compared to Asset Under Management of Rs. 7,948,959.34 lacs (comprising assets under financing activities of Rs. 6,619,485.18 lacs and loan assets securitised and assigned of Rs. 1,329,474.16 lacs) as of March 31, 2017. Our Assets Under Management as of March 31, 2019 was Rs. 10,448,227.24 lacs (comprising assets under financing activities of Rs.10,230,748.58 lacs and loan assets assigned of Rs. 217,478.66 lacs) on a standalone basis as per Ind AS. Our capital adequacy ratio as of March 31, 2019 computed on the basis of applicable RBI requirements was 20.27 per cent. on standalone basis as per Ind AS, compared to RBI stipulated minimum requirement of 15.00 per cent. Our capital adequacy ratio as of March 31, 2018 computed on the basis of applicable RBI requirements was 16.87 per cent. on a standalone basis as per IGAAP, compared to the RBI stipulated minimum requirement of 15.00 per cent. Our Tier I capital as of March 31, 2019 was Rs. 1,575,030.03

lacs on a standalone basis as per Ind AS. Our Tier I capital as of March 31, 2018 on a standalone basis as per IGAAP was Rs. 1,118,620.60 lacs, as compared to Rs. 1,006,142.44 lacs as on March 31, 2017. Our Tier II capital as of March 31, 2019 was Rs.468,816.69 lacs on a standalone basis as per Ind AS. Our Tier II capital on a standalone basis as per IGAAP as of March 31,2018 was Rs. 206,857.19 lacs, as compared to Rs. 115,063.90 lacs as on March 31, 2017. Our Gross NPAs as a percentage of Total Loan Assets as per IGAAP was 9.16 per cent. as of March 31, 2018, as compared to 8.17 per cent as on March 31, 2017 on a standalone basis. Our Net NPAs as a percentage of Net Loan Assets as per IGAAP was 2.83 per cent. as of March 31, 2018, as compared to 2.66 per cent. as on March 31, 2017 on a standalone basis. Our Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS was 8.42 per cent and our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS was 5.68 per cent. as of March 31, 2019 on a standalone basis.

Our total revenue (including exceptional items) as per IGAAP was Rs. 1,241,658.01 lacs in Fiscal 2018, as compared to Rs. 1,083,061.23 lacs in Fiscal 2017 on a standalone basis. Our total income (including exceptional items) as per Ind AS was Rs. 1,554,570.12 lacs as per Ind AS in Fiscal 2019 on a standalone basis. Our net profit after tax as per IGAAP was Rs. 156,802.25 lacs in Fiscal 2018, as compared to Rs. 125,734.25 lacs in Fiscal 2017 on a standalone basis. Our profit after tax was Rs. 256,398.67 lacs as per Ind AS in Fiscal 2019 on a standalone basis.

A summary of our key operational and financial parameters derived from Ind AS financial statements on a consolidated basis for the Fiscal 2019 are as follows:

(Rs. in lacs)

Parameters[(1)]	**Fiscal 2019**
Net worth[(2)]	1,593,514.07
Total Borrowings of which	8,791,439.67
Debt Securities	3,418,175.01
Borrowings (other than debt securities)	3,718,929.88
Deposits	1,034,146.68
Subordinated Liabilities	620,188.10
Property, plant and equipment	14,345.82
Other Intangible assets	196.56
Financial assets	10,495,040.83
Non-financial assets	46,855.02
Cash and cash equivalents	102,913.54
Bank balance other than above	295,233.14
Investments	412,553.80
Financial liabilities	8,893,273.91
Non-financial liabilities	52,346.04
Total income	1,554,570.12
Interest Income	1,538,427.83
Finance Costs	751,125.94
Impairment on financial instruments	238,226.19
Profit for the year	257,567.83
Total Comprehensive Income	257,326.58

Notes:
(1) *There are no audited numbers available for assets under management and off-balance sheet items on a consolidated basis and therefore these items have not been disclosed.*
(2) *Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

A summary of our key operational and financial parameters derived from IGAAP financial statements on a consolidated basis for the Fiscals 2018 and 2017, as specified below, are as follows:

(Rs. in lacs)

Parameters[(1)]	**Fiscal 2018**	**Fiscal 2017**
Net worth [(2)]	1,254,671.02	1,129,424.84
Total borrowings (Net of Unamortised discount**)** of which	6,331,915.83	5,307,959.22

Parameters[(1)]	Fiscal 2018	Fiscal 2017
- Long-term borrowings- Non-Current portion	4,037,592.13	3,369,861.25
- Short Term Borrowings	767,645.96	495,423.75
- Long term borrowing – current maturities	1,526,677.74	1,442,674.22
Fixed Assets	11,995.54	13,422.78
(i) Property, plant and equipment	11,821.76	13,246.45
(ii) Intangible assets	173.78	176.33
Total Non-Current Assets	6,019,913.97	4,935,285.44
Cash and bank balances	363,750.92	444,531.15
Current Investments	-	5,225.25
Total Current Assets	2,828,690.74	2,509,283.52
Total Current Liabilities	2,844,443.22	2,411,605.45
Interest Income	1,211,226.66	1,074,908.06
Interest Expense	523,192.69	504,691.96
Provisions and write-offs	312,211.32	244,432.05
Profit after tax from continuing operations	155,446.22	126,563.41
Net profit after taxes and share of profit of associate	155,674.74	126,563.41

Notes:
(1) *There are no audited numbers available for assets under management and off-balance sheet items on a consolidated basis and therefore these items have not been disclosed.*
(2) *Net worth as defined in Section 2(57) of the Companies Act, 2013 means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

A summary of our key operational and financial parameters derived from Ind AS financial statements on a standalone basis for the Fiscal 2019 are as follows:

(Rs.in lacs)

Parameters	Fiscal 2019
Net worth[(1)]	1,580,866.35
Total Borrowings of which	8,791,439.67
Debt Securities	3,418,175.01
Borrowings (other than debt securities)	3,718,929.88
Deposits	1,034,146.68
Subordinated Liabilities	620,188.10
Property, plant and equipment	14,345.82
Other Intangible assets	196.56
Financial assets	10,482,393.11
Non-financial assets	46,855.02
Cash and cash equivalents	102,913.54
Bank balance other than above	295,233.14
Investments	399,906.08
Financial liabilities	8,893,273.91
Non-financial liabilities	52,346.04
Asset Under Management as per Ind AS[(2)]	10,448,227.24
Off-balance sheet assets as per Ind AS [(3)]	217,478.66
Total income	1,554,570.12
Interest Income	1,538,427.83
Finance Costs	751,125.94
Impairment on financial instruments	238,226.19
Profit for the year	256,398.67
Total Comprehensive Income	256,167.03
Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) (per cent.)[(4)]	8.42

Parameters	Fiscal 2019
Stage 3 Asset net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS (per cent.)[5]	5.68
Tier I Capital Adequacy Ratio (per cent.)	15.62
Tier II Capital Adequacy Ratio (per cent.)	4.65

Notes:

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

A reconciliation of Net worth derived from IGAAP financial statements on a consolidated basis for the Fiscals 2018 and 2017 is given below

(Rs. in lacs)

	Particulars	Fiscal 2018	Fiscal 2017
(i)	Share capital	22,690.67	22,690.67
(ii)	Reserves and surplus	1,236,108.34	1,110,502.52
(iii)	Less: Capital reserve	4,100.70	2,761.83
(iv)	Less : Miscellaneous expenditure (to the extent not written off or adjusted)		
	Public issue expenses for non-convertible debentures	27.29	589.71
	Issue expenses for equity shares	-	416.81
	Total (i+ii-iii-iv)	**1,254,671.02**	**1,129,424.84**

A summary of our key operational and financial parameters derived from IGAAP financial statements on a standalone basis for the Fiscals 2018 and 2017, as specified below, are as follows:

(Rs. in lacs)

Parameters	Fiscal 2018	Fiscal 2017
Net worth [1]	1,254,442.51	1,126,454.52
Total borrowings (Net of Unamortised discount**)** of which	6,331,915.83	5,311,009.83
- Long-term borrowings- Non-Current portion	4,037,592.13	3,370,018.31
- Short Term Borrowings	767,645.96	498,313.75
- Long-term borrowings- Current maturities	1,526,677.74	1,442,677.77
Fixed Assets	11,995.54	8,377.61
(i) Property, plant and equipment	11,821.76	8,217.04
(ii) Intangible assets	173.78	160.57
Total Non-Current Assets	6,018,346.58	4,932,721.68
Cash and bank balances	363,750.92	444,068.53
Current Investments	-	5,220.97
Total Current Assets	2,828,690.75	2,507,823.62
Total Current Liabilities	2,844,443.22	2,410,373.56
Assets Under Management as per IGAAP [2]	9,530,602.57	7,948,959.34
Off Balance Sheet Assets as per IGAAP [3]	1,479,187.52	1,329,474.16
Interest Income	1,211,197.64	1,074,875.50
Interest Expense	523,426.47	504,863.47
Provisions and write-offs	312,211.32	244,432.05
Profit after tax from continuing operations	156,802.25	125,734.25

Parameters	Fiscal 2018	Fiscal 2017
Gross NPA per cent. (4)	9.16	8.17
Net NPA per cent. (5) (6)	2.83	2.66
Tier I Capital Adequacy Ratio per cent.	14.24	15.20
Tier II Capital Adequacy Ratio per cent.	2.63	1.74

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

(2) *Assets Under Management as per IGAAP: Total Loan Assets and loan assets securitised and assigned, which continue to be serviced by the transferor*

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

(4) *Gross NPA (per cent.): Gross NPA means loans outstanding including future principal and excluding unrealised interest accrued and due under NPA accounts. Gross NPA per cent. is percentage of Gross NPA to Total Loan Assets as per IGAAP.*

(5) *Net NPA (per cent.): Net NPA means Gross NPA net off provision held for NPA accounts and provision for diminution in fair value of restructured loans. Net NPA per cent. is percentage of Net NPA to Net Loan assets as per IGAAP.*

(6) *Net loan assets as per IGAAP: Total loan assets as per IGAAP as adjusted for provisions for non-performing assets and provision for diminution in fair value of restructured loans.*

A reconciliation of Net worth derived from IGAAP financial statements on a standalone basis for the Fiscals 2018 and 2017 is given below

(Rs. in lacs)

	Particulars	Fiscal 2018	Fiscal 2017
(i)	Share capital	22,690.67	22,690.67
(ii)	Reserves and surplus	1,234,540.96	1,107,532.20
(iii)	Less: Capital reserve	2,761.83	2,761.83
(iv)	Less : Miscellaneous expenditure (to the extent not written off or adjusted)		
	Public issue expenses for non-convertible debentures	27.29	589.71
	Issue expenses for equity shares	-	416.81
	Total (i+ii-iii-iv)	**1,254,442.51**	**1,126,454.52**

Corporate Structure

The Company is managed by its board of directors and does not have any holding company or subsidiary company. The Promoter of the Company is Shriram Capital Limited and for details of the Promoter, please refer to page 140 of this Draft Shelf Prospectus.

Gross Debt Equity Ratio of the Company:

Parameters	
Before Issue of the Debt Securities (In Times)	5.55
After Issue of the Debt Securities (In Times) *	6.18

**The debt-equity ratio post the Issue is indicative on account of the assumed inflow of Rs. 1,000,000 lacs from the proposed Issue in the secured debt category as on March 31, 2019 only. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

Debt/Equity Ratio = (Debt Securities +Borrowings + Deposits + Subordinated liabilities)/ (Equity Share capital + other equity)

RECENT DEVELOPMENTS

For information on recent developments concerning our Company, please see the section titled "*Material Developments*" on page 178 of the Draft Shelf Prospectus.

OUR STRENGTHS

We believe that the following are our key strengths:

One of the largest asset financing NBFCs in India

We believe that we are one of the largest NBFCs in the organised sector in India that cater to FTBs and SRTOs for financing pre-owned commercial vehicles. Our widespread network of 1,545 branches across India and presence in 838 rural centres as of March 31, 2019 enables us to access a large base of customers, including most major and minor commercial vehicle hubs along various road transportation routes in India. We believe that our widespread branch network enables us to service and support our existing customers from proximate locations that provide customers with easy access to our services. We also have strategically expanded our marketing and customer origination network by entering into revenue sharing agreements with private financiers involved in commercial vehicle financing. We believe our relationship with these partners is a critical factor in sourcing new customers and enhancing reach and market share with a low upfront capital cost. We believe that the relationships we have developed with our customers provide us with opportunities for repeat business and to cross sell our other products as well as derive benefit from customer referrals.

Unique business model with a strong brand name and a track record of strong financial performance

We believe that FTBs and SRTOs are not a focus segment for commercial banks in India as this class of customers lack substantial credit histories and other financial documentation on which many banks rely to identify and target new customers. As the market for commercial vehicle financing, especially pre-owned commercial vehicle financing, is fragmented, we 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. We have an established track record of developing and training recruits on our internally developed valuation techniques, substantial customer knowledge and relationship culture we have developed over the past four decades. We believe this is a key strength that is difficult to replicate and constitutes a high barrier to entry 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.

Our targeted focus on the otherwise fragmented nature of this market segment, our widespread branch network, particularly in commercial vehicle hubs across India, as well as our large customer base has enabled us to build a strong brand. We believe that our efficient credit approval procedures, credit delivery process and relationship based loan administration and monitoring methodology have also aided in increasing customer loyalty and earning repeat business and customer referrals.

Access to a range of cost-effective funding sources

We fund our capital requirements through a variety of sources. As of March 31, 2019, 87.18 per cent. of our borrowed funds consisted of funds raised from financial institutions and banks (including public issues of nonconvertible debentures), while the remaining 12.82 per cent. consisted of funds raised through retail borrowings.

We meet our funding requirements predominantly through term loans from banks (including cash credit and external commercial borrowing), the issue of redeemable non-convertible debentures, as well as deposits (including public and corporate deposits) and bonds in overseas market, which constituted 38.42 per cent., 28.83 per cent., 11.73 per cent. and 6.07 per cent. of our total borrowings, respectively, as of March 31, 2019 on a standalone basis. We access funds from a number of credit providers, including 53 banks and 6 institutions comprising nationalised banks, private Indian banks, foreign banks and foreign institutional investors, and we believe our track record of debt servicing has allowed us to establish and maintain strong relationships with these financial institutions. As a deposit-taking NBFC, we are also able to mobilise fixed deposits. We have raised secured and unsecured non-convertible debentures at competitive rates. We have also raised subordinated loans eligible for Tier II capital. We undertake securitisation and assignment transactions as a cost-effective source of funds.

In relation to our long-term debt instruments, we currently have long-term ratings of "CARE AA+/Stable" from CARE, "IND AA+/Stable Outlook" from India Ratings, "CRISIL AA+/Stable" and "CRISIL PP-MLD AA+r/Stable" from CRISIL, "BB+/Stable" from Standard & Poor's Ratings and "BB+/Stable Outlook" from Fitch Ratings. In relation to our short-term debt instruments, we have also received short-term ratings of "CRISIL A1+" from CRISIL, "IND A1+" from India Ratings and "CARE A1+" from CARE, "B" from Standard & Poor's Ratings, and "B" from Fitch Ratings.

We believe that we have been able to achieve a relatively stable cost of funds, primarily due to our strong credit ratings, effective treasury management and innovative fund raising programmes. For the year ended March 31, 2019 our cost of borrowing was 8.81 per cent. of our total finance cost as per Ind AS. For the year ended March 31, 2018 our cost of borrowing was 8.72 per cent. of our total finance cost as per IGAAP. We believe that we are able to borrow from a range of sources at competitive rates.

In order to diversify the borrowing portfolio of the Company and to open new market/ avenue for borrowing, during the year 2017-18, the Company issued Rs. 84,000 lacs 8.10% Senior Secured Notes Due 2023 payable in U.S. Dollars under the Medium Term Note Programme and Rs. 32,000 lacs 7.90% Senior Secured Notes Due 2021 payable in U.S. Dollars under the Medium Term Note Programme and in the year 2016-17, the Company issued Rs. 135,000 lacs 8.25% Senior Secured Notes Due 2020 Payable in U.S. Dollars. The Senior Secured Notes are listed on the Singapore Exchange Securities Trading Limited. During the year ended March 31, 2019, the Company issued and allotted senior secured notes in offshore market (notes) aggregating to Rs. 284,990 lacs consisting of 5.70% notes due 2022 under Rs. 500,000 lacs Medium Term Note Programme. The notes issued by the Company are listed on Singapore Stock Exchange (SGX- ST). The proceeds of Notes have been utilized in accordance with the guidelines issued by the Reserve Bank of India. 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.

The RBI currently mandates commercial banks operating in India to maintain an aggregate of 40.00 per cent. of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher as "priority sector advances". These include advances to agriculture, micro and small enterprises (including SRTOs, which constitute the largest proportion of our loan portfolio), micro enterprises within the micro and small enterprises sector, export credit, advances to weaker sections where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions such as us that are better positioned to or exclusively focus on originating such assets through purchase of assets or securitised and assigned pools to comply with these targets. We believe our securitised and assigned asset pools are particularly attractive to these banks as such transactions provide them with an avenue to increase their asset base through low-cost investments and limited risk. We believe that we can negotiate competitive interest rates with banks, NBFCs and other lenders since the majority of our loan portfolio is classified as priority sector lending. In Fiscals 2018 and 2019, the total book value of loan assets securitised and assigned on a standalone basis was Rs. 1,246,716.07 lacs and Rs. 1,512,305.83 lacs respectively.

Extensive experience and expertise in credit appraisal and collection processes

We believe that we have developed a unique business model that addresses the needs of a specific market segment with increasing demand. We focus on closely monitoring our assets and borrowers through relationship executives who develop long-term relationships with FTBs and SRTOs, which enable us to capitalise on local knowledge. We follow stringent credit policies, including limits on customer exposure, to ensure the asset quality of our loans and the security provided for such loans. Further, we have nurtured a culture of accountability by making our relationship executives responsible for loan administration and monitoring as well as recovery of the loans they originate.

Extensive expertise in asset valuation is a pre-requisite for any NBFC providing loans for pre-owned assets. Over the years, we have developed expertise in valuing pre-owned vehicles, which enables us to accurately determine a recoverable loan amount for commercial vehicle purchases. We believe a tested valuation technique for these assets is a crucial entry barrier for others seeking to enter the markets in which we operate. Furthermore, our entire recovery and collection operation is administered in-house and we do not outsource loan recovery and collection operations. We believe that our loan recovery procedure is particularly well suited to our target market in the commercial vehicle financing industry, as reflected by our strong loan recovery ratios, and we believe that this knowledge and relationship- based recovery procedure is difficult to replicate in the short to medium term. Our Stage 3 assets as a percentage of Total Loan Assets as per Ind AS was 8.42 per cent. as of March 31, 2019 on a standalone basis. Our Stage 3 Assets net of Stage 3 Provision as a percentage of Net Loan Assets as per Ind AS was 5.68 per cent. as of March 31, 2019 on a standalone basis.

Long-term industry prospects

The domestic CV industry has been reeling from the impact of multiple headwinds since November 2018, and this has further intensified in the current Fiscal with volumes contracting by 8% in 2m FY2020. Overcapacity in the system post the revision in axle load norms in the previous Fiscal and tightening financing environment on the back of the liquidity crunch in the economy have played spoilsport in the Goods carrier market. Additionally, market sentiments remain weak, with slowing economic growth impacting the freight availability. Coupled with tepid freight rates and high fuel costs, the viability pressure on SFOs has increased over recent months. The interplay of these various factors has resulted in contraction in the M&HCV (Truck) volumes in May 2019 as well, with pressure largely visible in the HCV segment (>12T). Although the LCV (Truck) segment was relatively less impacted by the revision in axle load norms, volumes started coming under pressure from the beginning of FY2020, with the tight liquidity scenario and slowing consumption trends impacting the segment. Consequently, it declined by 4.6% in May 2019. The bus segment reported flat sales in May 2019, with divergent trends visible in LCV and M&HCV bus sales. (*Source: ICRA Report*)

The Indian Government is currently considering proposals, taking into account the views of the National Green Tribunal (NGT), to ban commercial vehicles older than ten years to reduce pollution, which is presently applicable in Delhi and NCR region. If these proposals are enacted by the Indian Government for all jurisdictions, this may result in a change in the Asset Under Management (AUM) portfolio of our Company and the percentage of loans financed for the purchase of new vehicles may gradually increase. The government has come up with a vehicle scrappage policy (effective from April 1, 2020) which aims to scrap commercial vehicles older than 20 years. This would lead to demand of buying New BS - VI vehicles. Further, the Ministry of Road Transport and Highways has decided to leapfrog from BS-IV to BS-VI emission norms directly by completely skipping BS-V norms to curb vehicular pollution which will come also come into effect from April 1, 2020. Due to this policy, we expect that there would be pre-buying of BS - IV vehicle, which will lead to shortage of new vehicles in the market, creating a huge spurt of growth in buying BS- VI vehicles.

Experienced senior management team

As of the date of this draft Shelf Prospectus, our board of directors consists of eight directors with extensive experience in the automotive and/or financial services sectors. We have an experienced management team, which is supported by a capable and motivated pool of employees. Our Company offers robust internal training programmes and has availed itself to an organically developed pool of talented members. Our senior and middle management personnel have significant experience and in-depth industry knowledge and expertise. Certain members of our senior management team have more than 20 years of experience with our Company. Our management promotes a result oriented culture that rewards our employees on the basis of merit. In order to strengthen our credit appraisal and risk management systems, and to develop and implement our credit policies, we have hired a number of senior managers who have extensive experience in and knowledge of the Indian banking and financial services sector and in specialised lending finance firms providing loans to retail customers. We believe that the in-depth industry knowledge and loyalty of our management and professionals provide us with a distinct competitive advantage that has enabled us to successfully grow a profitable and sustainable business mode.

Strong financial and operating performance reflected in strong growth, asset quality and returns

Our total revenue (including exceptional items) as per IGAAP was Rs. 1,241,658.01 lacs in Fiscal 2018, as compared to Rs. 1,083,061.23 lacs in Fiscal 2017 on a standalone basis. Our total income (including exceptional items) as per Ind AS was Rs. 1,554,570.12 lacs as per Ind AS in Fiscal 2019 on a standalone basis. Our profit after tax from continuing operations as per IGAAP was Rs. 156,802.25 lacs in Fiscal 2018, as compared to Rs. 125,734.25 lacs in Fiscal 2017 on a standalone basis .Our profit after tax was Rs. 256,398.67 lacs as per Ind AS in Fiscal 2019 on a standalone basis. Our returns on asset (ROA) were 1.93 per cent. and 1.77 per cent. for Fiscal 2018 and Fiscal 2017 respectively as per IGAAP on a standalone basis. Our returns on asset (ROA) was 2.53 per cent. as per Ind AS on a standalone basis for Fiscal 2019. Our returns on equity (ROE) were 13.14 per cent. and 11.72 per cent. for Fiscal 2018 and Fiscal 2017 respectively as per IGAAP on a standalone basis. Our return on equity (ROE) was 17.44 per cent. as per Ind AS for Fiscal 2019 on a standalone basis.

OUR STRATEGIES

Further expand operations by growing our branch network and presence in rural centres and increasing revenue sharing agreements with private financiers.

We intend to continue to strategically expand our operations in target markets that are large commercial vehicle hubs by establishing additional branches. Our marketing and customer origination and servicing efforts strategically focus on building long-term relationships with our customers and address specific issues and local business requirements of potential customers in a particular region. We also intend to increase our operations in certain regions in India where we historically had relatively limited operations, such as in eastern and northern parts of India, and to further consolidate our position and operations in western and southern parts of India. We have also adopted a strategy of establishing our presence in rural centres with a view towards increasing our presence in the pre-owned commercial vehicle market and reaching out to a relatively newer customer segment in rural areas. We have had a presence in 838 rural centres as of March 31, 2019 and propose to continue to increase our presence in such rural centres across India. We also provide loans for new commercial vehicles, in addition to our policy of providing finance for vehicles which are between 5 to 12 years old with a view of expanding our reach and diversifying our portfolio.

The pre-owned commercial vehicle financing industry in India is dominated by private financiers in the unorganised sector. We intend to continue to strategically expand our marketing and customer origination network by entering into revenue sharing agreements with private financiers across India involved in commercial vehicle financing. However, the hypothecations granted in connection with these revenue sharing arrangements will remain solely in our favour.

Optimise funding costs

We believe that we can increase our profitability by optimising our funding costs. This would include use of new products available to us in the international capital markets, as well as ensuring that we favourably match our short-term and long-term sources of funds with their deployment. We have a diversified source for funding which comprises capital market instruments, bank borrowings with a lender base of 53 banks and 6 institutions, securitisation and retail borrowings. Our portfolio qualifies for the priority sector advances for scheduled commercial banks (as investors in our securitised loans), which helps reduce our borrowing costs. We have also focused on gradually increasing the proportion of retail borrowings to diversify our funding source through fixed deposit programme and regular public issue of non-convertible debentures. Our institutional debenture issuance has a varied investor base including mutual funds, banks, foreign portfolio investors, insurance companies, financial institutions, trusts and body corporates. We believe that our ability to diversify our resource profile will enable us to further optimise our funding cost.

Cross-sell our product portfolio

By offering additional downstream products, such as ancillary loans and insurance policies, we maintain contact with the customer throughout the product lifecycle and increase our revenues. We believe the relationships we have developed with our customers provide us with opportunities for repeat business and to cross-sell our other products and products of our affiliates. We seek to continue consolidating our product portfolio so as to create greater synergies with our primary business of commercial vehicle financing.

Continue to implement advanced processes and systems

Our information technology strategy is designed to increase our operational and managerial efficiency. We aim to increasingly use technology in streamlining our credit approval, administration and monitoring processes to meet customer requirements on a real-time basis. We aim to continue to implement technology-led processing systems to make our appraisal and collection processes more efficient, to facilitate rapid delivery of credit to our customers and to augment the benefits of our relationship-based approach. We also believe that deploying strong technology systems will enable us to respond to market opportunities and challenges swiftly, improve the quality of services to our customers and improve our risk management capabilities.

OUR COMPANY'S FINANCIAL PRODUCTS

Commercial Vehicle Finance

We are principally engaged in the business of providing commercial vehicle financing to FTBs and SRTOs. FTBs are principally former truck drivers who purchase trucks for use in commercial operations and SRTOs are principally small transport operators owning between one and four pre-owned commercial vehicles. Our financing products are principally targeted at the financing of pre-owned trucks and other commercial vehicles, although we also provide financing for new commercial vehicles. The pre-owned commercial vehicles we finance are typically between 5 and 12 years old. We also provide financing for other kinds of pre-owned and new commercial vehicles, including passenger vehicles, multi-utility vehicles, tractors and three wheelers.

Vehicle Parts Finance and Other Ancillary Activities

Our customers also require financing for the purchase of vehicle parts in connection with the operation of their trucks and other commercial vehicles. We also offer financing for the acquisition of new and pre-owned vehicle equipment and accessories, such as tyres and other vehicle parts. We also provide working capital loans. Our Company deals in life insurance and general insurance products. Our Company has entered into agreements with Shriram General Insurance Company Limited ("**SGIC**") and Bajaj Allianz General Insurance Company Limited ("**BAGICL**") whereby the Company is appointed as their 'corporate agent' and is authorized to market and solicit insurance products provided by SGIC and BAGICL to its customers and clients subject to the limits prescribed and on the terms and conditions agreed to between the parties.

OUR COMPANY'S OPERATIONS

Customer Origination

Customer Base

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

Branch Network

As of March 31, 2019, we have a wide network of 1,545 branches across India and 26,630 employees. We have established branches at most major commercial vehicle hubs along various road transportation routes across India. A typical branch comprises 15 to 20 employees, including a branch manager. As of March 31, 2019, all of our branch offices were connected to servers at our corporate office to enable real-time information with respect to our loan disbursement and recovery administration. Our customer origination efforts strategically focus on building long-term relationships with our customers and address specific issues and local business requirements of potential customers in a specific region.

Revenue Sharing Agreements with Private Financiers

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

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

Our revenue sharing partners are responsible for obtaining all necessary documentation in connection with the loan proposals they originate as well as for collection of instalments and penalties for all customers they originate. Revenue sharing partners are also responsible for any repossession of vehicles in the event of a default of a loan by customers they originate. However, the hypothecation of the vehicles financed are in the favour of our Company and not in the favour of our revenue sharing partners. A typical revenue sharing arrangement involves the revenue-sharing ratio, amounts payable as quarterly advance payments to the revenue sharing partner, and details related to the retention of earnest money. Specifically, we typically stipulate a certain income-sharing arrangement on the interest on the loan, net of our cost of funding. Since the revenue sharing partner's share of income is only determined upon settlement of the individual loan contracts, we typically release quarterly advance payments to our revenue sharing partner. These payments are net of the earnest money deposit, which represents a pre-agreed percentage of the partner's revenue share. We allocate the earnest money towards a loan loss pool, as well as for business expansion purposes. Loan loss is typically calculated as our loss on principal and reimbursed expenses on loans from customers sourced by the revenue sharing partner, with interest at the rate of our cost of funds. The loss is shared between the parties in the same proportion as income. The parties usually stipulate that the amount available as earnest money deposit is in excess of a certain percentage of future receivables and may be withdrawn by the revenue sharing partner.

Other Marketing Initiatives

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

Branding/advertising

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

Customer Evaluation, Credit Appraisal and Disbursement

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

Initial Evaluation

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

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

Credit Policies

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

Vehicle type. We only finance vehicles that are used for commercial purposes. As these are income generating assets, we believe that this asset type reduces our credit risk.

Hypothecation. Our loans include hypothecations in our favour.

Guarantor requirement. Loans must be secured by the personal guarantee of the borrower as well as at least one third party guarantor. The guarantor must be a commercial vehicle owner, preferably our existing or former customer, and preferably operating in the same locality as the borrower.

Insurance. Comprehensive insurance is required.

Loan approval guidelines. From time to time, our management lays down loan approval parameters which are typically linked to the value of the vehicle and loan amount.

Age limit for pre-owned vehicles. We typically extend loans to vehicles that are less than 12 years but age limit may vary as per usability in specific geographies.

Period. The maximum period for repayment in case of assets shall not be more than 84 months.

Release of documents on full repayment. Security received from the borrower is released on repayment of all dues or on collection of the entire outstanding loan amount, provided no other existing right or lien for any other claim exists against the borrower.

RTO records. In the case of pre-owned vehicle financing, Regional Transport Office (RTO) records are inspected for non-payment of road tax, pending court cases, and other issues, and the records retained as part of the loan documentation.

Physical inspection and trade reference. In the case of all pre-owned vehicle financing, the branch manager must physically inspect the vehicle and assess its value. The branch manager's determination regarding the condition of the vehicle is recorded in the evaluation report of the vehicle. The branch manager must also conduct contact point verification as well as a trade reference check of the borrower before an actual disbursement is made, and such determination is recorded in the proposal evaluation records.

Approval Process

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

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

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

Disbursement

Margin money, processing fees and documentation charges are collected prior to loan disbursements. The disbursing officer retains evidence of the customer's acceptance of the terms and conditions of the loan as part of the loan documentation. Our Company has initiated steps to encourage the customers to make payments of loan instalments through internet banking and card payment. For pre-owned vehicles, an endorsement of the registration certificate as well as the insurance policy must be executed in our favour.

Loan Administration and Monitoring

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

We provide payment options in the form of cash, cheque, demand draft, mobile wallets, UPI, NACH and USSD. Repayments are made in monthly instalments. Loans disbursed are recovered from the customer in accordance with the loan terms and conditions agreed with the customer. As a service to our customers, our relationship executives offer to visit the customers on the payment date to collect the instalments due. We track loan repayment schedules of our customers, on a monthly basis, based on the outstanding tenure of the loans, the number of instalments due and defaults committed, if any. This data is analysed based on the vehicles financed and location of the customer. Our management information system department and centralised operating team monitors compliance with the terms and conditions for credit facilities. We monitor the completeness of documentation and creation of security through regular visits to our branches by our regional as well as head office executives and internal auditors. All borrower accounts are reviewed at least once a year, with a higher frequency for larger exposures and delinquent borrowers. Our lending team reviews collections regularly, personally contacts borrowers that have defaulted on their loan payments and conducts day-to-day operations including collection of instalments from 150 to 200 borrowers each, depending on territorial dispersal. Each branch customarily limits its commercial vehicle financing loans to approximately 1,500 customers, which enables closer monitoring of receivables. A new branch is opened to handle additional customers beyond that limit to ensure appropriate risk management. Close monitoring of debt servicing efficiency enables us to maintain high recovery ratios.

Collection and Recovery

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

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

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

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

ASSET QUALITY

We maintain our asset quality through the establishment of prudent credit norms, the application of stringent credit evaluation tools, limiting customer and vehicle exposure, and direct interaction with customers. In addition to our credit evaluation and recovery mechanism, our asset-backed lending model and adequate asset cover has helped maintain low Gross NPA and Net NPA levels. We believe that we provide finance to pre-owned commercial vehicle operators at a reasonable interest rate, making repayment more manageable for FTBs and SRTOs.

Classification of Assets

The RBI requires every deposit-accepting NBFC to classify its lease/hire purchase assets, loans, advance and other forms of credit into standard, sub-standard or loss assets. Our Company has been following the classification norms prescribed by the RBI.

Provisioning and Write-offs

The Company is required, after taking into account the time lag between an account becoming non-performing and its recognition as such, the realisation of the security, and the erosion over time in value of the security charged, to make provisions against sub-standard, doubtful and loss assets in accordance with the directions issued by RBI. The RBI mandates 100.00 per cent. provision coverage for loss assets that remain on the accounting books of NBFCs, 100.00 per cent. for unsecured doubtful assets and between 20.00 per cent. to 50.00 per cent. for secured doubtful assets depending upon the period for which the asset has remained doubtful and a general provision of 10 per cent. for sub-standard assets. Provision coverage refers to the ratio of NPA provision over the Gross NPA. During the year ended March 31, 2016, the Company has revised its estimate for provision on nonperforming assets from 80.00 per cent. to 70.00 per cent. As of March 31, 2019, we maintain provision coverage of 34.47 per cent. for our Stage 3 Assets. We also consider field reports and collection patterns at regular intervals to anticipate the need of higher provisioning.

The provisions on standard assets is not reckoned for arriving at Net NPAs. The provisions towards standard assets are not needed to be netted from gross advances but shown separately as "Contingent Provisions against Standard Assets" in the balance sheet. In terms of the RBI requirements, our Company is allowed to include the "General Provisions on Standard Assets" in Tier II capital which together with other "general provisions/loss reserves" will be admitted as Tier II capital only up to a maximum of 1.25 per cent. of the total risk-weighted assets.

The RBI currently mandates deposit-taking NBFCs to maintain provision coverage of 0.40 per cent. for standard assets. The RBI has recently mandated deposit- taking NBFCs to increase provision coverage for standard assets to 0.40 per cent. as of March 31, 2018. The provisions towards standard assets are not needed to be netted from gross advances but shown separately as "contingent provisions against standard assets" in the NBFC's balance sheet. Our Company has made ECL provision of Rs. 147,280.34 lacs and Rs. 111,346.17 lacs outstanding Stage 1 Assets and Stage 2 Assets respectively as of March 31, 2019.

The following table sets forth, as of the dates indicated, data regarding our NPAs on a standalone basis:

(Rs. in lacs)

	As of	
	March 31, 2018	**March 31, 2017**
Gross NPA[(1)]	737,639.32	540,843.58
Net NPA[(2)]	213,114.75	165,899.15
Total Loan Assets as per IGAAP [(3)]	8,051,415.05	6,619,485.18
Net Loan Assets as per IGAAP [(4)]	7,526,890.48	6,244,540.75
Gross NPA (per cent.) [(5)]	9.16%	8.17%
Net NPA (per cent.) [(6)]	2.83%	2.66%

[(1)] *Gross NPA means loans outstanding including future principal and excluding unrealised interest accrued and due under NPA accounts.*
[(2)] *Net NPA means Gross NPA net off provision held for NPA accounts and provision for diminution in fair value of restructured loans.*
[(3)] *Total Loan Assets as per IGAAP means secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans*.

[4] *Net Loan Assets as per IGAAP means Total Loan Assets as per IGAAP as adjusted for provisions for non-performing assets and provision for diminution in fair value of restructured loans.*
[5] *Gross NPA (per cent.):Gross NPA per cent. is percentage of Gross NPA to Total Loan Assets.*
[5] *Net NPA (per cent.):Net NPA per cent. is percentage of Net NPA to Net Loan assets.*

The following table sets forth, as of the dates indicated, data regarding our Stage 3 Assets and capital adequacy ratios on a standalone basis as on March 31, 2019 as per Ind AS:

(Rs. in lacs)

	March 31, 2019
Stage 3 Assets	861,626.74
Stage 3 Asset net of Stage 3 Provision	564,653.24
Total Loan Assets as per Ind AS (gross of Provisions) [1]	10,230,748.58
Net Loan Assets as per Ind AS (Net of Provisions) [2]	9,933,775.08
Stage 3 Assets as a percentage of Loan Asset As per Ind AS (per cent.) [3]	8.42
Stage 3 Asset net of Stage 3 Provision as a percentage of Total Loan Assets as per Ind AS (gross of Provisions (per cent.) [4]	5.68
Tier I Capital Adequacy Ratio (per cent.)	15.62
Tier II Capital Adequacy Ratio (per cent.)	4.65

[1] Total Loan Assets as per Ind AS (gross of Provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS excluding provisions.
[2] Net Loan Assets as per Ind AS (Net of Provisions): Secured hypothecation loans, other secured loans, retained interest on securitisation, unsecured loans and unsecured advance for hypothecation loans and includes accrued interest on loans given, unamortised loan origination cost and net of unamortised processing fee as determined under Ind AS as adjusted for Stage 3 ECL provisions.
[3] Stage 3 Assets as a percentage of Loan Book As per Ind AS : Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS.
[4] Stage 3 Assets net of Stage 3 Provision.

Our Stage 3 Assets as a percentage of Total Loan Assets as per Ind AS (gross of Provisions) were 8.42 per cent. as of March 31, 2019, on a standalone basis. Our Stage 3 Assets net of Stage 3 Provision, as a percentage Net Loan Assets as per Ind AS (Net of Provisions) was 5.68 per cent. as of March 31, 2019, on a standalone basis. We believe that our eventual write offs are relatively low because of our relationship-based customer origination and customer support, prudent loan approval processes (including adequate collateral being obtained), and our ability to repossess and dispose of such collateral in a timely manner.

Other Business Initiatives

Our Company has entered into an Agreement dated May 17, 2018 ("**HPCL Agreement**") with Hindustan Petroleum Corporation Limited ("**HPCL**") wherein our Company has agreed to provide credit facilities to customers to enable them to purchase automotive fuels and lubricants from the retail outlets of HPCL. In terms of the HPCL Agreement, any person desirous of becoming a member of the '*Drivetrack Plus Programme*' initiated by HPCL, shall apply to our Company and request for a sanction limit. Our Company, on the basis of credibility of the applicant, will sanction credit limits pursuant to which HPCL shall enroll the successful applicant as a member to its '*Drivetrack Plus Programme*'. Such members are eligible to purchase fuel and lubricants at the HPCL retail outlets basis the credit limits sanctioned by our Company.

The HPCL Agreement is effective from June 1, 2018 up to May 31, 2020, unless cancelled or terminated by either party. The parties may, prior to the expiry of the HPCL Agreement, mutually agree to extend the HPCL Agreement for a further period as the parties may deem fit.

FUNDING SOURCES

We have expanded our sources of funds in order to reduce our funding costs, protect interest margins and maintain a diverse funding portfolio that will enable us to achieve funding stability and liquidity. Our sources

of funding comprise term loans (including term loans from banks and financial institutions), cash credit from banks, redeemable non-convertible debentures, subordinated bonds, short-term commercial paper and inter-corporate deposits. Our Company also mobilises fixed deposits.

As of March 31, 2019, we had an outstanding secured debt of Rs. 6,742,242.20 lacs and unsecured debt of Rs. 2,049,197.47 lacs as per Ind AS. As of March 31, 2018, we had an outstanding secured debt (gross of unamortised discount Rs. 118.20 lacs) of Rs. 4,615,452.20 lacs and unsecured debt (gross of unamortised discount of Rs. 6,280.29 lacs) of Rs. 1,722,862.12 lacs.

Borrowings

The following table sets forth the principal components of our secured borrowings as per IGAAP on a standalone basis as on March 31, 2018 and March 31, 2017 on a standalone basis of the dates indicated:

(Rs. in lacs except percentage)

	As of March 31, 2018		As of March 31, 2017	
	Amount	**Percentage**	**Amount**	**Percentage**
Redeemable non-convertible debentures (Net of Unamortised discount)	2,438,445.93	52.83	1,909,768.23	46.73
Term Loans				
- From Banks	1,577,598.04	34.18	1,576,778.61	38.58
- From Financial Institutions, Foreign Institutions and Corporates	280,083.33	6.07	218,000.00	5.33
Cash Credit	68,206.70	1.48	247,076.82	6.05
Senior Secured Notes	251,000.00	5.44	135,000.00	3.30
Total secured borrowings	**4,615,334.00**	**100.00**	**4,086,623.66**	**100.00**

The following table sets forth the principal components of our secured borrowings as per Ind AS on a standalone basis as on March 31, 2019:

(Rs. in lacs except percentage)

Particulars	**Amount**	**Percentage**
Senior secured notes	256,499.04	3.81
External commercial bond -Secured	276,995.65	4.11
Redeemable non-convertible debentures - Secured		
- Privately placed	1,912,732.96	28.37
- Public issue	577,084.67	8.56
Term loans Secured		
Term loan from banks - INR	1,183,138.13	17.55
Term loan from banks - FCNR	41,152.45	0.61
Term loan from financial institutions/corporates - INR	341,304.07	5.06
External commercial borrowing - FCNR	237,653.23	3.52
Term loan from banks - INR -Securitisation	1,773,852.50	26.31
Loans repayable on demand from Banks (Cash Credit from banks)	141,829.50	2.10
Total secured borrowings	**6,742,242.20**	**100.00**

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

As of March 31, 2019, loans from banks, including cash credit, aggregated Rs. 3,377,625.81 lacs as per Ind AS. As of March 31, 2018, loans from banks, including cash credit, aggregated Rs. 1,645,804.74 lacs as per IGAAP.

As of March 31, 2019, the aggregate outstanding amount of secured redeemable non-convertible debentures was Rs. 2,489,817.63 lacs as per Ind AS. As of March 31, 2018, the aggregate outstanding amount of secured redeemable non-convertible debentures Rs. 2,438,564.13 lacs (gross of unamortised discount of Rs. 118.20 lacs)

as compared to Rs. 1,909,768.31 lacs (gross of unamortised discount of Rs. 0.08 lacs) as of March 31, 2017 on a standalone basis as per IGAAP.

Our short-term fund requirements are primarily funded by cash credit from banks, including working capital loans. Cash credit from banks outstanding, as of March 31, 2018, was Rs. 68,206.70 lacs as per IGAAP. Cash credit from banks outstanding, as of March 31, 2019, was Rs.141,829.50 lacs as per Ind AS.

The following table sets forth the principal components of our unsecured borrowings as per IGAAP on a standalone basis as on March 31, 2018 and March 31, 2017 as of the dates indicated:

(Rs. in lacs except percentage)

	As of March 31, 2018		As of March 31, 2017	
	Amount	**Percentage**	**Amount**	**Percentage**
Deposit for corporates	20,879.48	1.22	12,589.67	1.03
Public deposits	789,117.83	45.97	834,828.52	68.18
Inter-corporate deposits from subsidiary	2,835.00	0.17	2,890.00	0.24
Subordinated debt – bonds	112,809.81	6.57	120,880.75	9.87
Subordinated debt – debentures	341,720.00	19.91	227,197.23	18.56
Commercial paper (Net of unamortised discount)	449,219.71	26.17	-	-
Term loans from banks	-	-	26,000.00	2.12
Total unsecured borrowings	**1,716,581.83**	**100.00**	**1,224,386.17**	**100.00**

The following table sets forth the principal components of our unsecured borrowings as per Ind AS on a standalone basis as on March 31, 2019 as of the dates indicated:

(Rs. in lacs except percentage)

Particulars	**Amount**	**Percentage**
Redeemable non-convertible debentures - Unsecured		
- Privately placed	44,482.61	2.17
Deposits		
i. Public deposits	1,016,976.71	49.63
ii. From corporate	14,531.78	0.71
iii. From others (Inter-corporate deposits from associate)	2,638.19	0.13
Subordinated debt		
Subordinated debts (unsecured) - Debentures	524,309.41	25.58
Subordinated debts (unsecured) - Bonds	95,878.69	4.68
Commercial papers - Unsecured	350,380.08	17.10
Total unsecured borrowings	**2,049,197.47**	**100.00**

As of March 31, 2019, our outstanding subordinated debt amounted to Rs. 620,188.10 lacs on a standalone basis as per Ind AS. As of March 31, 2018, our outstanding subordinated debt amounted to Rs. 454,529.81 lacs as of March 31, 2018 on a standalone basis as per IGAAP. The debt is subordinated to our present and future senior indebtedness. Based on the balance term to maturity, as of March 31, 2019, Rs. 468,816.69 lacs of the discounted book value of subordinated debt is considered as Tier II under the guidelines issued by the RBI for the purpose of capital adequacy computation.

Securitisation and Assignment of Portfolio against Financing Activities

We also undertake securitisation and assignment transactions to increase our capital adequacy ratio, increase the efficiency of our loan portfolio and as a cost-effective source of funds. We sell part of our assets under financing activities from time to time through securitisation and assignment transactions as well as direct assignment. Our securitisation and assignment transactions involve provision of additional collateral and deposits or bank/corporate guarantee. In Fiscal 2019, total book value of loan assets securitised and assigned was Rs. 1,512,305.83 lacs.

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

The following tables set forth certain information with respect to our securitisation and assignment transactions on a standalone basis:

(Rs. in lacs)

	As of March 31, 2019	As of March 31, 2018
Total number of loan assets securitised and assigned	511,787	456,036
Total book value of loan assets securitised and assigned	1,512,305.83	1,246,716.07
Sale consideration received for securitised and assigned Assets	1,512,305.83	1,246,716.07
Gain on account of securitisation and assignment	169,372.20	207,402.21

We are required to provide credit enhancement for the securitisation and assignment transactions by way of either fixed deposits or corporate guarantees and the aggregate credit enhancement amount outstanding as of March 31, 2019 was Rs. 361,950.45 lacs. In the event a relevant bank or institution does not realise the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement.

TREASURY OPERATIONS

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

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

Our treasury department also manages the collection and disbursement activities from our corporate office in Mumbai. We actively manage our cash and funds flow using various cash management services provided by banks. As part of our treasury activities, we also invest our surplus funds in fixed deposits with banks, liquid debt based mutual funds and government securities. Our investments are made in accordance with the investment policy approved by the Board.

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

CAPITAL ADEQUACY

We are subject to the capital adequacy ratio (CAR) requirements prescribed by the RBI. We are currently required to maintain a minimum CAR of 15.00 per cent., as prescribed under the Master Directions on Non Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016, as amended from time to time, based on our total capital to risk-weighted assets. All deposit taking NBFCs have to maintain a minimum capital ratio, consisting of Tier I and Tier II capital, which shall not be less than 15.00 per cent. of its aggregate risk-weighted assets on balance sheet and risk adjusted value of off-balance sheet items. As a part of our governance policy, we ordinarily maintain capital adequacy higher than the statutorily prescribed CAR. As of March 31, 2019, our capital adequacy ratio computed on the basis of applicable RBI requirements was 20.27 per cent. compared to the minimum capital adequacy requirement of 15.00 per cent. stipulated by the RBI. The total Tier I capital, at any point of time, shall not be less than 10.00 per cent. by March 31, 2017.

The following table sets out our capital adequacy ratios derived from IGAAP on a standalone basis computed on the basis of applicable RBI requirements as of the dates indicated:

	As of March 31,	
	2018	**2017**
Capital adequacy ratio (per cent.)	16.87	16.94
Tier I capital (per cent.)	14.24	15.20
Tier II capital (per cent.)	2.63	1.74

The following table sets out our capital adequacy ratios derived from Ind AS on a standalone basis as on March 31, 2019

	As of March 31, 2019
Capital adequacy ratio (per cent.)	20.27
Tier I capital (per cent.)	15.62
Tier II capital (per cent.)	4.65

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

CREDIT RATING

The following table sets forth certain information with respect to our credit ratings:

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

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

Risk Management

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

Interest Rate Risk

Our results of operations are dependent upon the level of our net interest margins. Net interest income is the difference between our interest income and interest expense. Since our balance sheet consists of rupee assets and predominantly Rupee liabilities, movements in domestic interest rates constitute the primary source of interest rate risk. We assess and manage the interest rate risk on our balance sheet through the process of asset liability management. We borrow funds at fixed and floating rates of interest, while we extend credit at fixed rates. In the absence of proper planning and in a market where liquidity is limited, our net interest margin may decline, which may impact our revenues and ability to exploit business opportunities.

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

Liquidity Risk

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

We monitor liquidity risk through our asset liability management (ALM) function with the help of liquidity gap reports. This involves the categorisation of all assets and liabilities into different maturity profiles, and evaluating these items for any mismatches in any particular maturities, especially in the short-term. The ALM policy has capped the maximum mismatches in the various maturities in line with RBI guidelines and ALCO guidelines. To address liquidity risk, we have developed expertise in mobilising long-term and short-term funds at competitive interest rates, according to the requirements of the situation. For instance, we structure our indebtedness to adequately cover the average three-year tenure of loans we extend. As a matter of practice, we generally do not deploy funds raised from short-term borrowing for long-term lending.

Credit Risk

Credit risk is the risk of loss that may occur from default by our customers under the loan agreements with us. As discussed above, borrower defaults and inadequate collateral may lead to higher NPAs.

We minimise credit risk by requiring that each loan must be guaranteed by another commercial vehicle operator in the same locality as the borrower, preferably by an existing or former borrower. Our loan to value (LTV) is always kept under reasonable limits. Furthermore, we lend on a relationship-based model, and we believe our high loan recovery ratios indicate the effectiveness of this approach for our target customer base. We also employ advanced credit assessment procedures, which include verifying the identity and checking references of the proposed customer thoroughly at the lead generation stage. Our extensive local presence also enables us to maintain regular direct contact with our customers. In this regard, we assign personal responsibility to each member of the lead generation team for the timely recovery of the loans they originate, closely monitoring their performance against our Company's standards, and maintain client and truck-wise exposure limits.

Cash Management Risk

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

Regulatory and Compliance Risk

Regulatory and compliance risk are the risks to earnings or capital arising from violations of, or nonconformance with, laws, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. The regulatory and compliance risk will also be result of any changes made in laws, rules or regulations to comply with. There may some differences in interpretation of regulations by the company vis-à-vis that of the regulators. Our Company has engaged experienced professionals in different departments in order to take care of compliance with the applicable laws, rules and regulations and guidelines affecting company's business. Our Company also takes advice from external reputed consultants in respect to the laws, rules or regulations affecting the company's business.

Employees

As of March 31, 2019, the total number of our employees was 26,630.

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

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

Intellectual Property

Pursuant to a license agreement dated November 21, 2014 between our Company and SOT ("**License Agreement**"), as amended in terms of agreement dated March 18, 2016 and novated in terms of the deed of novation cum amendment dated May 17, 2019 entered into between our Company, SOT and SVS, we are licensed to use the name "Shriram" and the associated mark, for which our Company has to pay a license fee to SOT (upto September 30, 2019) and to SVS (post September 30, 2019) of 1.00 per cent. of the total income of our Company every Fiscal. The total amount of the license fee our Company pays to SOT and SVS in a Fiscal is subject to a ceiling of 5.00 per cent. of the profit (before tax and license fee) of our Company from Fiscal 2016. The License Agreement is valid until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties.

Technology

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

Our Company has various security controls in place to mitigate risks and safeguard the Company against security breaches and technological lapses, including established disaster recovery centres located in different seismic zones, periodic upgrading of servers and data storage, accreditation from the International Organisation for Standardisation for our Company's information security management system and regular audits. All our branches are online, connected through a virtual private network with our central server located at our data centre.

Insurance

We are covered under various types of insurance covers that are customary for companies operating in similar businesses. These include insurance coverage against losses occasioned by fire, burglary for the premises and

equipment and electronic appliances in our offices, fidelity guarantee policy that covers certain employees and money insurance policy in respect of cash-in-safe and in-transit. For certain risks relating to our insurance coverage, please refer to *"Risk Factors – Our insurance coverage may not adequately protect us against losses"* on page 33 of this Draft Shelf Prospectus.

Properties

Our registered office is at Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai – 600 004, Tamil Nadu, India. Our corporate office is at Wockhardt Towers, Level 3, West Wing, C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. As of March 31, 2019, we had 1,545 branches across India. We typically enter into lease agreements for these strategic business units and branch locations.

Collaborations

Our Company has not entered into any collaboration, any performance guarantee or assistance in marketing by any collaborators.

Competition

We believe that we do not face any significant competition from organised players in our principal business line, the pre-owned commercial vehicle financing sector. Small NBFCs in the organised sector have not been able to increase their scale of operations to the level of our Company. Most of our customers are not a focus segment for banks or large NBFCs, as these customers lack substantial credit histories and other financial documentation on which many of such financial institutions rely to identify and target new customers. We believe our experience based valuation methodology, our expanding product portfolio, growing customer base and relationship-based approach are key competitive advantages against new market entrants. Our primary competition comprises private unorganised financiers that principally operate in the local market. These private operators have significant local market expertise, but lack brand image and organizational structure. The small private financiers also have limited access to funds and may not be able to compete with us on interest rates extended to borrowers, which we are able to maintain at competitive levels because of our access to a variety of comparatively lower cost of funding sources and operational efficiencies from our scale of operations. However, private operators may attract certain clients who are unable to otherwise comply with our loan requirements, such as the absence of an acceptable guarantor or failure of the commercial vehicle to meet our asset valuation benchmarks. For new commercial vehicle financing, we compete with more conventional lenders, such as banks and other NBFCs. Given the relatively minimal scale of our present operations in our other business lines, we do not directly compete with others in these segments. However, as our operations in our other business lines expand, we may face significant competition in these segments in future.

HISTORY, MAIN OBJECTS AND KEY AGREEMENTS

Brief background of our Company

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

Registered office and change in registered office of our Company

The registered office of our Company is Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600 004. The Board of Directors of the Company at its meeting held on July 22, 2010, had inter alia approved to shift the registered office of our Company from 123, Angappa Naicken Street, Chennai, Tamil Nadu – 600 001, to the present address.

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

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

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

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

Pursuant to the SHMPL Scheme of Merger sanctioned under Section 391 to 394 read with Section 100 to 104 of the Companies Act, 1956, between our Company and SHMPL, as approved by the Hon'ble High Court of Madras vide the SHMPL Merger Order, the business and undertaking of SHMPL, our erstwhile promoter, was merged into our Company with a view of, inter alia, reducing shareholding tiers, optimizing administrative costs and enabling the shareholders of SHMPL to hold equity shares directly in our Company. The appointed date under the SHMPL Scheme of Merger was April 1, 2012, and the SHMPL Scheme of Merger became effective from November 5, 2012 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SHMPL Scheme of Merger was filed with the ROC by SHMPL and our Company, ("**SHMPL Effective Date**"). On the SHMPL Effective Date, SHMPL was merged into our Company without winding up of SHMPL under Section 394 of the Companies Act, 1956. Pursuant to the SHMPL Scheme of Merger, 93,872,380 equity shares of the face value of Rs.10 each fully paid up of our Company, were issued and allotted, to the members of SHMPL whose names were recorded in the register of members of SHMPL on November 5, 2012 in connection with the SHMPL Scheme of Merger, in the ratio of 313:124 i.e. 313 equity shares of the face value of Rs.10 each fully paid up of our Company issued for every 124 equity shares of the face value of Rs.10 each fully paid up of SHMPL, held by the respective members thereof. Accordingly, 93,371,512 (Nine crores thirty-three lacs seventy-one thousand five hundred and twelve only) equity shares of the face value of Rs.10 each of our Company, earlier held by SHMPL stood cancelled pursuant to the SHMPL Scheme of Merger coming into effect.

Amalgamation of Shriram Equipment Finance Company Limited with our Company

Pursuant to the SEFCL Scheme of Merger sanctioned under Section 391 to 394 of the Companies Act, 1956, and the other applicable provisions of the Companies Act, 2013 between our Company and SEFCL, as approved by the Hon'ble High Court of Madras vide the SEFCL Merger Order dated March 31, 2016. Accordingly, the business and undertaking of SEFCL, our erstwhile subsidiary, was merged into our Company to enable greater focus and attain synergy benefits which would inter alia result in simplification of group structures, integration of operations, better administration and cost reduction. The appointed date under the SEFCL Scheme of Merger was April 1, 2015, and the SEFCL Scheme of Merger became effective from April 19, 2016 when a certified true copy of the order of the Hon'ble High Court of Madras approving the SEFCL Scheme of Merger was filed

with the ROC by SEFCL and our Company, ("**SEFCL Effective Date**"). On the SEFCL Effective Date, SEFCL was merged into our Company without winding up of SEFCL under Section 394 of the Companies Act, 1956 and the authorized share capital of our Company was reorganised from Rs.5,970,000,000 divided into 397,000,000 Equity Shares of Rs.10 each and 20,000,000 cumulative redeemable preference shares of Rs.100 each to Rs.15,970,000,000 divided into 647,000,000 Equity Shares of Rs.10 each and 95,000,000 redeemable preference shares of Rs.100 each. Pursuant to the SEFCL Effective Date, no equity shares of our Company were allotted in lieu of our Company holding shares in SEFCL and the share capital of SEFCL stood cancelled.

Main objects of our Company

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

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

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

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

- To undertake and carry on all operations and transactions in regard to business of any kind in the same manner as an individual capitalist may lawfully undertake and carryout and in particular financing hire purchase contracts relating to property or assets of any description either immovable or movable such as houses, lands, stocks, shares, Government Bonds;

- To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and Capitalists;

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

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

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

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

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

- Carry on and undertake the business of portfolio investment and Management, for both individuals as well as large Corporate Bodies and/or such other bodies as approved by the Government, in Equity Shares, Preference Shares, Stock, Debentures (both convertible and non-convertible), Company deposits, bonds, units, loans obligations and securities issued or guaranteed by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities and/or any other Financial Instruments, and to

provide a package of Investment/Merchant Banking Services by acting as Managers to Public Issue of securities, to act as underwriters, issue house and to carry on the business of Registrar to Public issue/various investment schemes and to act as Brokers to Public Issue;

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

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

- To carry on the business as manufacturers, Exporters, Importers, Contractors, Sub-contractors, Sellers, Buyers, Lessors or Lessees and Agents for Wind Electric Generators and turbines, Hydro turbines, Thermal Turbines, Solar modules and components and parts including Rotor blades, Braking systems, Tower, Nacelle, Control unit, Generators, etc. and to set up Wind Farms for the company and/or for others either singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell, distribute and supply electricity and other power (subject to and in accordance with the laws in force from time to time);

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

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

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

- To carry on the business of buying, selling of trucks and other commercial vehicles and reconditioning, repairing, remodelling, redesigning of the vehicles and also acting as dealer for the said vehicles, for all the second hand commercial and other vehicles and to carry on the business of buying, selling, importing, exporting, distributing, assembling, repairing and dealing in all types of vehicles including re-conditioned and re-manufactured automobiles, two and three wheelers, tractors, trucks and other vehicles and

automobile spares, replacement parts, accessories, tools, implements, tyres and tubes, auto lamps, bulbs, tail light and head light bulbs, assemblies and all other spare parts and accessories as may be required in the automobile industry.

Amalgamation, acquisition, re-organisation or reconstruction undertaken by the Company in the last one year

There have been no amalgamations, acquisitions, re-organisations or re-constructions undertaken by the Company in the last one year, preceding the date of this Draft Shelf Prospectus.

Key events, milestones and achievements

Financial Year	Particulars
2015	✳ Our Company successfully completed Rs. 1,975 crores of public issue of debentures.
2016	✳ Fitch Ratings upgraded the Company's long-term issuer ratings to 'IND AA+' from 'IND AA'. ✳ CRISIL upgraded our Company's long-term debt instruments and bank facilities, and fixed deposits to 'CRISIL AA+/FAAA/Stable' from 'CRISIL AA/FAA+/Positive'. ✳ Merger of SEFCL with our Company.
2017	✳ Our Company successfully raised Rs. 1,350 crores through issuance of 'Masala Bonds' – Senior Secured Rupee Denominated Bonds' listed on Singapore Stock Exchange.
2018	✳ Our Company successfully raised Rs. 1,160 crores through issuance of 'Masala Bonds' – Senior Secured Rupee Denominated Bonds' listed on Singapore Stock Exchange. ✳ Our Company sold the controlling stake (55.44%) in its then wholly owned subsidiary, Shriram Automall India Limited to MXC Solutions India Private Limited.
2019	✳ Our Company successfully raised US$ 750 million through external commercial borrowing route during the year. ✳ AUM crosses Rs. 1 lac crore.

Subsidiaries or associate companies

As on the date of this Draft Shelf Prospectus, our Company has no subsidiary company. Our Company holds 44.56% of the ownership interest in Shriram Automall India Limited, which is the only associate company of our Company.

Key terms of our Material Agreements

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

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

The main terms of the License Agreement include:

(a) *Consideration*: A license fee of 1.00 per cent. on the total income of our Company every financial year. The total amount of license fee the Company pays to SOT (upto September 30, 2019) and to SVS (after September 30, 2019) in a Fiscal shall be subject to a ceiling of 5.00

per cent. of the profit of the Company before tax and license fee with effect from April 1, 2015.

(b) *Duration*: The License Agreement will remain in force for a period of five years commencing from until September 30, 2024, after which the agreement will be automatically renewed for a further period of five years on the same terms, unless otherwise decided by both parties or upon occurrence of a breach by either party of the material terms of the license arrangement. The agreement is not terminable unless mutually agreed by both parties. Each party is entitled to terminate this Agreement upon a material breach of the terms and conditions of the license set forth in the agreement by the other party, which has not been cured within a period of 90 days following receipt of written notice of such breach.

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

(2) Agreement dated August 21, 2010 between SCL and our Company (the "Loan Agreement")

Our Company has executed the Loan Agreement with SCL in connection with the grant of inter-corporate loans to SCL or to any of its associates/affiliates and the disbursements of loans thereof. The main terms of the Loan Agreement include:

(a) *Limit*: The grant of the loans by our Company to SCL or to any of its associates/affiliates can be utilised in one or more tranches, subject to the total amount of net loans outstanding from SCL and/or its associates/affiliates to our Company in aggregate not exceeding Rs. 30,000.00 lacs at any point of time. The aggregate loans utilised by SCL and/or its associates/affiliates shall not exceed the aggregate of the net worth of SCL predetermined by the latest available audited balance sheet.

(b) *Rate of interest*: Subject to the rate of interest payable on the loans not being lower than the prevailing bank rate, being the standard rate made public under section 49 of the RBI Act, the rate of interest shall be 11.00 per cent. per annum.

(c) *Disbursement*: The disbursement of loans shall be subject to availability of liquid funds with our Company at the relevant point of time, payable quarterly for the period up to March 2011. The interest rate shall be fixed on a half yearly basis on every April 1 and October 1 for the succeeding six month period, based on average cost of funds to the lender.

The same terms and conditions apply mutatis mutandis to the loan given by SCL to our Company.

(3) Service Agreement dated May 3, 2017 between SCL and our Company (the "Service Agreement")

Our Company has executed the Service Agreement with SCL for formalising its arrangement with regard to the role and services to be provided by SCL to our Company. The main terms of the Service Agreement are:

(a) *Role of SCL*: SCL shall continue to render key support services to the Company, in connection with group strategy, new ventures, our management information system, synergy, group human resource, brand building, risk management, taxation, regulatory, secretarial, group information technology, external relations, corporate communications and investor relations. The Company shall utilise these key support services, in accordance with the terms of the Service Agreement.

(b) *Consideration*: Our Company paid Rs. 3,990.00 lacs plus taxes as consideration for the services rendered under this agreement for the year ended March 31, 2019, in quarterly instalments. Subject to annual review by the Board of Directors and/ or the Audit Committee of our Company, the fee may be increased by up to 5.00 per cent. per annum over the fee paid in the previous financial year and shall be payable in quarterly instalments.

(c) *Term*: The Service Agreement came into force with effect from April 1, 2017 and is valid for a period of 5 years from that date. Upon expiry of the initial term, the agreement will stand automatically renewed with the same annual increases as set out herein unless otherwise agreed in writing by the parties.

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

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors. As on the date of this Draft Shelf Prospectus, we have 8 (eight) Directors on our Board.

Details relating to Directors

Name, Designation, Age and DIN	Date of Appointment	Address	Other Directorships
Mr. Lakshminarayanan Subramanian *Chairman, Non-Executive and Independent Director* Age: 72 years DIN: 02808698 Term: Five years with effect from January 24, 2015. At the 40th AGM held on June 27, 2019, the shareholders of our Company have approved extension of his tenure by a period of five years. Nationality: Indian	September 22, 2009	33, Paschimi Marg, First Floor, Vasant Vihar, New Delhi – 110 057	i. Indofil Industries Limited; ii. ELCOM Systems Private Limited; iii. Innovative Oncology Network Private Limited; iv. Shriram Life Insurance Company Limited; and v. Shriram Automall India Limited.
Mr. Umesh Govind Revankar *Managing Director and Chief Executive Officer* Age: 54 years DIN: 00141189 Term: For a period of three years from the date of appointment. At the 40th AGM held on June 27, 2019, the shareholders of our Company have approved extension of his tenure by a period of five years. Nationality: Indian	October 25, 2016	1001, Simran CHS Ltd., Plot no. 9, 15th Road, Khar (West), Near Gabana HDFC Bank, Mumbai - 400052	i. Shriram Automall India Limited; ii. Shriram Capital Limited; iii. Shriram Credit Company Limited; iv. Shriram General Insurance Company Limited; v. Shriram Life Insurance Company Limited; vi. Shriram Seva Sankalp Foundation; and vii. Finance Industry Development Council.
Mr. Puneet Bhatia *Non-Executive and Non-Independent Director* Age: 52 years DIN: 00143973	October 26, 2006	525 A, Magnolias, DLF Golf Course, DLF Phase 5, Gurgaon, Haryana-122 009	i. Havells India Limited; ii. Jana Capital Limited; iii. TPG Capital India Private Limited; iv. Flare Estate Private Limited; v. Campus Activewear Private Limited; vi. Manipal Health Enterprises Private Limited;

Name, Designation, Age and DIN	Date of Appointment	Address	Other Directorships
Term: Liable to retire by rotation Nationality: Indian			vii. Shriram Capital Limited; viii. R R Kabel Limited; ix. Sai Life Sciences Limited; and x. Ram Ratna Electricals Limited.
Mrs. Kishori Udeshi *Non-Executive and Independent Director* Age: 75 years DIN: 01344073 Term: Five years with effect from January 24, 2015. The shareholders of our Company have approved by postal ballot declared on December 5, 2018, extension of her tenure by a period of five years with effect from April 1, 2019. Nationality: Indian	October 30, 2012	15, Sumit Apartment, 31, Carmichael Road, Mumbai-400 026	i. Elantas Beck India Limited; ii. Kalyan Jewellers India Limited; iii. Shriram Automall India Limited; iv. SOTC Travel Limited; v. HSBC Asset Management (India) Pvt. Ltd.; vi. ION Exchange (India) Ltd.; vii. HALDYN Glass Ltd.; and viii. Thomas Cook (India) Ltd.
Mr. Sridhar Srinivasan *Non-Executive and Independent Director* Age: 68 years DIN: 00004272 Term: Five years with effect from October 20, 2014. At the 40th AGM held on June 27, 2019, the shareholders of our Company have approved extension of his tenure by a period of five years. Nationality: Indian	October 20, 2014	D-905, Ashok Towers, Dr. S.S Rao Road, Parel, Mumbai- 400 012	i. Jubilant Life Sciences Limited; ii. Strides Pharma Science Limited; iii. Tourism Finance Corporation of India Limited; iv. DCB Bank Limited; v. Sewa Grih Rin Limited; vi. IIFL Home Finance Limited; vii. Strategic Research and Information Capital Services Private Limited; viii. GVFL Trustee Company Private Limited; ix. Universal Trustees Private Limited; and x. BSV Associates LLP; xi. Essfore Consultancy Services Private Limited.
Mr. Ravi Devaki Venkataraman *Non-Executive and Non-Independent Director* Age: 54 years DIN: 00171603 Term: Liable to retire by Rotation Nationality: Indian	June 18, 2015	B3E, Regal Palm Gardens, CEE DEE YES Apartments, Velachery Tambaram Road, Velachery, Chennai-600 042	i. Asia Global Trading (Chennai) Private Limited; ii. Shriram Properties Holdings Private Limited; iii. Shriram Capital Limited; iv. Shriram Credit Company Limited; v. Envestor Ventures Limited; vi. Shriram Financial Ventures (Chennai) Private Limited; vii. Esyspro Infotech Limited; viii. DRP Consultants Private Limited; ix. Shrilekha Business Consultancy Private Limited; x. TAKE Solutions Pte Limited;

Name, Designation, Age and DIN	Date of Appointment	Address	Other Directorships
			xi. Eywa Pharma Pte Limited; xii. TAKE Solutions Limited; xiii. Shriram Seva Sankalp Foundation; xiv. Take Sports Management Private Limited; and xv. DRP Consultants Pte Ltd.
Mr. Pradeep Kumar Panja *Non-Executive and Independent Director* Age: 63 years DIN: 03614568 Term: Five years with effect from October 25, 2018 Nationality: Indian	October 25, 2018	'Bhaskara' No. 21, 1st Main Road, 4th Cross, Gaurav Nagar, JP Nagar, 7th Phase, Bangalore - 560078	i. Omax Autos Limited; ii. Trigyn Technologies Limited; iii. Brigade Enterprises Limited; iv. Penna Cement Industries Limited; v. Acme Solar Holdings Limited; vi. Svamaan Financial Services Private Limited; vii. Indiabulls Asset Reconstruction Company Limited; viii. Brigade Properties Private Limited; and ix. Katalyst Software Services Limited.
Mr. Ignatius Michael Viljoen *Non-Executive and Non-Independent Director* Age: 46 years DIN: 08452443 Term: Liable to retire by Rotation Nationality: South African	May 14, 2019	419, Highland Road, Kensington, Johannesburg, South Africa - 2094	Sanlam Credit Fund Advisor (Pty) Limited

Brief biographies of the Directors

Mr. Lakshminarayanan Subramanian was a member of the Indian Administrative Service (retired) and held various senior positions in government departments including Secretary in Ministry of Home Affairs. He has wide experience in the fields of administration and public relations.

Mr. Sridhar Srinivasan is a Non-Executive and Independent Director of our Company since October 20, 2014. He also serves as a director on the board of directors of DCB Bank Limited and IIFL Home Finance Limited, among other companies.

Mr. Ravi Devaki Venkataraman holds a Bachelor's degree in Commerce from University of Bangalore and Post-graduate diploma in Rural Management from the Institute of Rural Management, Anand. He has wide experience in the areas of corporate strategy and services, corporate finance, IT and process activities of Shriram Group.

Mr. Umesh Revankar is the Managing Director and Chief Executive Officer of our Company with effect from October 26, 2016. He also serves as a director on the board of directors of Finance Industry Development Council, among other companies. He has 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.

Mr. Ignatius Michael Viljoen holds a Master's degree in Economics with distinction from the University of the Orange Free State, Republic of South Africa. He is a Non-Executive and Non-Independent Director of our

Company since May 14, 2019. He also serves as a director on the board of directors of Sanlam Credit Fund Advisor (Pty) Limited.

Mr. Pradeep Kumar Panja holds Master's degree in Science (Statistics) from the University of Madras. He is a Non-Executive and Independent Director of our Company since October 25, 2018. He also serves as a director on the board of directors of Acme Solar Holdings Limited and Indiabulls Asset Reconstruction Company Limited, among other companies.

Mrs. Kishori Udeshi holds Master's degree in Economics from University of Bombay. Retired as Deputy Governor of Reserve Bank of India. She has wide experience in banking, non-banking sector, financial sector and regulatory matters.

Mr. Puneet Bhatia is a Non-Executive and Non-Independent Director of our Company since October 26, 2006. He also serves as a director on the board of directors of Havells India Limited and TPG Capital India Private Limited, among other companies.

Remuneration of the Directors

None of our Non-executive Non-Independent Directors, except our Managing Director & CEO, have been paid any sums as remuneration by our Company in the last five financial years.

The independent directors are entitled to be paid sitting fees for attending the various meetings of the Board and of the Committees of the Board as under:

Meeting	Overall limit per Director (Rs.)
Meetings of the Board	50,000
Meetings of any committee of the Board	25,000
Meeting of the Independent Directors	15,000

Pursuant to a resolution passed by the shareholders of our company dated June 29, 2017, the independent directors are entitled to payment of commission for the period commencing from April 1, 2017 until March 31, 2022, as may be decided by the Board of Directors for each financial year subject to a limit of 1% of the net profits of the Company per annum in terms of Section 197 of the Companies Act and computed in the manner referred to in Section 198 of the Companies Act.

Appointment and Remuneration of the Managing Director & CEO

Mr. Umesh Govind Revankar, has been appointed as the Managing Director & CEO of our Company for a period of 3 (three) years with effect from October 26, 2016 pursuant to a resolution of the Board of Directors of our Company passed at their meeting held on October 25, 2016 and the resolution of the shareholders of our Company passed in the AGM dated June 29, 2017. At the 40th AGM held on June 27, 2019, the shareholders of our Company have approved extension of his tenure by a period of five years with effect from October 26, 2019. The remuneration payable to our Managing Director & CEO by way of salary and other key perquisites (as authorised by the shareholders of our Company pursuant to resolution(s) passed at their AGM held on June 29, 2017), is as follows:

(A) Remuneration

(i) *Salary:* Rs. 350,000.00 per month. Annual increase will be effective 1st April every year and the quantum will be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee ("**NRC**").

(ii) *Commission:* The Board on the recommendation of NRC will decide the commission based on criteria laid down by the NRC subject to a ceiling of 1% on the net profits of the Company.

(B) Perquisites

(i) Housing: Rent free accommodation owned/ leased/rented by our Company or housing allowance in lieu thereof as per the rules of our Company.

(ii) Payment of water, gas, electricity and furnishing charges for residence, to be valued in accordance with Income Tax Rules, subject to a maximum of 10.00% of the salary.

(iii) Medical Reimbursement: Reimbursement of medical, surgical and hospitalisation expenses for the Managing Director & CEO and family subject to a maximum of Rs. 100,000.00 per annum.

(iv) Leave travel concession for the Managing Director & CEO and family, subject to a maximum of Rs. 200,000.00 per annum.

(v) Personal accident/ Group Insurance: Annual premium shall to exceed Rs. 4,000.00.

(vi) Club fees: Subscription limited to a maximum of two clubs. No life membership or admission fees shall be paid by our Company. All official expenses in connection with such membership incurred would be reimbursed by our Company.

(vii) Expenditure on official entertainment would be on our Company's account.

(viii) Contribution to Provident Fund, Superannuation Fund or Annuity Fund: As per the rules of our Company. 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 I.T. Act.

(ix) Gratuity: Not exceeding half a month's salary for each completed year of service.

(C) Other Applicable Terms

The Managing Director & CEO shall not be paid any sitting fees for attending general meetings and meetings of the Board or any committee thereof.

The Board may revise, alter and vary the terms and conditions of his appointment, in accordance with the general policy of the Company including the remuneration policy in force from time to time, as it may deem fit and proper subject to the applicable provisions of Schedule V of the Companies Act.

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 & CEO of the Company.

Remuneration, commission, sitting fees, etc. paid by our Company to the Directors in the last three Fiscals

The details of remuneration, sitting fees and commission paid/payable to the Directors by our Company during the last three Fiscals are as under:

(in Rs.)

Sr. No.	Name of the Director	Fiscal 2019	Fiscal 2018	Fiscal 2017
1.	Mr. S. Lakshminarayanan	1,190,000	1,240,000	955,000
2.	Mr. Umesh Revankar (Managing Director & CEO)	6,697,212*	5,925,599**	4,888,392***
3.	Mr. S. M. Bafna[#]	1,115,000	1,065,000	1,130,000
4.	Mr. Puneet Bhatia	-	-	-
5.	Mr. Amitabh Chaudhry (upto October 25, 2018)[#]	702,400	1,000,000	1,030,000
6.	Mrs. Kishori Udeshi	1,215,000	1,240,000	1,055,000
7.	Mr. Gerrit Lodewyk Van Heerde	-	-	-
8.	Mr. S. Sridhar	1,190,000	1,190,000	855,000
9.	Mr. Pradeep Kumar Panja (w.e.f. October 25, 2018)	487,600	-	-
10.	Mr. D. V. Ravi	-	-	-
11.	Mr. Jasmit Singh Gujral[#]	-	-	4,075,316
12.	Mr. Ramakrishnan Subramanian[#] (July 27, 2016 to February 03, 2017)	-	-	-

[#]*Erstwhile Directors of our Company*

** Mr. Umesh Revankar's remuneration for Fiscal 2019 includes salary of Rs. 5,010,270, perquisites aggregating to Rs. 683,898 and contributions to provident fund and national pension scheme of Rs. 547,116 and Rs. 455,928 respectively.*

*** Mr. Umesh Revankar's remuneration for Fiscal 2018 includes salary of Rs. 4,402,682, perquisites aggregating to Rs. 617,403 and contributions to provident fund and national pension scheme of Rs. 493,920 and Rs. 411,594 respectively.*

**** Mr. Umesh Revankar is appointed as Managing Director and CEO of the Company for a period of 3 years with effect from October 26, 2016. Mr. Umesh Revankar's remuneration for Fiscal 2017 includes salary and incentive of Rs. 3,219,410, perquisites aggregating to Rs. 1,245,161 and contributions to provident fund and national pension scheme of Rs. 423,821.*

Borrowing Powers of the Board

The shareholders of our Company have passed a special resolution under section 180(1)(c) of the Companies Act, 2013 through postal ballot on June 13, 2019 giving their consent to the Board of directors and the committee constituted by the Board to borrow sums of money through all permissible methods including issue of redeemable non-convertible debentures as they may deem necessary for the purpose of the business of our Company upon such terms and conditions as the Board or committee may think fit, provided that money or monies to be borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained and/or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed Rs. 150,000 crore (Rupees one lac fifty thousand crores only). The shareholders of our Company have also passed a special resolution under section 180(1)(a) of the Companies Act, 2013 through postal ballot on June 13, 2019 giving their consent to the Board and committee constituted by the Board for creating security in connection with the secured borrowings of the Company by way of mortgage/charge of movable or immovable properties including the whole or substantially whole of the undertaking(s) of the Company, both present and future, in favour of any person including bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustees, financial institution(s), up to a sum not exceeding Rs. 180,000 crore (Rupees one lac eighty thousand crore only).

Interest of our Directors

All the non-executive Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof and the Managing Director and CEO may be deemed to be interested to extent of other remuneration and reimbursement of expenses payable to him. The independent directors may be deemed to be interested to the extent of commission out of net profits as may be paid to them as approved by the shareholders in AGM held on June 29, 2017.

None of the Directors hold any Equity Shares/ debentures/ subordinated debt of our Company (other than Mr. Pradeep Kumar Panja, who holds certain debentures of our Company as detailed herein) in their own capacity or through by companies, firms and trusts in which they are interested as directors, partners, members or trustees.

Sr. No.	Name of Director	No. of debentures held	Nominal value of debenture (Rs./debenture)	Aggregate Amount (Rs. in lacs)
1.	Mr. Pradeep Kumar Panja	1,000	1,000	10

As on date of this Draft Shelf Prospectus, none of the Directors are interested in any contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Company's directors have not taken any loan from our Company.

Our Directors are not related to each other.

None of the Directors have any interest in immovable property acquired or proposed to be acquired by the Company in the preceding two years as of the date of this Draft Shelf Prospectus.

Changes in the Directors of our Company during the last three years

The changes in the Board of Directors of our Company in the three years preceding the date of the Draft Shelf Prospectus are as follows:

Name of the Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since	Remarks
Mr. Umesh Govind Revankar *Non Executive and Non Independent Director* DIN: 00141189	July 27, 2016	April 1, 2012	Retired as the Director
Mr. Jasmit Singh Gujral *Managing Director and Chief Executive Officer* DIN: 00196707	April 30, 2016	April 30, 2016	Appointed as an Additional Director and as the Managing Director and Chief Executive Officer of the Company
Mr. Jasmit Singh Gujral *Managing Director and Chief Executive Officer* DIN: 00196707	October 25, 2016	April 30, 2016	Resigned as the Managing Director and Chief Executive Officer w.e.f. end of business hours on October 25, 2016
Mr. Umesh Govind Revankar *Managing Director and Chief Executive Officer* DIN: 00141189	October 25, 2016	October 25, 2016	Appointed as an Additional Director w.e.f. October 25, 2016 and Managing Director and Chief Executive Officer w.e.f. October 26, 2016
Mr. Ramakrishnan Subramanian *Non Executive and Non Independent Director* DIN: 02192747	July 27, 2016	July 27, 2016	Appointed as Non Executive and Non Independent Director
Mr. Ramakrishnan Subramanian *Non Executive and Non Independent Director* DIN: 02192747	February 3, 2017	July 27, 2016	Resigned as Non Executive and Non Independent Director
Mr. Amitabh Chaudhry *Non- Executive and Independent Director* DIN: 00531120	October 26. 2018	October 30, 2012	Resigned as Non-Executive and Independent Director
Mr. Pradeep Kumar Panja *Non-Executive and Independent Director*	October 25, 2018	October 25, 2018	Appointed as Non-Executive and Independent Director

Name of the Director, Designation and DIN	Date of Appointment/ Resignation	Director of our Company since	Remarks
DIN: 03614568			
Mr. Sumati Prasad Mishrilal Bafna *Non-Executive and Independent Director* DIN: 00162546	April 01, 2019	September 09, 2005	Retired as an Independent Director
Mr. Gerrit Lodewyk Van Heerde *Non-Executive and Non-Independent Director* DIN: 06870337	May 09, 2019	May 15, 2014	Resigned as a Non-Independent Director
Mr. Ignatius Michael Viljoen *Non-Executive and Non-Independent Director* DIN: 08452443	May 14, 2019	May 14, 2019	Appointed as Non-Executive and Non-Independent Director

Shareholding of Directors, including details of qualification shares held by Directors

As per the provisions of our AOA, Directors are not required to hold any qualification shares.

Details of the Equity Shares held in our Company by our Directors, as on March 31, 2019 – Nil.

Corporate Governance

Our Company has been complying with the requirements of the applicable law, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board is constituted in compliance with the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The executive management of our Company provides the Board detailed reports on its performance periodically.

Details of various committees of the Board

Our Company has constituted the following committees of Directors, having the members listed below:

Sr. No.	Committee	Members
(i)	Allotment Committee NCDs	Mr. Umesh Revankar (Chairman)
		Mr. D.V.Ravi
		Mr. S. Sunder
		Mr. Parag Sharma
(ii)	Asset Liability Management Committee	Mrs. Kishori Udeshi (Chairman)
		Mr. Umesh Revankar
		Mr. Parag Sharma
(iii)	Audit Committee	Mr. S. Sridhar (Chairman)
		Mrs. Kishori Udeshi
		Mr. Puneet Bhatia
		Mr. Pradeep Kumar Panja
(iv)	Banking and Finance Committee	Mr. Umesh Revankar (Chairman)
		Mr. S. Sunder
		Mr. Parag Sharma
(v)	Corporate Social Responsibility Committee	Mr. Umesh Revankar (Chairman)
		Mr. Lakshminarayanan Subramanian
		Mrs. Kishori Udeshi
		Mr. Pradeep Kumar Panja
		Mr. Puneet Bhatia
(vi)	Debt Issuance Committee	Mr. Umesh Revankar (Chairman)
		Mr. D.V.Ravi
		Mr. S. Sunder
		Mr. Parag Sharma
		Mr. Vivek M. Achwal
(vii)	Investment Review Committee	Mr. Umesh Revankar (Chairman)
		Mr. D.V.Ravi
		Mr. S. Sunder
		Mr. Parag Sharma
(viii)	IT Strategy Committee	Mr. S. Sridhar (Chairman)
		Mr. Umesh Revankar
		Mr. Balasundar Rao
		Mr. Gayadhar Behera
(ix)	Nomination and Remuneration Committee	Mrs.Kishori Udeshi (Chairman)
		Mr. Lakshminarayanan Subramanian
		Mr. Puneet Bhatia
		Mr. Pradeep Kumar Panja
(x)	Risk Management Committee	Mr. Umesh Revankar (Chairman)
		Mr. D.V. Ravi
		Mr. S.Sunder
(xi)	Securities Transfer Committee	Mr. Umesh Revankar (Chairman)
		Mr. S. Sunder
		Mr. Vivek M. Achwal
(xii)	Stakeholders' Relationship Committee	Mr. Lakshminarayanan Subramanian (Chairman)
		Mr. Umesh Revankar
		Mr. Pradeep Kumar Panja

Other confirmations

No Director or Promoter or Key Managerial Personnel of our Company has any interest in or shall benefit from the proceeds of the Issue.

No Director of our Company is a director of or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies maintained by the Ministry of Corporate Affairs, Government of India.

No Director of our Company has been classified as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

No Director of our Company has been classified as a defaulter by the Export Credit Guarantee Corporation of India Limited.

Neither our Company, nor our Directors or Promoter have been debarred from accessing capital markets under any order or direction made by SEBI.

OUR PROMOTER

Profile of our Promoter

Our Promoter is Shriram Capital Limited ("**SCL**").

Shriram Capital Limited ("**SCL**") is a 'systemically important core investment company' registered with the RBI under Section 45-IA of the RBI Act. As on date of this Draft Shelf Prospectus, SCL holds 59,504,947 Equity Shares in the Company aggregating 26.23% of the paid-up capital. Shriram Financial Ventures (Chennai) Private Limited, a company forming part of the promoter group, holds 50,037 Equity Shares in the Company aggregating 0.02% of the paid-up capital.

SCL was incorporated as a private limited company under the Companies Act, 1956 with the name Shriram Chits & Investments Private Limited, vide a certificate of incorporation dated April 5, 1974, issued by the Registrar of Companies, Tamil Nadu. Thereafter, it was converted into a public limited company and the name was changed to Shriram Chits & Investments Limited, vide a fresh certificate of incorporation consequent to the change of status issued by Registrar of Companies, Madras on January 1, 1996. It was thereafter converted into a private limited company and the name was changed to Shriram Chits & Investments Private Limited, vide an endorsement made consequent to the change of reinstitution of the word "Private" by Registrar of Companies, Tamil Nadu, Chennai, on June 7, 2001. Subsequently, the name was changed into Shriram Financial Services Holdings Private Limited and a fresh certificate of incorporation dated December 21, 2004, was issued by the Registrar of Companies, Tamil Nadu, Chennai. Then, it was converted into a public limited company and the name was changed to Shriram Financial Services Holdings Limited, vide a fresh certificate of incorporation consequent to the change of status issued by Registrar of Companies, Tamil Nadu, Chennai, Andaman & Nicobar Islands, on February 11, 2008. Thereafter, the name was changed into Shriram Capital Limited and a fresh certificate of incorporation dated March 12, 2008, was issued by the Registrar of Companies, Andaman & Nicobar Islands, Tamil Nadu, Chennai. The registered office of SCL is located at "Shriram House", No.4, Burkit Road, T Nagar, Chennai- 600017.

Interest of our Promoter

SCL does not have any interest in the Company other than the dividend paid as shareholder, fees paid in terms of the Service Agreement dated May 3, 2017 (details of which are recorded in the chapter titled '*History, Main Objects and Key Agreements*' on page 124 of this Draft Shelf Prospectus) and reimbursement of expenses incurred on sharing of premises/infrastructures. For further details on related party transactions within the meaning of Accounting Standard 18 under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 (for the period prior to April 1, 2018) and Indian Accounting Standard 24 as notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended (for the period beginning on and from April 1, 2018), please refer to the chapter titled "***Financial Statements***" beginning on page 142 of this Draft Shelf Prospectus.

Other understandings and confirmations

Our Promoters (as per the Companies Act, 2013) have confirmed that they have not been identified as willful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters: (i) in the past 3 years; or (ii) in relation to which proceedings are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Shareholding Pattern of SCL as on March 31, 2019

Sr. No.	Name of Shareholder	No. of shares held in demat/physical form	Total Shareholding as % of total no of equity shares
1.	Shriram Financial Ventures (Chennai) Private Limited	758,119,281	70.56
2.	Shrilekha Business Consultancy Private Limited	214,912,006	20.00

Sr. No.	Name of Shareholder	No. of shares held in demat/physical form	Total Shareholding as % of total no of equity shares
3.	TPG India Investments II INC	101,380,344	9.44
4.	Sri R Thyagarajan & Sri D V Ravi on behalf of Shriram Ownership Trust	250	0.00
5.	Piramal Enterprises Limited	1,000	0.00
6.	Mr. R Kannan	50	0.00
7.	Mr. S Natarajan	50	0.00
8.	Mr. D V Ravi	50	0.00
9.	Mr. G S Sundararajan	50	0.00
10.	Mr. S Murali	50	0.00
Total		1,074,413,131	**100.00**

Board of directors of SCL

1. Mr. Ajay Gopikisan Piramal – Chairman;
2. Mr. Rajesh Ratanlal Laddha – Managing Director & CEO;
3. Mr. Ravi Devaki Venkataraman – Managing Director;
4. Mr. N Lakshmi Narayanan – Independent Director;
5. Mr. Gowrishankar Kuppuswamy Tirumangalam – Independent Director;
6. Mr. Puneet Bhatia – Director;
7. Mr. Ian Maxwell Kirk – Director;
8. Mr. Heinie Carl Werth – Director;
9. Mrs. Akhila Srinivasan – Director;
10. Mr. Jasmit Singh Gujral – Director; and
11. Mr. Umesh Govind Revankar - Director.

SECTION V FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Page No.
1.	Joint audit report on the Audited Ind AS Standalone Financial Statements as at and for the financial year ended March 31, 2019 as issued by the Joint Statutory Auditors.	F-1
2.	Audited Ind AS Standalone Financial Statements as at and for the financial year ended March 31, 2019.	F-7
3.	Joint audit report on the Audited Ind AS Consolidated Financial Statements as at and for the financial year ended March 31, 2019 as issued by the Joint Statutory Auditors.	F-149
4.	Audited Ind AS Standalone Consolidated Financial Statements as at and for the financial year ended March 31, 2019.	F-156
5.	Joint examination report on Reformatted Standalone Financial Statements as at and for the financial years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 as issued by the Joint Statutory Auditors.	F-277
6.	Reformatted Standalone Financial Statements as at and for the financial years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018.	F-281
7.	Joint examination report on Reformatted Consolidated Financial Statements as at and for the financial years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 as issued by the Joint Statutory Auditors.	F-428
8.	Reformatted Consolidated Financial Statements as at and for the financial years ended March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018.	F-432

Haribhakti & Co. LLP
Chartered Accountants
705, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai - 400 059.

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

INDEPENDENT AUDITOR'S REPORT

To the Members of
Shriram Transport Finance Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Shriram Transport Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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 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 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:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid Standalone Financial Statements comply with the 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 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;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".

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 Company to its directors during the year is in accordance with the provisions of section 197 of the Act;





h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 50 on Contingent Liabilities to the Standalone Financial Statements;

(ii) The Company did not have any material foreseeable losses in 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 Standalone Financial Statements.

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

Sumant Sakhardande
Partner
Membership Number: 034828
Place: Mumbai
Date: May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225
Place: Mumbai
Date: May 08, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[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 Rs. (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
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.

(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
Place: Mumbai
Date: May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225
Place: Mumbai
Date: May 08, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT
[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.

Inherent Limitations of Internal Financial Controls with reference to FInancial Statements

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

Opinion

In our opinion, the Company has, in all material respects, 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 Haribhakti & Co. LLP
Chartered Accountants
Firm Registration Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
Place: Mumbai
Date: May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225
Place: Mumbai
Date: May 08, 2019

Shriram Transport Finance Company Limited
Balance Sheet as at March 31, 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

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership No. 061225

Mumbai
May 08, 2019

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

S. Lakshminarayanan
Chairman
DIN: 02808698

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

Shriram Transport Finance Company Limited
Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in lacs)

Particulars		Notes	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
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

Shriram Transport Finance Company Limited
Statement of Changes in Equity for the year ended March 31, 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

(Rs. in lacs)

Particulars	Reserves and Surplus							Other comprehensive income- retirement benefits	Total
	Statutory reserve	Capital reserve	Securities premium account	Debenture 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
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

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. 061245

Mumbai
May 08, 2019

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

S. Lakshminarayanan
Chairman
DIN: 02808698

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

Shriram Transport Finance Company Limited
Cash Flow Statement for the year ended March 31, 2019

(Rs. in lacs)

Particulars	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**
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	-

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Company Limited
Cash Flow Statement for the year ended March 31, 2019

Components of cash and cash equivalents (Rs. in lacs)

Cash and cash equivalents at the end of the year	As at March 31, 2019	As at March 31, 2018
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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

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:

i. The normal course of business
ii. The event of default
iii. 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.

Note 10 - Cash and cash equivalents (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

Note 11 - Bank balance other than above (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 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.

(Rs. in lacs)

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	122.32	-	-	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.

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:

(Rs. in lacs)

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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 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

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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 14 - Loans

(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	Through profit or loss	Designated at fair value 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
iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Others	286,287.05	-	-	-	-	286,287.05	180,765.55	-	-	-	-	180,765.55	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
Less : Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	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
(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
ii) Unsecured	286,287.05	-	-	-	-	286,287.05	180,765.55	-	-	-	-	180,765.55	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
Less : Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	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
(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
Corporates	51,711.04	-	-	-	-	51,711.04	39,455.55	-	-	-	-	39,455.55	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
Less: Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	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

Note 14 - Loans

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

(Rs. in lacs)

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:

(Rs. in lacs)

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	-	**7,922,578.94**
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**

Reconciliation of ECL balance is given below:

(Rs. in lacs)

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).

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 15 - Investments

(Rs. in lacs)

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

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

(Rs. in lacs)

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	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
Performing												
High grade	399,906.76	-	-	**399,906.76**	228,876.39	5,266.78	-	**234,143.17**	220,606.69	5,266.78	-	**225,873.47**
Standard grade	-	-	-	-	-	-	-	-	-	-	-	-
Non-performing	-	-	-	-	-	-	-	-	-	-	-	-
Total	**399,906.76**	-	-	**399,906.76**	**228,876.39**	**5,266.78**	-	**234,143.17**	**220,606.69**	**5,266.78**	-	**225,873.47**

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

(Rs. in lacs)

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: (Rs. in lacs)

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**

Note 16 - Other financial assets (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 17 - Current tax assets (net) (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 18 - Investment property (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017*
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 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.

Note 19 - Property, plant and equipment

(Rs. in lacs)

Particulars	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).

Note 20 - Other intangible assets # **(Rs. in lacs)**

Particulars	Computer software
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

Note 21 - Other non-financial assets (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 22 - Trade payables (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(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**

Note 23 - Debt securities

(Rs. in lacs)

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
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**

Note 24 - Borrowings (other than debt securities)

(Rs. in lacs)

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
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**

Note 25 - Deposits

(Rs. in lacs)

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
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

Note 26 - Subordinated liabilities

(Rs. in lacs)

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
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.

I Debt securities

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**

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 above on the basis of IRR.

1 Debt securities

¥ 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**	

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.

¥ 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**	

I Debt securities

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.

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. 32,621.59 lacs were redeemed on August 09, 2017.

1 Debt securities

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.

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.

I Debt securities

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

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.

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.

I Debt securities

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 1, 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.







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.

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.

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**

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 1, 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	8.60 % 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.

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019
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.

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.

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**

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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 27 - Other financial liabilities **(Rs. in lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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 March 31, 2019	Year ended 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	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**

Note 28 - Current tax liabilities (Net) **(Rs. in lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 29 - Provisions **(Rs. in lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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 commitments

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	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**

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	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:

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	General approach	General approach
	Stage 1	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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 30 - Other non-financial liabilities (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 31 - Equity share capital

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

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	
Name of the shareholder	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:

(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

Note 32 - Other equity (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**
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 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:

(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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 33 - Interest income

(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
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**

Note 34 - Fee and commission income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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.

Note 35 - Net gain/ (loss) on fair value changes (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(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)**

Note 36 - Other operating income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 37 - Other income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on income tax refund	665.55	5,796.67
Miscellaneous income	1,660.22	500.89
Total	**2,325.77**	**6,297.56**

Note 38 - Finance costs

(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
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**

Note 39 - Fee and commission expense

(Rs. in lacs)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018
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**

Note 40 - Impairment of financial instruments

(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
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**

Note 40 - Impairment of financial instruments

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		
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**

Note 41 - Employee benefits expenses

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 42 - Depreciation, amortisation and impairment

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 43 - Other expenses

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 44: Income Tax

The components of income tax expense for the year ended March 31, 2019 and March 31, 2018 and are:

(Rs. in lacs)

Particulars	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 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:

(Rs. in lacs)

Particulars	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	840.85	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:

(Rs. in lacs)

Particulars	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)**

Note 44: Income Tax

(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
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)**

(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	1,717.27	-
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:

(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

Note 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

Shriram Transport Finance Company Limited
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Note 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

Note 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.

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 recognised 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 :

(Rs. in lacs)

Particulars	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 :

(Rs. in lacs)

Particulars	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	As at March 31, 2019	As at March 31, 2018
		(Rs. in lacs)
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	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
			(Rs. in lacs)
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:

	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:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
			(Rs. in lacs)
Investment funds	4,814.89	4,323.48	3,493.91
Total	**4,814.89**	**4,323.48**	**3,493.91**

Assumptions	Discount rate		Future salary increases		Attrition rate	
Sensitivity level	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)

Expected payment for future years	March 31, 2019	March 31, 2018
	(Rs. in lacs)	
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.

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 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.

(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
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**
(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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 49: Change in liabilities arising from financing activities

(Rs. in lacs)

Particulars	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**

(Rs. in lacs)

Particulars	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**

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 50: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

(Rs. in lacs)

	Particulars	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

(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	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

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended 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. 9,912.98 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	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**	**-**

Note 51: Related party disclosures

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. Sunatiprasad 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".

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
Payments/Expenses													
Payment to key management personnel	-	-	-	-	-	-	-	125.97	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	-	-	-	-	-	-	3,800.34	3,394.12
Rent	-	99.63	323.17	443.97	85.28	-	-	-	-	-	-	443.97	508.08
Business mobilisation expenses	-	-	199.84	147.15	78.98	-	-	-	-	-	-	147.15	278.82
Other administrative expenses	-	85.78	63.52	82.18	7.45	-	-	-	-	-	-	82.18	156.75
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	-	-	210.93	199.33	35.35	-	-	-	-	-	-	199.33	246.28
Interest	38.04	39.52	23.24	5,303.15	4,842.48	-	-	16.41	5.41	0.91	0.99	5,358.51	4,911.63
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
Subordinate debt matured	54.27	48.34	5.90	821.70	-	-	-	-	-	0.80	-	876.77	54.24
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	-	-	880.00	2,835.00	360.00	-	-	-	-	-	-	2,835.00	1,240.00
Receipts/Income													
Common sharing expenses	1.40	1.42	29.29	168.11	103.89	-	-	-	-	-	-	169.51	134.60
Rent and electricity	17.79	31.54	164.13	414.26	36.38	-	-	-	-	-	-	432.05	232.05
Other administrative expenses	-	-	98.48	255.21	17.80	-	-	-	-	-	-	255.21	116.28
Commission	-	-	-	6,108.22	5,971.78	-	-	-	-	-	-	6,108.22	5,971.78
Sale of Trade mark	-	-	-	5.90	-	-	-	-	-	-	-	5.90	-
Equity dividend	-	-	1,200.00	-	-	-	-	-	-	-	-	-	1,200.00
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	-	-	-	50.00	75.00	3.11	2.62	1,453.11	77.62
Unsecured loan and advances repaid	-	-	451.82	741.10	14.93	-	-	-	-	-	-	741.10	466.75
Inter corporate deposit received	-	-	1,185.00	2,595.00	-	-	-	-	-	-	-	2,595.00	1,185.00

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
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**
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**

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
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
Business mobilisation expenses - Shriram Automall India Limited	-	-	199.84	147.15	78.98	-	-	-	-	-	-	147.15	278.82
Other administrative expenses													
- Shriram Capital Limited	-	85.78	-	-	-	-	-	-	-	-	-	-	85.78
- Shriram Automall India Limited	-	-	63.52	82.18	7.45	-	-	-	-	-	-	82.18	70.97
Insurance premium													
- 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													
- Shriram Fortune Solutions Limited	-	-	-	3,392.22	3,529.56	-	-	-	-	-	-	3,392.22	3,529.56
-Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	274.41	88.23	-	-	-	-	-	-	274.41	88.23
- Shriram Insight Share Brokers Limited	-	-	-	668.65	426.27	-	-	-	-	-	-	668.65	426.27
Interest on Inter Corporate Deposit - Shriram Automall India Limited	-	-	210.93	199.33	35.35	-	-	-	-	-	-	199.33	246.28
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	-

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
Interest on subordinated 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 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													
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	-	-	-	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	-	-	5.90	114.57	-	-	-	-	-	-	-	**114.57**	**5.90**
- Shriram Asset Management Company Limited	-	-	-	707.13	-	-	-	-	-	-	-	**707.13**	**-**

MUKHERJEE & CO. LLP MUMBAI CHARTERED ACCOUNTANTS
Shriram Transport Finance Co. Ltd.
PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
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
Other administrative expenses													
- Shriram Automall India Limited	-	-	98.48	255.21	17.80	-	-	-	-	-	-	255.21	116.28
Commission													
- Shriram General Insurance Company Limited	-	-	-	3,740.52	3,742.34	-	-	-	-	-	-	3,740.52	3,742.34
- Shriram Life Insurance Company Limited	-	-	-	2,367.70	2,229.44	-	-	-	-	-	-	2,367.70	2,229.44
Sale of Trade mark	-	-	-	5.90	-	-	-	-	-	-	-	5.90	-
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	-	-	-	2,500.00	1,500.00	-	-	-	-	-	-	2,500.00	1,500.00

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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
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	-	-	451.82	741.10	14.93	-	-	-	-	-	-	741.10	466.75
Inter corporate deposit -Shriram Automall India Limited	-	-	1,185.00	2,595.00	-	-	-	-	-	-	-	2,595.00	1,185.00

Income /expenses are presented excluding service tax/GST

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Balance outstanding at the period end																				
Share capital																				
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02	0.02	0.02
-Shriram Capital Limited	5,917.30	5,917.30	5,917.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,917.30	5,917.30	5,917.30
- Shriram Insight Share Brokers Limited	-	-	-	-	-	12.49	13.28	12.73	-	-	-	-	-	-	-	-	-	12.49	13.28	12.73
Investment in equity shares																				
- Shriram Automall India Limited	-	-	-	-	3,000.00	1,336.96	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	15.53
Rent receivable																				
- Shriram Capital Limited	1.32	2.71	2.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.32	2.71	2.68
- Shriram Asset Management Company Limited	-	-	-	-	-	1.69	1.69	1.65	-	-	-	-	-	-	-	-	-	1.69	1.69	1.65
Commission receivable																				
- Shriram General Insurance Company Limited	-	-	-	-	-	525.67	562.83	405.44	-	-	-	-	-	-	-	-	-	525.67	562.83	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	265.02	318.20
-Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	-	-	4.90	2.76	3.88	-	-	-	-	-	-	-	-	-	4.90	2.76	3.88
- Shriram Insight Share Brokers Limited	-	-	-	-	-	15.52	9.60	8.25	-	-	-	-	-	-	-	-	-	15.52	9.60	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	1,026.23	1,404.60
-Shriram Ownership Trust	4,182.56	3,724.70	2,151.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,182.56	3,724.70	2,151.55
-Shriram Value Services Limited	-	-	-	-	-	118.30	91.36	474.75	-	-	-	-	-	-	-	-	-	118.30	91.36	474.75
Fixed deposit																				
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	134.22	75.65	50.00	-	-	-	134.22	75.65	50.00
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.25	8.69	7.38	8.25	8.69	7.38
-Shriram Fortune Solutions Limited	-	-	-	-	-	1,498.76	-	-	-	-	-	-	-	-	-	-	-	1,498.76	-	-

Note 51: Related party disclosures (Contd.)

(Rs. in lacs)

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	April 01, 2017	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Non-convertible debenture																				
-Key management personnel	-	-	-	-	-	-	-	-	-	-	-	207.84	-	-	-	-	-	207.84	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.22	2.71	-	1.22	2.71
- Shriram Life Insurance Company Limited	-	-	-	-	-	6,114.33	6,790.38	7,798.58	-	-	-	-	-	-	-	-	-	6,114.33	6,790.38	7,798.58
-Shriram General Insurance Company Limited	-	-	-	-	-	2,167.02	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.26	1.14	-	1.26	1.14
- Shriram Automall India Limited	-	-	-	-	182.59	278.94	286.58	-	-	-	-	-	-	-	-	-	-	278.94	286.58	182.59
-Shriram Capital Limited	313.96	354.51	390.25	-		-	-	-	-	-	-	-	-	-	-	-	-	313.96	354.51	390.25
- Shriram Asset Management Company Limited	-	-	-	-	-	-	1,155.44	1,038.19	-	-	-	-	-	-	-	-	-	-	1,155.44	1,038.19
- Shriram Life Insurance Company Limited	-	-	-	-	-	10,313.95	7,234.27	4,600.60	-	-	-	-	-	-	-	-	-	10,313.95	7,234.27	4,600.60
-Shriram General Insurance Company Limited	-	-	-	-	-	36,725.47	34,723.59	27,841.69	-	-	-	-	-	-	-	-	-	36,725.47	34,723.59	27,841.69
Expenses recoverable																				
-Shriram Capital Limited	0.12	0.12	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12	0.12	0.10
- Shriram Insight Share Brokers Limited	-	-	-	-	-	0.28	0.27	1.49	-	-	-	-	-	-	-	-	-	0.28	0.27	1.49
-Shriram Fortune Solutions Limited	-	-	-	-	-	20.34	32.66	-	-	-	-	-	-	-	-	-	-	20.34	32.66	-
Inter corporate deposit received from Shriram Automall India Limited	-	-	-	-	2,890.00	2,595.00	2,835.00	-	-	-	-	-	-	-	-	-	-	2,595.00	2,835.00	2,890.00
Interest payable on inter corporate deposit to Shriram Automall India Limited	-	-	-	-	56.60	43.19	50.28	-	-	-	-	-	-	-	-	-	-	43.19	50.28	56.60
Guarantee given by company																				
- Shriram Automall India Limited	-	-	-	-	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00

Income /expenses are presented excluding service tax/GST

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 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.

(Rs. in lacs)

Regulatory capital	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

Note 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
Derivative financial instruments				
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
Financial assets held for trading				
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				
Derivative financial instruments				
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
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
Derivative financial instruments				
Forward Contracts	-	742.42	-	742.42
Interest rate swaps	-	311.71	-	311.71
Total derivative financial instruments	-	1,054.13	-	1,054.13
Financial assets held for trading				
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				
Derivative financial instruments				
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**
Derivative financial instruments				
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				
Derivative financial instruments				
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 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:

(Rs. in lacs)

Type of adjustment	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 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:

(Rs. in lacs)

Particulars	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.

(Rs. in lacs)

	Fair value			
	Level 3 assets	Level 3 liabilities		
	'As at March 31, 2019	'As at March 31, 2019	Valuation technique	Significant unobservable inputs
Equity Instruments	357.92	-	Based on the net worth of the investee company	net worth of the investee company

(Rs. in lacs)

	Fair value			
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2018	As at March 31, 2018	Valuation technique	Significant unobservable inputs
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 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)

As at March 31, 2019	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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**

(Rs. in lacs)

As at March 31, 2018	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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)

As at April 01, 2017	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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 amortised 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 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 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.

Note 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.

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

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.

54.2.2.5 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 securitisation 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.

54.3.1. 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:

(Rs. in lacs)

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

Maturity pattern of assets and liabilities as on March 31, 2018:

(Rs. in lacs)

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	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:

(Rs. in lacs)

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	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

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.

(Rs. in lacs)

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
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







54.4 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			
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Primary risk sensitivity
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**	

Note 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 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 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.

> 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 **(Rs. in lacs)**

Particulars	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**

(Rs. in lacs)

Particulars	Previous GAAP*	Adjustments	Ind AS
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	-	-	-
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

(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	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**

(Rs. in lacs)

Particulars	Previous GAAP*	Adjustments	Ind AS
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			
(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

(Rs. in lacs)

Particulars	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**

(Rs. in lacs)

Particulars	Previous GAAP*	Adjustments	Ind AS
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)	2,649.14	872.46
Profit/(loss) for the period from continuing operations	156,802.25	89,251.77	246,054.02
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

(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		**1,257,231.63**	**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**

Notes:

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 earnings 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 earnings 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 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 earning 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.

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 benifits 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.

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 1, 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

(Rs. in lacs)

Particulars	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)**

(Rs. in lacs)

Particulars	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**

(Rs. in lacs)

	Particulars	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 1	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 provided 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+	
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

(Rs. in lacs)

Particulars	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

(Rs. in lacs)

Particulars	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,	-	-
(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	-	-

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

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	-	-

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 realised 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)

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;	-	-
(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 Percentage of NPAs to Total Advances in that sector	As at March 31, 2018 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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO
Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary
Mumbai
May 08, 2019

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 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 (other than falling within the meaning of public deposits*)	44,482.61	Nil	
	(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			
(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			
	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.

(Rs. in lacs)

(6)	Borrower group-wise classification of assets, financed as in (3) and (4) above : Please see note 2 below		
	Category	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		(Rs. in lacs)
	Category	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.

(Rs. in lacs)

(8)	Other information	
	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 :

1. 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.

2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.

3. 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.

Shriram Transport Finance Company Limited

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO
Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary
Mumbai
May 08, 2019

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Shriram Transport Finance Co. Ltd.

Haribhakti & Co. LLP
Chartered Accountants
705, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai - 400 059.

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

INDEPENDENT AUDITOR'S REPORT

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 in 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 Number: 103523W/W100048

Sumant Sakhardande
Partner
Membership Number: 034828
Place: Mumbai
Date: May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225
Place: Mumbai
Date: May 08, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[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 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.

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

Sumant Sakhardande
Partner
Membership Number: 034828
Place: Mumbai
Date: May 08, 2019

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

Sangeeta Gupta
Partner
Membership Number: 064225
Place: Mumbai
Date: May 08, 2019

Shriram Transport Finance Company Limited
Consolidated Balance Sheet as at March 31, 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

Mumbai
May 08, 2019

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

Sangeeta Gupta
Partner
Membership No. [illegible]

Mumbai
May 08, 2019

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

S. Lakshminarayanan
Chairman
DIN: 02808698

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

Shriram Transport Finance Company Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in lacs)

Particulars	Notes	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. 041225

Mumbai
May 08, 2019

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

S. Lakshminarayanan
Chairman
DIN: 02808698

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

Shriram Transport Finance Company Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 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

(Rs. in lacs)

Particulars	Reserves and Surplus								Other comprehensive income- retirement benefits	Total
	Statutory reserve	Capital reserve	Securities premium account	Debenture redemption reserve	Capital redemption reserve	General reserve	Stock option outstanding	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	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

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. 064226

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

Shriram Transport Finance Company Limited
Consolidated Cash Flow Statement for the year ended March 31, 2019

(Rs. in lacs)

Particulars	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**
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	-

Shriram Transport Finance Company Limited
Consolidated Cash Flow Statement for the year ended March 31, 2019

Components of cash and cash equivalents (Rs. in lacs)

Cash and cash equivalents at the end of the year	As at March 31, 2019	As at March 31, 2018
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 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

Mumbai
May 08, 2019

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Mumbai
May 08, 2019

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

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 Auto mall 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 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.

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 March 31, 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 01, 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.

Note 10 - Cash and cash equivalents (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

Note 11 - Bank balance other than above (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

Note 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.

(Rs. in lacs)

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	122.32	-	-	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.

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:

(Rs. in lacs)

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**

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019

Note 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	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 **(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	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.

(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	442.74	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

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**

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019

Note 14 - Loans

(Rs. in lacs)

Particulars	As at March 31, 2019						As at March 31, 2018						As at April 01, 2017					
		At Fair value						At Fair value						At Fair value				
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total
(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
iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Others	286,287.05	-	-	-	-	286,287.05	180,765.55	-	-	-	-	180,765.55	138,063.84	-	-	-	-	138,063.84
Total (A) - Gross	10,230,748.58	-	-	-	-	10,230,748.58	9,619,840.99	-	-	-	-	9,619,840.99	7,922,598.96	-	-	-	-	7,922,598.96
Less : Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	521,017.57	-	-	-	-	521,017.57
Total (A) - Net	9,675,148.57	-	-	-	-	9,675,148.57	9,074,561.59	-	-	-	-	9,074,561.59	7,401,581.39	-	-	-	-	7,401,581.39
(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
ii) Unsecured	286,287.05	-	-	-	-	286,287.05	180,765.55	-	-	-	-	180,765.55	138,063.84	-	-	-	-	138,063.84
Total (B) - Gross	10,230,748.58	-	-	-	-	10,230,748.58	9,619,840.99	-	-	-	-	9,619,840.99	7,922,598.96	-	-	-	-	7,922,598.96
Less : Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	521,017.57	-	-	-	-	521,017.57
Total (B) - Net	9,675,148.57	-	-	-	-	9,675,148.57	9,074,561.59	-	-	-	-	9,074,561.59	7,401,581.39	-	-	-	-	7,401,581.39
(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
Corporates	51,711.04	-	-	-	-	51,711.04	39,455.55	-	-	-	-	39,455.55	30,618.49	-	-	-	-	30,618.49
Total (C) - Gross	10,230,748.58	-	-	-	-	10,230,748.58	9,619,840.99	-	-	-	-	9,619,840.99	7,922,598.96	-	-	-	-	7,922,598.96
Less: Impairment loss allowance	555,600.01	-	-	-	-	555,600.01	545,279.40	-	-	-	-	545,279.40	521,017.57	-	-	-	-	521,017.57
Total (C)- Net	9,675,148.57	-	-	-	-	9,675,148.57	9,074,561.59	-	-	-	-	9,074,561.59	7,401,581.39	-	-	-	-	7,401,581.39

Credit Quality of Assets

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 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:

(Rs. in lacs)

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	-	**7,922,598.96**
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

Reconciliation of ECL balance is given below:

(Rs. in lacs)

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).

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019

Note 15 - Investments

(Rs. in lacs)

Particulars	As at March 31, 2019							As at March 31, 2018							As at April 01, 2017						
		At Fair value							At Fair value							At Fair value					
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Others	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Others	Total	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Others	Total
i) Mutual funds	-	-	32,381.75	-	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	143,288.55	-	-	-	-	-	143,288.55
iii) Debt securities	5,266.78	-	-	-	-	-	5,266.78	5,266.78	-	-	-	-	-	5,266.78	5,353.61	-	5,297.55	-	5,297.55	-	10,651.16
iv) Equity instruments	-	-	357.92	-	357.92	-	357.92	-	-	86.28	-	86.28	-	86.28	-	-	86.29	-	86.29	-	86.29
v) Subsidiaries (At Cost)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi) Associates (At Cost)	-	-	-	-	-	13,984.68	13,984.68	-	-	-	-	-	12,825.13	12,825.13	-	-	-	-	-	-	-
vii) Pass through certificates (unquoted)	87,780.94	-	-	-	-	-	87,780.94	83,360.85	-	-	-	-	-	83,360.85	68,213.22	-	-	-	-	-	68,213.22
viii) Certificate of deposits	-	-	123,170.68	-	123,170.68	-	123,170.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ix) Others (Venture Capital Fund)	-	-	96.99	-	96.99	-	96.99	-	-	426.49	-	426.49	-	426.49	-	-	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	-	835.06	12,825.13	245,631.34	216,855.38	-	6,104.92	-	6,104.92	-	222,960.30
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	242,562.46	-	156,007.34	-	156,007.34	13,984.68	412,554.48	231,971.15	-	835.06	-	835.06	12,825.13	245,631.34	216,855.38	-	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	-	835.06	12,825.13	245,631.34	216,855.38	-	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)	-	-	-	-	-	(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	-	835.06	12,825.13	245,624.27	216,847.67	-	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.

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.

(Rs. in lacs)

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	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	Total	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
Performing												
High Grade	412,554.48	-	-	**412,554.48**	240,364.56	5,266.78	-	**245,631.34**	217,693.52	5,266.78	-	**222,960.30**
Standard Grade	-	-	-	-	-	-	-	-	-	-	-	-
Non-Performing	-	-	-	-	-	-	-	-	-	-	-	-
Total	**412,554.48**	-	-	**412,554.48**	**240,364.56**	**5,266.78**	-	**245,631.34**	**217,693.52**	**5,266.78**	-	**222,960.30**

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

(Rs. in lacs)

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:

(Rs. in lacs)

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

Note 16 - Other financial assets (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 17 - Current tax assets (net) (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 18 - Investment property (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017 *
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.

Note 19 - Property, plant and equipment (Rs. in lacs)

Particulars	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).

Note 20 - Other intangible assets # (Rs. in lacs)

Particulars	Trademarks	Computer software	Total
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

Note 21 - Other non-financial assets (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 22 - Trade payables (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(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**

Note 23 - Debt securities

(Rs. in lacs)

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
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

Note 24 - Borrowings (other than debt securities)

(Rs. in lacs)

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
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

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Shriram Transport Finance Co. Ltd.

Note 25 - Deposits

(Rs. in lacs)

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
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

Note 26 - Subordinated liabilities

(Rs. in lacs)

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
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

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Shriram Transport Finance Co. Ltd.

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

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.

I Debt securities

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**	

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**	

I Debt securities

¥ 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.

¥ 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

1 **Debt securities**

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.

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.

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.

I Debt securities

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**

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.

I Debt securities

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.

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

I **Debt securities**

Outstanding as at March 31, 2018 and April 1, 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.

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.

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.

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**

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.

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.

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 €	-	41,651.53	-	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

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

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**







Note 27 - Other financial liabilities **(Rs. in lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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	Year ended March 31, 2019	Year ended 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	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**

Note 28 - Current tax liabilities (Net) (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 29 - Provisions (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

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	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:

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
	General approach	General approach
	Stage 1	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**

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Note 30 - Other non-financial liabilities **(Rs. in lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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**

Note 31 - Equity share capital

(Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

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	
Name of the shareholder	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:

(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







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Note 32 - Other equity (Rs. in lacs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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.

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:

(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**

Shriram Transport Finance Company Limited
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Note 33 - Interest income

(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
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







Note 34 - Fee and commission income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

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 Group does not have any contract assets or liability, hence disclosures related to it has not been presented.

Note 35 - Net gain/ (loss) on fair value changes (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(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**

Note 36 - Other operating income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 37 - Other income (Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on income tax refund	665.55	5,796.67
Miscellaneous income	1,660.22	428.35
Total	**2,325.77**	**6,225.02**

Note 38 - Finance costs

(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
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**

Note 39 - Fee and commission expense

(Rs. in lacs)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018
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**

Note 40 - Impairment of financial instruments

(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
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**

Note 40 - Impairment of financial instruments

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		
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**

Note 41 - Employee benefits expenses

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 42 - Depreciation, amortisation and impairment

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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**

Note 43 - Other expenses

(Rs. in lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
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	1,868.94
Total	**88,310.67**	**79,917.29**

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019

Note 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:

(Rs. in lacs)

Particulars	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:

(Rs. in lacs)

Particulars	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)**

(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
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	1,236.47	-
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

Note 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)**	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

Note 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

Note 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.

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 :

(Rs. in lacs)

Particulars	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 :

(Rs. in lacs)

Particulars	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 :

(Rs. in lacs)

Particulars	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) :

(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	3,761.17
Fair value of plan assets	4,814.89	4,323.48	3,705.97
Benefit liability	**128.35**	**(193.16)**	**55.20**

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	
Sensitivity level	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.

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Note 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.

(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
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	211,445.04	**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**
(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**	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**	**391,865.02**	**752,475.07**	**1,144,340.09**

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Note 49: Change in liabilities arising from financing activities

(Rs. in lacs)

Particulars	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**

(Rs. in lacs)

Particulars	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**

Note 50: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

(Rs. in lacs)

	Particulars	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.

(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**	**-**

Related Parties Disclosures

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".

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	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
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	-	-	-	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**	**-**

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	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
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**
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**

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	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
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												
- 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												
- Shriram Fortune Solutions Limited	-	-	3,392.22	3,529.56	-	-	-	-	-	-	3,392.22	3,529.56
-Shriram Financial Products Solutions (Chennai) Private Limited	-	-	274.41	88.23	-	-	-	-	-	-	274.41	88.23
- Shriram Insight Share Brokers Limited	-	-	668.65	426.27	-	-	-	-	-	-	668.65	426.27
Interest on Inter Corporate Deposit - Shriram Automall India Limited	-	-	199.33	35.35	-	-	-	-	-	-	199.33	35.35
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

MUMBAI
PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS
Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	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
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	-
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	-	-	2,835.00	360.00	-	-	-	-	-	-	2,835.00	360.00
Receipts/Income												
Recovery of common sharing expenses												
- Shriram Automall India Limited	-	-	51.53	6.02	-	-	-	-	-	-	51.53	6.02
- 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 and electricity												
- Shriram Capital Limited	17.79	31.54	-	-	-	-	-	-	-	-	17.79	31.54
- Shriram Automall India Limited	-	-	414.26	36.38	-	-	-	-	-	-	414.26	36.38
Other administrative expenses												
- Shriram Automall India Limited	-	-	255.21	17.80	-	-	-	-	-	-	255.21	17.80

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	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
Commission												
- Shriram General Insurance Company Limited	-	-	3,740.52	3,742.34	-	-	-	-	-	-	3,740.52	3,742.34
- Shriram Life Insurance Company Limited	-	-	2,367.70	2,229.44	-	-	-	-	-	-	2,367.70	2,229.44
Sale of Trade mark	-	-	5.90	-	-	-	-	-	-	-	5.90	-
Subordinated debt												
- Shriram General Insurance Company Limited	-	-	-	4,500.00	-	-	-	-	-	-	-	4,500.00
- 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

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019
Related Parties Disclosures

(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	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Balance outstanding at the period end																		
Share capital																		
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02	0.02	0.02
-Shriram Capital Limited	5,917.30	5,917.30	5,917.30	-	-	-	-	-	-	-	-	-	-	-	-	5,917.30	5,917.30	5,917.30
- Shriram Insight Share Brokers Limited	-	-	-	12.49	13.28	12.73	-	-	-	-	-	-	-	-	-	12.49	13.28	12.73
Investment in equity shares																		
- Shriram Automall India Limited	-	-	-	1,336.96	1,336.96	-	-	-	-	-	-	-	-	-	-	1,336.96	1,336.96	-
Unsecured loan and advances																		
- Shriram Automall India Limited	-	-	-	57.70	12.31	-	-	-	-	-	-	-	-	-	-	57.70	12.31	-
Rent receivable																		
- Shriram Capital Limited	1.32	2.71	2.68	-	-	-	-	-	-	-	-	-	-	-	-	1.32	2.71	2.68
- Shriram Asset Management Company Limited	-	-	-	1.69	1.69	1.65	-	-	-	-	-	-	-	-	-	1.69	1.69	1.65
Commission receivable																		
- Shriram General Insurance Company Limited	-	-	-	525.67	562.83	405.44	-	-	-	-	-	-	-	-	-	525.67	562.83	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	265.02	318.20
-Shriram Financial Products Solutions (Chennai) Private Limited	-	-	-	4.90	2.76	3.88	-	-	-	-	-	-	-	-	-	4.90	2.76	3.88
- Shriram Insight Share Brokers Limited	-	-	-	15.52	9.60	8.25	-	-	-	-	-	-	-	-	-	15.52	9.60	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	1,026.23	1,404.60
-Shriram Ownership Trust	4,182.56	3,724.70	2,229.63	-	-	-	-	-	-	-	-	-	-	-	-	4,182.56	3,724.70	2,229.63
-Shriram Value Services Limited	-	-	-	118.30	91.36	474.75	-	-	-	-	-	-	-	-	-	118.30	91.36	474.75
Fixed deposit																		
- Key management personnel	-	-	-	-	-	-	-	-	-	134.22	75.65	50.00	-	-	-	134.22	75.65	50.00
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	8.25	8.69	7.38	8.25	8.69	7.38
-Shriram Fortune Solutions Limited	-	-	-	1,498.76	-	-	-	-	-	-	-	-	-	-	-	1,498.76	-	-
Non-convertible debenture																		
-Key management personnel	-	-	-	-	-	-	-	-	-	207.84	-	-	-	-	-	207.84	-	-
- Relative of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	1.22	2.71	-	1.22	2.71
- Shriram Life Insurance Company Limited	-	-	-	6,114.33	6,790.38	7,798.58	-	-	-	-	-	-	-	-	-	6,114.33	6,790.38	7,798.58
-Shriram General Insurance Company Limited	-	-	-	2,167.02	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	-	-	-	-	-	-	-	-	-	-	-	-	-	1.26	1.14	-	1.26	1.14
- Shriram Automall India Limited	-	-	-	278.94	286.58	-	-	-	-	-	-	-	-	-	-	278.94	286.58	-
-Shriram Capital Limited	313.96	354.51	390.25	-	-	-	-	-	-	-	-	-	-	-	-	313.96	354.51	390.25
- Shriram Asset Management Company Limited	-	-	-	-	1,155.44	1,038.19	-	-	-	-	-	-	-	-	-	-	1,155.44	1,038.19
- Shriram Life Insurance Company Limited	-	-	-	10,313.95	7,234.27	4,600.60	-	-	-	-	-	-	-	-	-	10,313.95	7,234.27	4,600.60
-Shriram General Insurance Company Limited	-	-	-	36,725.47	34,723.59	27,841.69	-	-	-	-	-	-	-	-	-	36,725.47	34,723.59	27,841.69
Expenses recoverable																		
-Shriram Capital Limited	0.12	0.12	0.10	-	-	-	-	-	-	-	-	-	-	-	-	0.12	0.12	0.10
- Shriram Insight Share Brokers Limited	-	-	-	0.28	0.27	1.49	-	-	-	-	-	-	-	-	-	0.28	0.27	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

Note 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.







Note 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
Derivative financial instruments				
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**
Financial assets held for trading				
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				
Derivative financial instruments				
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**
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
Derivative financial instruments				
Forward Contracts	-	742.42	-	**742.42**
Interest rate swaps	-	311.71		**311.71**
Total derivative financial instruments	-	**1,054.13**	-	**1,054.13**
Financial assets held for trading				
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**

(Rs. in lacs)

	Level-1	Level-2	Level-3	Total
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				
Derivative financial instruments				
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
Derivative financial instruments				
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	-	5,297.55	-	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				
Derivative financial instruments				
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.

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:

(Rs. in lacs)

Type of adjustment	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:

(Rs. in lacs)

Particulars	Equity instruments	
	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.

(Rs. in lacs)

	Fair value			
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2019	As at March 31, 2019	Valuation technique	Significant unobservable inputs
Equity Instruments	357.92	-	Based on the net worth of the investee company	net worth of the investee company

(Rs. in lacs)

	Fair value			
	Level 3 assets	Level 3 liabilities		
	As at March 31, 2018	As at March 31, 2018	Valuation technique	Significant unobservable inputs
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 instrument	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)

As at March 31, 2019	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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**

(Rs. in lacs)

As at March 31, 2018	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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)

As at April 01, 2017	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
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.

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.

Note 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 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

54.2.1 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.

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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.

54.3.1. 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:

(Rs. in lacs)

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

Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Maturity pattern of assets and liabilities as on March 31, 2018:

(Rs. in lacs)

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	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







Shriram Transport Finance Company Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Maturity pattern of assets and liabilities as on April 01, 2017:

(Rs. in lacs)

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	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**







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.

(Rs. in lacs)

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
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

54.4 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 Group 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			
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Primary risk sensitivity
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**	

MUMBAI
CHARTERED ACCOUNTANTS
PIJUSH GUPTA & CO.
Shriram Transport Finance Co. Ltd.

Note 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.

> 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
(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.

Shriram Transport Finance Company Limited
Notes forming part of the Consolidated financial statements for the year ended March 31, 2019

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	-	-	-
(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
(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")

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 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.

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 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.

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 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.

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 1, 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

(Rs. in lacs)

Particulars	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)**

(Rs. in lacs)

Particulars	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**

(Rs. in lacs)

	Particulars	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 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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary

Mumbai
May 08, 2019

Shriram Transport Finance Company Limited

Notes forming part of the Consolidated financial statements for the year ended March 31, 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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO
Mumbai
May 08, 2019

Vivek M. Achwal
Company Secretary
Mumbai
May 08, 2019

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Shriram Transport Finance Co. Ltd.

Haribhakti & Co. LLP
Chartered Accountants
705, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai – 400 059

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

Independent Auditors' Examination Report on Reformatted Standalone Financial Statements

The Board of Directors
Shriram Transport Finance Company Limited (the "Company")
Wockhardt Towers, 3rd Floor, West Wing
G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Dear Sir,

Sub: Auditors' Report on Reformatted Standalone Financial Statements in relation to the proposed public issue ("Issue") of secured, redeemable, non-convertible debentures ("NCDs") by Shriram Transport Finance Company Limited

1. We have examined the accompanying Reformatted Standalone Financial Statements of the Company as at and for the years ended on March 31 2018, 2017, 2016, and 2015 comprising of Reformatted Standalone Statement of Assets and Liabilities, Reformatted Standalone Statement of Profit and Loss, Reformatted Standalone Cash Flow Statement as on and for the years ended March 31, 2018, 2017, 2016 and 2015, the Summary Statement of Significant Accounting Policies and other standalone financial information, (collectively referred to as "Reformatted Standalone Financial Statements") annexed to this report and initialed by us for identification purposes only, have been prepared by the Board of Directors of the Company ("Board of Directors"), in accordance with the requirements of :

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

   (b) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time ("SEBI Regulations"), issued by the Securities and Exchange Board of India, in pursuance of the Securities and Exchange Board of India Act, 1992.

   (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

   to be included in the Draft Shelf Prospectus and Shelf Prospectus (hereinafter collectively referred to as the "Prospectuses"), in connection with the proposed public issue of NCDs by the Company.

2. The Company's Board of Directors is responsible for preparation of the Reformatted Standalone Financial Statements for the purpose of inclusion in the Prospectuses to be filed with Securities and Exchange Board of India, Stock Exchanges and Registrar of Companies, Tamil Nadu in connection with the proposed public issue of NCDs. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Reformatted Standalone Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, including

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

any rules passed in pursuance thereof, Guidance Note and SEBI regulations.

3. We have examined such Reformatted Standalone Financial Statements taking into consideration :

   (a) The term of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 04, 2019 in connection with the proposed public issue of NCDs of the Company;

   (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   (c) Concepts of tests checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Standalone Financial Statements; and

   (d) The requirements of Section 26 of the Act and SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the Regulations and the Guidance Note in connection with the proposed public issue of NCDs.

4. These Reformatted Standalone Financial Statements have been compiled by the Management from the audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2018, 2017, 2016, and 2015 prepared in accordance with Indian Accounting principles generally accepted in India as prescribed under Section 133 of the Act, read with relevant rules thereunder which have been approved by the Board of Directors at their meeting held on April 27, 2018; April 27, 2017; April 29, 2016; and April 30, 2015 respectively.

5. We have issued an unmodified audit opinion vide our report dated May 08, 2019 on the Standalone Ind AS financial statements of the Company as at and for the year ended March 31, 2019. Our audit of these Ind AS financial statements were conducted in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

6. At the Company's request, we have also examined the following other standalone financial information of the Company as at and for the years ended on March 31, 2019, 2018, 2017, 2016 and 2015 (Collectively referred to as "Other Standalone Financial Information") proposed to be included in the Prospectuses as approved by the Board of Directors or any other Committee thereto, annexed to this report:

   i. Statements of Accounting Ratios (Standalone), as at and for the financial years ended March 31, 2019, 2018, 2017, 2016 and 2015 (Annexure VIII);

   ii. Statement of Dividends for the financial years ended March 31, 2019, 2018, 2017, 2016, and 2015 (Annexure IX); and,

   iii. Capitalization Statement (Annexure X).

7. For the purpose of our examination we have relied on:

   (a) Auditors' report issued by us dated May 08, 2019; and April 27, 2018 on the Standalone Financial Statements of the Company as at and for the year ended March 31, 2019 and 2018 as referred in paragraph 4 and 5 above ;

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

(b) Auditors' report issued by S.R. Batliboi & Co LLP and G.D.Apte & Co. (together referred to as "the Predecessor Auditors") dated April 27, 2017; April 29, 2016; and April 30, 2015 on the Standalone Financial Statements of the Group as at and for the year ended March 31, 2017, 2016, and 2015 as referred in paragraph 4 above.

The audit for the year ended March 31, 2017, 2016 and 2015 were conducted by the predecessor auditor and accordingly reliance has been placed on Reformatted Standalone Statement of Assets and Liabilities, Reformatted Standalone Statement of Profit and Loss, Reformatted Standalone Cash Flow Statement and Summary of Statement of Significant Accounting Policies and other explanatory information as on and for the years ended March 31, 2017, 2016 and 2015, and other standalone financial information examined by them for the said previous years. The Examination report included for the said years is based solely on the report submitted by the Predecessor Auditors dated June 29, 2019.

In this regard, the Predecessor Auditors have confirmed that:

(a) the Reformatted Standalone Financial Statements and other Standalone Financial Information of the Company mentioned above, as at and for the years ended March 31, 2017, 2016, and 2015 have been prepared in accordance with Section 26 of the Act, the SEBI Regulations, the Generally Acceptable accounting Principles in India and the Guidance Notes; and

(b) The Reformatted Standalone Financial Statements have been prepared after regrouping as in management's opinion were appropriate and more fully described in significant accounting policies and notes contained therein.

8. Based on our examination and according to the information and explanation given to us, we report that, the Reformatted Standalone Financial Statements, and Other Standalone Financial Information of the Company mentioned above, as at and for the years ended March 31 2018, 2017, 2016 and 2015 have been prepared in accordance with Section 26 of the Act and the SEBI Regulations. We further state that:

The figures of earlier years have been regrouped (but not restated retrospectively for change in any accounting policy and for adjustments of amounts pertaining to previous years), wherever necessary, to conform to the classification adopted for the standalone financial statements for the year ended March 31, 2018 for the purpose of Reformatted Standalone Financial Statements.

9. We have not audited any Standalone Financial Statements of the Company as of any date or for any period subsequent to March 31, 2019. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2019.

10. We have complied with the relevant applicable requirement of the Standard on Quality Control (SQC) 1, Quality Control for the Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements

11. This report should not, in any way, be construed as a re-issuance or re-dating of any of the previous audit reports, nor should this be construed as a new opinion on any of the financial statements/information referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

Restriction of use

13. Our report is intended solely for the use of Board of Directors for inclusion in the Prospectuses to be filed by the Company with the Stock Exchanges, the Securities and Exchange Board of India, and Registrar of Companies, Tamil Nadu in connection with the Proposed Issue of NCDs and is not to be used, referred to or distributed for any other purpose without our prior written consent. 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 report is shown or into whose hands it may come without our prior consent in writing.

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

Sumant Sakhardande
Partner
Membership No: 034828
Mumbai
June 29, 2019

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

Sangeeta Gupta
Partner
Membership No: 064225
Mumbai
June 29, 2019

Annexure I

Shriram Transport Finance Company Limited

Statement of Reformatted Standalone Assets and Liabilities

(Rs. in lacs)

	Particulars	Note No	As at March 31,			
			2018	2017	2016	2015
	Equity and liabilities					
A	**Shareholders' fund**					
	Share capital	1	22,690.67	22,690.67	22,690.67	22,690.67
	Reserves and surplus	2	1,234,540.96	1,107,532.20	992,720.78	901,105.83
	Total shareholders' fund		**1,257,231.63**	**1,130,222.87**	**1,015,411.45**	**923,796.50**
B	**Non-current liabilities**					
	(a) Long-term borrowings	3	4,037,592.13	3,370,018.31	3,026,967.38	3,157,076.48
	(b) Other long-term liabilities	4	163,315.42	140,536.73	118,877.99	118,252.79
	(c) Long-term provisions	5	544,454.93	389,393.83	284,271.68	158,650.37
	Total non-current liabilities		**4,745,362.48**	**3,899,948.87**	**3,430,117.05**	**3,433,979.64**
C	**Current liabilities**					
	(a) Short-term borrowings	6	767,645.96	498,313.75	333,035.34	266,140.59
	(b) Trade payables					
	- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		21,976.95	13,443.90	11,866.74	7,520.88
	(c) Other current liabilities	7	2,011,631.80	1,858,382.69	1,953,991.66	1,261,081.32
	(d) Short-term provisions	8	43,188.51	40,233.22	51,480.44	40,196.28
	Total current liabilities		**2,844,443.22**	**2,410,373.56**	**2,350,374.18**	**1,574,939.07**
D	**Total equity and liabilities (A+B+C)**		**8,847,037.33**	**7,440,545.30**	**6,795,902.68**	**5,932,715.21**

Annexure I

Shriram Transport Finance Company Limited

Statement of Reformatted Standalone Assets and Liabilities

(Rs. in lacs)

	Particulars	Note No	As at March 31,			
			2018	2017	2016	2015
	Assets					
E	**Non-current assets**					
	(a) Fixed assets	9				
	(i) Property, plant and equipment		11,821.76	8,217.04	9,961.01	9,944.50
	(ii) Intangible assets		173.78	160.57	145.29	127.87
	(b) Non-current investments	10	147,952.41	149,713.52	125,216.98	111,426.49
	(c) Deferred tax assets (net)	11	42,896.57	36,228.16	30,770.26	25,648.45
	(d) Long-term loans and advances	12	5,815,231.03	4,730,887.55	4,301,019.05	3,082,287.15
	(e) Other non-current assets	13	271.03	7,514.84	1,387.51	9,310.56
	Total Non-current assets		**6,018,346.58**	**4,932,721.68**	**4,468,500.10**	**3,238,745.02**
F	**Current assets**					
	(a) Current investments	14	-	5,220.97	10,399.52	221,292.13
	(b) Cash and bank balances	15	363,750.92	444,068.53	236,385.69	472,339.89
	(c) Short-term loans and advances	16	2,458,767.11	2,052,647.01	2,075,559.21	1,994,093.71
	(d) Other current assets	17	6,172.72	5,887.11	5,058.16	6,244.46
	Total current assets		**2,828,690.75**	**2,507,823.62**	**2,327,402.58**	**2,693,970.19**
G	**Total assets (E+F)**		**8,847,037.33**	**7,440,545.30**	**6,795,902.68**	**5,932,715.21**

Annexure I

Shriram Transport Finance Company Limited

Statement of Reformatted Standalone Assets and Liabilities

The accompanying standalone significant accounting policies and notes to Financial Statements are integral part of this statement.

As per our report of even date

For **Haribhakti & Co. LLP**	For **Pijush Gupta & Co.**	For and on behalf of the Board of Directors of
Chartered Accountants	Chartered Accountants	**Shriram Transport Finance Company Limited**
ICAI Firm Registration No.	ICAI Firm Registration No.	
103523W/W100048	309015E	

Sumant Sakhardande	**Sangeeta Gupta**	**Umesh Revankar**	**Parag Sharma**
Partner	Partner	Managing Director & CEO	Executive Director & CFO
Membership No. 034828	Membership No. 064225	DIN: 00141189	
			Vivek M. Achwal
			Company Secretary
Mumbai	Mumbai	Mumbai	Mumbai
Date:	Date:	Date:	Date:

Annexure II

Shriram Transport Finance Company Limited

Statement of Reformatted Standalone Profit and Loss

(Rs. in lacs)

	Particulars	Note No	For the year ended March 31,			
			2018	**2017**	**2016**	**2015**
A.	**Revenue**					
i	Revenue from operations	18	1,220,165.70	1,082,875.14	1,028,977.79	863,691.98
ii	Other income	19	7,517.76	186.09	370.33	780.47
	Total revenue		**1,227,683.46**	**1,083,061.23**	**1,029,348.12**	**864,472.45**
B.	**Expenses**					
i	Employee benefits expense	20	71,515.37	54,796.00	58,883.96	42,957.31
ii	Finance costs	21	537,234.94	518,741.75	505,792.60	438,998.20
iii	Depreciation and amortisation	9	3,613.40	3,390.78	3,630.61	4,050.62
iv	Provisions and write-offs	22	312,211.32	244,432.05	210,679.48	128,915.27
v	Other expenses	23	79,899.51	69,308.10	72,218.35	65,312.24
	Total expenses		**1,004,474.54**	**890,668.68**	**851,205.00**	**680,233.64**
C.	**Profit before exceptional items and tax (A-B)**		**223,208.92**	**192,392.55**	**178,143.12**	**184,238.81**
D.	**Exceptional Items (Refer Annexure VI Note 15)**		13,974.55	-	-	-
E.	**Profit before tax (C+D)**		**237,183.47**	**192,392.55**	**178,143.12**	**184,238.81**

Annexure II

Shriram Transport Finance Company Limited

Statement of Reformatted Standalone Profit and Loss

(Rs. in lacs)

	Particulars	Note No	For the year ended March 31,			
			2018	**2017**	**2016**	**2015**
F.	**Tax expense**					
	Current tax		88,826.31	72,116.20	65,445.17	60,947.79
	Deferred tax		(6,668.41)	(5,457.90)	(5,121.81)	(489.96)
	Tax paid for earlier years		(1,776.68)	-	-	-
	Total tax expense / (income)		**80,381.22**	**66,658.30**	**60,323.36**	**60,457.83**
G.	**Profit after tax from continuing operations (E-F)**		**156,802.25**	**125,734.25**	**117,819.76**	**123,780.98**
	Earnings per share					
	Basic (Rs.)		69.11	55.42	51.93	54.56
	Diluted (Rs.)		69.11	55.42	51.93	54.56
	Nominal value of equity share (Rs./share)		10.00	10.00	10.00	10.00

The accompanying standalone significant accounting policies and notes to Financial Statements are integral part of this statement

As per our report of even date

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

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

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

Sumant Sakhardande
Partner
Membership No. 034828

Sangeeta Gupta
Partner
Membership No. 064225

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Annexure III

Shriram Transport Finance Company Limited
Statement of Reformatted Standalone Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
A. Cash flow from operating activities				
Profit before taxes	237,183.47	192,392.55	178,143.12	184,238.81
Depreciation and amortisation	3,613.40	3,390.78	3,630.61	4,050.62
Profit arising on the sale of shares in subsidiary	(13,974.55)	-	-	-
Interest on income tax refund	(5,796.67)	-	-	-
Loss / (profit) on sale of fixed assets (net)	18.16	27.26	36.37	35.75
Dividend received on long-term investments	(1,200.00)	-	-	(2.75)
Provision for diminution in value of investments	699.87	0.37	-	-
Employees stock option compensation cost	-	-	(47.77)	-
Premium on government securities	171.48	124.17	82.30	19.74
Amortisation of discount on government securities	(227.50)	(227.97)	(221.42)	(165.69)
Amortisation of issue expenses for equity shares	416.81	152.78	152.78	168.85
Amortisation of public issue expenses for non-convertible debentures	562.42	1,074.35	1,303.09	1,761.70
Amortisation of prepaid interest on commercial paper	1,663.40	-	-	-
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Provisions for non performing assets and bad debt written off	292,551.77	230,583.52	200,867.02	125,934.32
Provision for diminution in fair value of assets for restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision on standard assets	7,976.76	3,674.37	4,990.48	2,980.95
Operating profit before working capital changes	**534,641.74**	**441,365.97**	**393,758.56**	**319,022.30**
Movements in working capital:				
Increase / (decrease) in trade payables	8,533.05	1,577.16	4,345.86	(916.15)
Increase / (decrease) in provisions	(328.27)	(14,601.66)	27,243.98	(5,383.29)
Increase / (decrease) in provision for service tax- contested	-	-	-	-
Increase / (decrease) in other liabilities	91,219.75	102,521.12	78,944.82	36,402.80
(Increase) / decrease in investments	5,394.13	(20,807.35)	196,738.13	(60,048.59)
Decrease / (increase) in loans and advances	(1,637,861.33)	(531,110.68)	(1,410,622.17)	(1,277,183.79)

Annexure III

Shriram Transport Finance Company Limited
Statement of Reformatted Standalone Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Decrease/(increase) in bank deposits (having original maturity of more than three months) (net)	83,431.62	(180,709.38)	(25,820.25)	53,179.53
Decrease / (increase) in other assets	(917.89)	(1,373.35)	974.74	1,857.14
Cash generated from operations	**(915,887.20)**	**(203,138.17)**	**(734,436.33)**	**(933,070.05)**
Direct taxes paid (net of refunds)	(86,960.16)	(67,582.55)	(56,091.88)	(57,743.68)
Net cash flow/ (used) in operating activities (A)	**(1,002,847.36)**	**(270,720.72)**	**(790,528.21)**	**(990,813.73)**
B. Cash flows from investing activities				
Purchase of fixed assets including intangible assets	(6,594.60)	(1,765.21)	(3,821.62)	(4,080.87)
Proceeds from sale of fixed assets	72.28	46.50	50.98	63.10
Proceeds from sale of non-current investments	-	1,653.36	-	-
Purchase of non-current investments	(699.87)	(62.81)	-	-
Proceeds from sale of shares in subsidiary	15,637.60	-	-	-
Dividend received on long-term investments from erstwhile subsidiary [refer Annexure VI note 15]	1,200.00	-	-	2.75
Net cash flow/(used) in investing activities (B)	**9,615.41**	**(128.16)**	**(3,770.64)**	**(4,015.02)**
C. Cash flows from financing activities				
Proceeds from issuance of equity share capital	-	-	-	-
Securities premium on issue of equity capital	-	-	-	-
Amount received from institutional borrowing	4,855,836.59	2,801,296.98	2,350,574.28	2,220,993.36
Amount received from public issue of non-convertible debentures	-	-	-	197,484.71
Amount received from senior secured notes	116,000.00	135,000.00	-	-
Increase / (decrease) in retail borrowings	(55,709.16)	16,459.47	97,743.41	165,612.77
Amount redeemed for public issue of non-convertible debentures and subordinated debts	(192,374.07)	(150,105.01)	(41,795.50)	(34,306.30)
Repayment of institutional borrowing	(3,704,510.77)	(2,470,711.98)	(1,855,069.86)	(1,714,627.52)
Public issue expenses for non-convertible debentures paid	-	-	-	(1,255.33)
Dividend paid	(24,957.10)	(22,688.27)	(22,688.27)	(18,150.62)
Tax on dividend	(4,836.39)	(4,618.80)	(4,618.80)	(3,356.44)
Net cash flow from financing activities (C)	**989,449.10**	**304,632.39**	**524,145.26**	**812,394.63**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(3,782.85)**	**33,783.51**	**(270,153.59)**	**(182,434.12)**
Cash and Cash Equivalents at the beginning of the year	**114,163.08**	**80,379.57**	**348,832.76**	**531,266.88**
Cash and bank balances taken over on merger	**-**	**-**	**1,700.40**	**-**
Cash and Cash Equivalents at the end of the year	**110,380.23**	**114,163.08**	**80,379.57**	**348,832.76**

Annexure III

Shriram Transport Finance Company Limited
Statement of Reformatted Standalone Cash Flow Statements

(Rs. in lacs)

Components of Cash and Cash Equivalents	As at March 31,			
	2018	**2017**	**2016**	**2015**
Cash and Cash Equivalents at the end of the year				
i) Cash on hand	7,996.25	7,865.26	10,079.91	10,794.43
ii) Cheques on hand	2,542.76	3,175.11	4,698.24	7,367.11
iv) Balances with scheduled banks in:				
Current accounts	92,946.60	102,039.50	59,641.88	165,145.63
Unclaimed dividend accounts $	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	164,704.00
Total cash and cash equivalents (Refer Annexure IV Note 15)	**110,380.23**	**114,163.08**	**80,379.57**	**348,832.76**

The accompanying standalone significant accounting policies and notes to Financial Statements are integral part of this statement

Notes:

1) The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement'.

2) All figures in brackets indicate outflow.

3) The amalgamation of Shriram Equipment Finance Company Limited (SEFCL) with Company is non-cash transaction and hence, has no impact on the Company's cash flow for the year ended March 31, 2016 (Refer Annexure VI Note 11).

$ 4) These balances are not available for use by the Company as they represent corresponding unclaimed dividend liability.

As per our report of even date

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

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai
Date:

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

Sangeeta Gupta
Partner
Membership No. 064225

Mumbai
Date:

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Mumbai
Date:

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 1 - Share capital	As at March 31,			
	2018	**2017**	**2016**	**2015**
Authorised				
Equity share capital	64,700.00	64,700.00	64,700.00	39,700.00
Preference share capital	95,000.00	95,000.00	95,000.00	20,000.00
	159,700.00	**159,700.00**	**159,700.00**	**59,700.00**
Number of equity shares of Rs.10/- each	647,000,000	647,000,000	647,000,000	397,000,000
Number of preference shares of Rs.100/- each	95,000,000	95,000,000	95,000,000	20,000,000
Issued share capital				
Equity share capital	22,693.69	22,693.69	22,693.69	22,693.69
Number of equity shares of Rs.10/- each	226,936,877	226,936,877	226,936,877	226,936,877
Subscribed share capital				
Equity share capital	22,693.07	22,693.07	22,693.07	22,693.07
Number of equity shares of Rs.10/- each	226,930,736	226,930,736	226,930,736	226,930,736
Paid up share capital (fully paid up)				
Equity share capital	22,688.27	22,688.27	22,688.27	22,688.27
Number of equity shares of Rs.10/- each	226,882,736	226,882,736	226,882,736	226,882,736
Add : Share forfeiture				
48,000 equity shares of Rs.10/- each (Rs 5/- each paid up forfeited)	2.40	2.40	2.40	2.40
	22,690.67	**22,690.67**	**22,690.67**	**22,690.67**

a. Reconciliation of number of equity shares outstanding at the beginning and at end of reporting period.	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Number of shares outstanding at the beginning of the year	226,882,736	226,882,736	226,882,736	226,882,736
Number of shares Issued during the period - Employee stock option scheme [Refer Annexure VI Note 4]	-	-	-	-
Number of shares outstanding at the end of the year	**226,882,736**	**226,882,736**	**226,882,736**	**226,882,736**

(Rs. in lacs)

b. Reconciliation of the equity share capital outstanding at the beginning and at end of reporting period.	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Share capital outstanding at the beginning of the year	22,688.27	22,688.27	22,688.27	22,688.27
Issued during the period - Employee stock option scheme [Refer Annexure VI Note 4]	-	-	-	-
Share capital outstanding at the end of the year	**22,688.27**	**22,688.27**	**22,688.27**	**22,688.27**

c. 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.

Dividend details

Particulars	**For the year ended March 31,**			
	2018	**2017**	**2016**	**2015**
The amount of per equity share dividend recognized as distributions to equity shareholders Rs.	11.00	10.00	10.00	10.00
Amount of interim dividend paid per equity share Rs.	5.00	4.00	4.00	4.00
Amount of final dividend proposed / paid per equity share Rs.	6.00	6.00	6.00	6.00

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

d. Shares reserved for issue under options
For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer Annexure VI Note 4

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

Particulars	As at March 31,			
	2018	2017	2016	2015
Equity shares allotted as fully paid-up pursuant to amalgamation for consideration other than cash	Nil	Nil	Nil	Nil

In addition, the Company has issued total 18,800 (March 31, 2017: 582,168, March 31, 2016: 722,068 and March 31, 2015: 1,364,918) equity shares respectively 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, 2017: 500,868, March 31, 2016: 500,868 and March 31, 2015: 500,868) equity shares issued on account of merger of Shriram Holdings (Madras) Private Limited.

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

Details of shareholding	As at March 31,			
Name of the shareholder	**2018**	**2017**	**2016**	**2015**
Equity shares of Rs. 10/- each				
Shriram Capital Limited				
Number of shares	59,173,023	59,173,023	59,103,162	59,103,162
% holding in the class	26.08%	26.08%	26.05%	26.05%
Piramal Enterprises Limited				
Number of shares	22,600,000	22,600,000	22,600,000	22,600,000
% holding in the class	9.96%	9.96%	9.96%	9.96%
Genesis Indian Investments Company Limited				
Number of shares	-	-	-	-
% holding in the class	-	-	-	-

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

g. Proposed dividends on equity shares: **(Rs. in lacs)**

Particulars	As at March 31,			
	2018	2017	2016	2015
The Board proposed dividend on equity shares				
Proposed dividend on equity shares	13,612.96	13,612.96	13,612.96	13,612.96
Tax on proposed dividend	2,798.18	2,771.28	2,771.28	2,721.78
Total	**16,411.14**	**16,384.24**	**16,384.24**	**16,334.74**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note 2 - Reserves and surplus	As at March 31,			
	2018	2017	2016	2015
Capital reserve	**2,761.83**	**2,761.83**	**2,761.83**	**2,761.83**
Capital redemption reserve	**5,388.35**	**5,388.35**	**5,388.35**	**5,388.35**
Securities premium account				
Opening Balance	175,481.06	175,481.06	175,481.06	175,481.06
Add: Addition on ESOPs exercised	-	-	-	-
Add: Transferred from stock options outstanding	-	-	-	-
Closing balance	**175,481.06**	**175,481.06**	**175,481.06**	**175,481.06**
Debenture redemption reserve				
Opening Balance	62,889.61	78,834.65	62,791.26	41,335.44
Add: Transfer from Surplus in the statement of profit and loss	9,206.55	23,710.34	31,310.86	31,389.47
Less: Transfer to General Reserve on account of redemption	(50,437.31)	-	-	-
Less: Transfer to Surplus in the statement of profit and loss on account of redemption	-	(39,655.38)	(15,267.47)	(9,933.65)
Closing balance	**21,658.85**	**62,889.61**	**78,834.65**	**62,791.26**
General Reserve				
Opening Balance	115,253.63	102,653.63	90,653.63	78,153.63
Add: Transfer from Surplus in the statement of profit and loss	15,700.00	12,600.00	12,000.00	12,500.00
Add: Transfer from Debenture redemption reserve	50,437.31	-	-	-
Closing balance	**181,390.94**	**115,253.63**	**102,653.63**	**90,653.63**
Other reserves - Statutory reserve pursuant to Section 45-IC of The RBI Act, 1934				
Opening Balance	234,055.44	208,855.44	180,199.79	155,199.79
Add: Additions on account of amalgamation as on April 1, 2015 (Refer Annexure VI Note 11)	-	-	4,655.65	-
Add: Transfer from Surplus in the statement of profit and loss	31,400.00	25,200.00	24,000.00	25,000.00
Closing balance	**265,455.44**	**234,055.44**	**208,855.44**	**180,199.79**

Shriram Transport Finance Company Limited **Annexure IV**

Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note 2 - Reserves and surplus	As at March 31,			
	2018	**2017**	**2016**	**2015**
Surplus in statement of Profit and Loss				
Opening Balance	511,702.28	418,745.82	383,829.91	346,310.96
Add: Additions on account of amalgamation as on April 1, 2015 (Refer Annexure VI Note 11)	-	-	(3,503.89)	-
Depreciation charged off from retained profit as per Schedule II to The Companies Act, 2013	-	-	-	(124.33)
Deferred tax expenses on above	-	-	-	42.26
Add: Profit for the current year	156,802.25	125,734.25	117,819.76	123,780.98
Add: Excess provision written back - tax on dividend	-	-	-	0.42
Add/Less: Appropriations				
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(31,400.00)	(25,200.00)	(24,000.00)	(25,000.00)
Transfer to general reserve	(15,700.00)	(12,600.00)	(12,000.00)	(12,500.00)
Transfer to debenture redemption reserve	(9,206.55)	15,945.04	(16,043.39)	(21,455.82)
Interim dividend	(11,344.14)	(9,075.31)	(9,075.31)	(9,075.31)
Tax on interim dividend	(2,309.40)	(1,847.52)	(1,897.02)	(1,814.51)
Tax on dividend written back on account of set off of dividend distribution tax	244.29	-	-	-
Proposed final dividend	-	-	(13,612.96)	(13,612.96)
Tax on proposed dividend	-	-	(2,771.28)	(2,721.78)
Final dividend	(13,612.96)	-	-	-
Tax on final dividend	(2,771.28)	-	-	-
Total appropriations	**(86,100.04)**	**(32,777.79)**	**(79,399.96)**	**(86,180.38)**
Net surplus statement of profit and loss	**582,404.49**	**511,702.28**	**418,745.82**	**383,829.91**
Total	**1,234,540.96**	**1,107,532.20**	**992,720.78**	**901,105.83**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 3 - Long-term borrowings - non-current	As at March 31,			
	2018	**2017**	**2016**	**2015**
Subordinated debts (unsecured)				
- Bonds	65,342.30	112,389.15	120,524.64	124,201.17
- Debentures	302,379.00	198,820.00	209,673.76	205,733.29
Redeemable non-convertible debentures				
Secured	1,920,152.15	1,420,223.18	1,057,917.41	1,380,890.97
Less: Unamortised discount	(73.22)	-	(0.08)	(27.92)
	1,920,078.93	1,420,223.18	1,057,917.33	1,380,863.05
Senior secured notes	251,000.00	135,000.00	-	-
Term loans from banks				
Unsecured	-	-	10,000.00	10,000.00
Secured	776,228.02	823,545.81	938,402.76	897,040.56
Deposits (unsecured)				
- From public	520,871.35	517,231.40	574,663.98	464,915.65
- From corporates	8,585.41	4,048.57	7,398.34	5,158.22
Term loans from financial institutions / Corporates				
Secured	192,750.00	158,333.33	108,000.00	68,900.00
Loans and advances from related parties				
Subordinated debts (unsecured) - Bonds				
from Subsidiary/associate [Refer Annexure VI Note 15]	144.29	157.06	67.64	-
from Relative of key management personnel	-	0.80	0.80	0.80
from Enterprises having significant influence over the Company	208.53	262.80	287.67	213.22
Subordinated debts (unsecured) - Debentures				
from Relative of key management personnel	-	-	-	0.30
from Enterprises having significant influence over the Company	-	-	23.47	26.72

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 3 - Long-term borrowings - non-current	As at March 31,			
	2018	2017	2016	2015
Redeemable non-convertible debentures (Secured)				
from Key management personnel	-	-	-	3.00
from Relative of Key Management Personnel	-	1.70	2.20	11.89
from Enterprises having significant influence over the Company	-	-	-	5.00
Deposits from public (unsecured)				
from Relative of key management personnel	4.30	4.51	4.79	3.61
	4,037,592.13	**3,370,018.31**	**3,026,967.38**	**3,157,076.48**

Long-term borrowings - current maturities	As at March 31,			
	2018	2017	2016	2015
Subordinated debts (unsecured)				
- Bonds	46,957.00	8,042.52	3,497.89	5,523.82
- Debentures	39,341.00	28,353.76	17,929.53	60,577.00
Redeemable non-convertible debentures				
Secured	513,410.88	414,542.93	554,685.49	396,866.53
Less: Unamortised discount	(44.98)	(0.08)	(27.67)	(117.73)
	513,365.90	414,542.85	554,657.82	396,748.80
Unsecured	-	-	-	2,150.00
Less: Unamortised discount	-	-	-	-
	-	-	-	2,150.00
Term loans from banks				
Unsecured	-	10,000.00	12,000.00	-
Secured	568,985.47	595,885.87	755,728.36	435,638.46
Deposits (unsecured)				
- From public	268,239.35	317,590.65	176,863.90	63,781.99
- From corporates	12,294.07	8,541.10	20,763.57	2,150.40

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Long-term borrowings - current maturities	As at March 31,			
	2018	**2017**	**2016**	**2015**
Term loans from financial institutions / corporate				
Secured	77,333.33	59,666.67	77,566.67	37,800.00
Loans and advances from related parties				
Subordinated debts (Unsecured) - Bonds				
from Subsidiary/associate [Refer Annexure VI Note 15]	102.62	3.55	11.00	-
from Relative of key management personnel	0.80	-	-	-
from Enterprises having significant influence over the Company	54.27	24.87	25.55	28.09
Subordinated debts (Unsecured) - Debentures				
from Relative of key management personnel	-	-	0.30	-
from Enterprises having significant influence over the Company	-	23.47	3.25	-
Redeemable non-convertible debentures (secured)				
from Key management personnel	-	-	3.00	-
from Relative of key management personnel	1.10	0.50	9.75	2.44
from Enterprises having significant influence over the Company	-	-	5.00	-
Deposits from public (unsecured)				
from Relative of key management personnel	2.83	1.96	2.09	-
	1,526,677.74	**1,442,677.77**	**1,619,067.68**	**1,004,401.00**
Amount disclosed under the head other current liabilities [Refer Annexure IV Note 7]	**(1,526,677.74)**	**(1,442,677.77)**	**(1,619,067.68)**	**(1,004,401.00)**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

A) Subordinated debt -unsecured
I) Subordinated debt -unsecured - Bonds
i) Privately placed subordinated debts of Rs. 1,000/- each

Terms of repayment as on March 31, 2018
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12% €	>=12% <14%	
24-36 months €	-	34,263.46	-	**34,263.46**
12-24 months €	-	31,431.66	-	**31,431.66**
Total	**-**	**65,695.12**	**-**	**65,695.12**
Current maturity				
Upto 12 months €	**5.40**	**47,109.29**	**-**	**47,114.69**

€ includes Rs. 510.51 lacs issued to related parties.

Terms of repayment as on March 31, 2017
Long-term borrowing **(Rs. in lacs)**

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

€ includes Rs. 449.08 lacs issued to related parties.

Terms of repayment as on March 31, 2016
Long term borrowing **(Rs. in lacs)**

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

€ includes Rs. 392.66 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10% €	**>=10% <12% €**	**>=12% <14%**	**Total**
Over 60 months €	-	34,263.46	-	**34,263.46**
48-60 months €	-	31,431.66	-	**31,431.66**
36-48 months €	5.40	47,109.29	-	**47,114.69**
24-36 months €	1,481.88	6,589.06	-	**8,070.94**
12-24 months €	46.99	3,487.45	-	**3,534.44**
Total	**1,534.27**	**122,880.92**	-	**124,415.19**
Current maturity				
Upto 12 months €	-	**5,551.41**	**0.50**	**5,551.91**

€ includes Rs. 242.11 lacs issued to related parties.

(Rs. in lacs)

Subordinated debts (unsecured) - Bonds (Non-current)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Privately placed	65,695.12	112,809.81	120,880.75	124,415.19
Total Subordinated debts (unsecured) - Bonds	**65,695.12**	**112,809.81**	**120,880.75**	**124,415.19**
Less: issued to related parties	352.82	420.66	356.11	214.02
Issued to other than related parties	**65,342.30**	**112,389.15**	**120,524.64**	**124,201.17**

(Rs. in lacs)

Total Subordinated debts (unsecured) - Bonds (Current maturity)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Privately placed	47,114.69	8,070.94	3,534.44	5,551.91
Total Subordinated debts	**47,114.69**	**8,070.94**	**3,534.44**	**5,551.91**
Less: issued to related parties	157.69	28.42	36.55	28.09
Issued to other than related parties	**46,957.00**	**8,042.52**	**3,497.89**	**5,523.82**

II) Subordinated debt -unsecured - Debentures

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

Terms of repayment as on March 31, 2018

Long-term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2017

Long-term borrowing **(Rs. in lacs)**

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

Current maturity

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

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
48-60 months	-	7,300.00	-	**7,300.00**
36-48 months	-	6,469.00	-	**6,469.00**
24-36 months	-	-	4,541.00	**4,541.00**
Total	**-**	**13,769.00**	**4,541.00**	**18,310.00**
Current maturity				
Upto 12 months	**-**	**5,000.00**	**-**	**5,000.00**

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10% €	>=10% <12% €	>=12% <14%	Total
Over 60 months €	-	7,300.00	-	**7,300.00**
48-60 months €	-	6,469.00	-	**6,469.00**
36-48 months	-	-	4,541.00	**4,541.00**
12-24 months €	-	5,000.00	-	**5,000.00**
Total	**-**	**18,769.00**	**4,541.00**	**23,310.00**
Current maturity				
Upto 12 months €	**-**	**25,577.00**	**-**	**25,577.00**

ii)Privately Placed Subordinated debts of Rs. 1,000,000/- each

Terms of repayment as on March 31, 2018

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			Total
	<10%	>=10% <12%	>=12% <14%	
Over 60 months	160,400.00	41,470.00	-	**201,870.00**
48-60 months	-	29,740.00	-	**29,740.00**
36-48 months	-	-	5,000.00	**5,000.00**
24-36 months	-	45,000.00	-	**45,000.00**
12-24 months	-	7,000.00	-	**7,000.00**
Total	**160,400.00**	**123,210.00**	**5,000.00**	**288,610.00**
Current maturity				
Upto 12 months	**2,500.00**	**25,630.00**	**6,670.00**	**34,800.00**

Terms of repayment as on March 31, 2017

Long-term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
Over 60 months	-	104,010.00	-	**104,010.00**
48-60 months	-	7,000.00	-	**7,000.00**
36-48 months	2,500.00	25,630.00	5,000.00	**33,130.00**
24-36 months	-	25,000.00	-	**25,000.00**
12-24 months	-	5,000.00	-	**5,000.00**
Total	**2,500.00**	**166,640.00**	**5,000.00**	**174,140.00**
Current maturity				
Upto 12 months	**-**	**35,000.00**	**-**	**35,000.00**

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

Long term borrowing

(Rs. in lacs)

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 €	As at March 31, 2015 €	Redeemable at par on
Option -IV	10.40%	-	-	91.00	91.00	1-Jun-17
	10.81%	-	-	-	1,687.00	1-Mar-17
	11.25%	-	-	-	3,746.08	1-Dec-16
Option -V	10.25%	-	-	110.30	110.30	1-Jun-17
	10.75%	-	-	204.32	204.32	1-Jun-17
	11.00%	-	-	2,471.61	2,471.61	1-Jun-17
Total		**-**	**-**	**2,877.23**	**8,310.31**	

€ includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 23.47 lacs and March 31, 2015: Rs. 0.30 lacs) issued to related parties.

(Rs. in lacs)

Option Detail	Rate of interest	As at March 31, 2018 €	As at March 31, 2017 €	As at March 31, 2016 €	As at March 31, 2015	Redeemable at par on
Option -IV	10.40%	-	91.00	-	-	June 1, 2017
	10.81%	-	-	1,687.00	-	March 1, 2017
	11.25%	-	-	3,746.08	-	December 1, 2016
Option -V	10.25%	-	110.30	-	-	June 1, 2017
	10.75%	-	204.32	-	-	June 1, 2017
	11.00%	-	2,471.61	-	-	June 1, 2017
Total		**-**	**2,877.23**	**5,433.08**	**-**	

€ includes Rs. Nil (March 31, 2017: Rs. 23.47 lacs, March 31, 2016: Rs. 3.55 lacs and March 31, 2015: Rs. Nil) issued to related parties.

(Rs. in lacs)

Subordinated debts (unsecured) - Debentures (Non-current)	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Privately placed (i+ii)	302,379.00	198,820.00	206,820.00	197,450.00
Public issue (iii)	-	-	2,877.23	8,310.31
Total Subordinated debts (unsecured) - Debentures	**302,379.00**	**198,820.00**	**209,697.23**	**205,760.31**
Less: issued to related parties	-	-	23.47	27.02
Issued to other than related parties	**302,379.00**	**198,820.00**	**209,673.76**	**205,733.29**

(Rs. in lacs)

Subordinated debts (unsecured) - Debentures (Current maturity)	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Privately placed (i+ii)	39,341.00	25,500.00	12,500.00	60,577.00
Public issue (iii)	-	2,877.23	5,433.08	-
Total Subordinated debts (unsecured) - Debentures	**39,341.00**	**28,377.23**	**17,933.08**	**60,577.00**
Less: issued to related parties	-	23.47	3.55	-
Issued to other than related parties	**39,341.00**	**28,353.76**	**17,929.53**	**60,577.00**

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

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

Terms of repayment as on March 31, 2018

Long-term borrowing

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

Current maturity **(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	**-**	**1,965.08**	**-**	**1,965.08**

Terms of repayment as on March 31, 2017

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	**Rate of interest**				**Total ***
	< 10%	**>= 10% < 12%**	**>= 12% < 14%**	**>= 14% < 16%**	
12-24 months	-	1,965.83	-	-	**1,965.83**
Total	**-**	**1,965.83**	**-**	**-**	**1,965.83**
Current maturity					
Upto 12 months	**-**	**9,277.07**	**939.52**	**-**	**10,216.59**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	**>= 10% < 12% €**	**>= 12% < 14%**	**>= 14% < 16%**	**Total ***
24-36 months	-	1,965.83	-	-	**1,965.83**
12-24 months	-	9,278.37	939.52	-	**10,217.89**
Total	**-**	**11,244.20**	**939.52**	**-**	**12,183.72**
Current maturity					
Upto 12 months €	**1.84**	**47,004.19**	**719.40**	**0.88**	**47,726.31**

€ includes Rs. 1.84 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	**>= 10% < 12% €**	**>= 12% < 14%**	**>= 14% < 16%**	**Total ***
36-48 months	-	1,967.83	-	-	**1,967.83**
24-36 months	-	9,279.12	939.52	-	**10,218.64**
12-24 months €	1.84	47,141.27	719.40	0.88	**47,863.39**
Total	**1.84**	**58,388.22**	**1,658.92**	**0.88**	**60,049.86**
Current maturity					
Upto 12 months €	**2,576.83**	**136,882.22**	**-**	**792.60**	**140,251.65**

€ includes Rs. 4.22 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, 2018

Long-term borrowing (gross of unamortised discount on debenture of Rs. 73.22 lacs) **(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	96,710.00	136,720.00	-	**233,430.00**
48-60 months	150,650.00	-	-	**150,650.00**
36-48 months ^	437,290.00	13,000.00	-	**450,290.00**
24-36 months ^¥	210,500.00	102,500.00	-	**313,000.00**
12-24 months*^¥	701,000.00	-	-	**701,000.00**
Total	**1,596,150.00**	**252,220.00**	**-**	**1,848,370.00**

* 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**	

Current maturity (gross of unamortised discount on debenture of Rs. 44.98 lacs) **(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 ¥^	438,700.00	37,800.00	**-**	**476,500.00**

^NCD amounting to Rs. 197,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

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

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	8.06%	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**	

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

Terms of repayment as on March 31, 2017

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

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

***** Includes 1 NCD of Rs. 30,000.00 lacs partly paid to the extent of Rs. 500,000/-
^NCD amounting to Rs. 113,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

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

(Rs. in lacs)

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

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

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

***** Includes 1 NCD of Rs. 35,000.00 lacs partly paid to the extent of Rs. 500,000/-
^NCD amounting to Rs. 16,230.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

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

(Rs. in lacs)

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

Terms of repayment as on March 31, 2016

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

(Rs. in lacs)

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

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

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

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

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

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

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

(Rs. in lacs)

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

Terms of repayment as on March 31, 2015

Long term borrowing (gross of unamortised discount on debenture of Rs. 27.92 lacs)

(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	128,460.00	239,220.00	-	**367,680.00**
48-60 months	17,000.00	150,000.00	-	**167,000.00**
36-48 months^	11,500.00	27,400.00	-	**38,900.00**
24-36 months^	29,100.00	97,000.00	500.00	**126,600.00**
12-24 months*^¥	130,000.00	135,805.00	-	**265,805.00**
Total	**316,060.00**	**649,425.00**	**500.00**	**965,985.00**

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

^NCD amounting to Rs. 35,600.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

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

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/Call option date
1	10.60%	625.00	August 12, 2016
Total		**625.00**	

Current maturity (gross of unamortised discount on debenture of Rs. 117.73 lacs) **(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^¥	**54,500.00**	**72,100.00**	**-**	**126,600.00**

^NCD amounting to Rs. 1,950.00 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	9.90%	20,000.00	July 20, 2015
2	10.95%	30,000.00	September 25, 2015
3	9.35%	20,000.00	June 22, 2015
Total		**70,000.00**	

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

Terms of repayment as on March 31, 2018
Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.)
Outstanding as at March 31, 2018 : Rs. Nil.

Current maturity (gross of unamortised discount on debenture of Rs. Nil.)
Outstanding as at March 31, 2018 : Rs. Nil.

Terms of repayment as on March 31, 2017
Long-term borrowing (gross of unamortised discount on debenture of Rs. Nil.)
Outstanding as at March 31, 2017 : Rs. Nil.

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

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

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

Terms of repayment as on March 31, 2016
Long term borrowing (gross of unamortised discount on debenture of Rs. Nil.)

(Rs. in lacs)

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

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

Current maturity (gross of unamortised discount on debenture of Rs. Nil.)
Outstanding as at March 31, 2016 : Rs. Nil.

Terms of repayment as on March 31, 2015
Long term borrowing (gross of unamortised discount on debenture of Rs. Nil.)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest			Total
	< 10%	>= 10% < 12%*	>= 12% < 14%	
24-36 months*	-	1,200.00	-	**1,200.00**
Total	**-**	**1,200.00**	**-**	**1,200.00**

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

Current maturity (gross of unamortised discount on debenture of Rs. Nil.) **(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*	**-**	**1,000.00**	**-**	**1,000.00**

*Partly paid to the extent of Rs. 1,000,000/-

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.

Long term borrowing **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Option –II	9.50%	-	-	278.58	-	June 1, 2017	June 2, 2015
	10.00%	-	-	453.23	-	June 1, 2017	June 2, 2015
	10.25%	-	-	3,157.85	-	June 1, 2017	June 2, 2015
	10.50%	-	-	571.77	-	June 1, 2017	June 2, 2015
Total		**-**	**-**	**4,461.43**	**-**		

Current maturity
Terms of repayment **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Option -I	9.00%	-	-	-	1,424.68	June 1, 2015	-
	9.50%	-	-	-	3,918.31	June 1, 2015	-
	9.75%	-	-	-	1,160.23	June 1, 2015	-
	10.00%	-	-	-	210.37	June 1, 2015	-
Option –II	9.50%	-	278.58	-	-	June 1, 2017	-
	10.00%	-	453.23	-	-	June 1, 2017	-
	10.25%	-	3,190.88	-	-	June 1, 2017	-
	10.50%	-	538.74	-	-	June 1, 2017	-
	9.50%	-	-	-	897.03	June 1, 2017	June 2, 2015
	10.00%	-	-	-	785.25	June 1, 2017	June 2, 2015
	10.25%	-	-	-	3,799.51	June 1, 2017	June 2, 2015
	10.50%	-	-	-	672.17	June 1, 2017	June 2, 2015
Option –III	9.75%	-	-	-	807.77	June 1, 2015	-
	10.25%	-	-	-	782.70	June 1, 2015	-
	10.50%	-	-	-	1,779.74	June 1, 2015	-
	10.75%	-	-	-	359.56	June 1, 2015	-
Total		**-**	**4,461.43**	**-**	**16,597.32**		

Nature of Security

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

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

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

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

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

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

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

As per the terms of the issue Rs. 4,461.43 lacs were redeemed on June 1, 2017.

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

Terms of repayment
Long term borrowing
Outstanding as on March 31, 2018: Rs. Nil, March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil

Current maturity **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Option -I	11.60% *	-	-	52,241.36	53,467.20	July 11, 2016	July 12, 2015
	11.35%	-	-	23,254.35	24,304.40	July 11, 2016	July 12, 2015
	11.10%	-	-	7,264.68	7,324.64	July 11, 2016	July 12, 2015
Option –II	11.35% *	-	-	-	-	July 11, 2014	-
	11.10%	-	-	-	-	July 11, 2014	-
	11.00%	-	-	-	-	July 11, 2014	-
Total		**-**	**-**	**82,760.39**	**85,096.24**		

* includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 0.06 lacs and March 31, 2015: Rs. 0.06 lacs)

Nature of Security
Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.
The Company has utilised the entire sum of Rs. 99,999.93 lacs raised from public issue (net off expenses) towards asset financing activities as per the objects stated in the prospectus for the issue.
Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.
Subject to the provisions of The Companies Act, 2013, where the Company has fully redeemed or repurchased any Secured NCD(s), the Company shall have the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue.
The Company has bought back NCDs of Rs. 28.73 lacs on October 28, 2014 and as per the terms of the issue Rs. 14,874.96 lacs were redeemed on July 11, 2014.
Put options were exercised for option I on July 12, 2015 and Rs. 225.45 lacs were paid on August 12, 2015 and Rs. 2,110.40 lacs were paid on August 13, 2015 in compliance with the terms of issue.
As per the terms of the issue Rs. 82,760.39 lacs were redeemed on July 11, 2016.

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

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series –II *	11.40% *	-	-	13,382.08	13,349.04	August 9, 2017	-
	10.50%	-	-	12,812.18	12,845.22	August 9, 2017	-
Series –IV *	11.40% *	-	-	6,288.04	6,251.50	August 9, 2017	-
	10.50%	-	-	139.09	175.63	August 9, 2017	-
Total		**-**	**-**	**32,621.39**	**32,621.39**		

* includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 0.50 lacs and March 31, 2015: Rs. 0.50 lacs)

Current maturity **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017 *	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series –I	11.15%	-	-	-	8,572.90	August 9, 2015	-
	10.25%	-	-	-	14,871.99	August 9, 2015	-
Series –II	11.40% *	-	13,393.84	-	-	August 9, 2017	-
	10.50%	-	12,800.42	-	-	August 9, 2017	-
Series –III	11.15%	-	-	-	3,731.19	August 9, 2015	-
	10.25%	-	-	-	147.68	August 9, 2015	-
Series –IV	11.40% *	-	6,329.07	-	-	August 9, 2017	
	10.50%	-	98.06	-	-	August 9, 2017	
Total		**-**	**32,621.39**	**-**	**27,323.76**		

* includes Rs. Nil (March 31, 2017: Rs. 0.50 lacs, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil) 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 7, 2015 and Rs. 32,621.39 lacs were redeemed on August 9, 2017.

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

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017*	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series -I*	10.90% *	-	-	-	12,850.81	August 1, 2016	-
	9.65%	-	-	-	13,542.26	August 1, 2016	-
Series –II*	11.15% *	-	-	11,558.97	11,561.58	July 31, 2017	-
	9.80%	-	-	3,381.06	3,378.46	July 31, 2017	-
	11.15% *	-	11,549.21	11,558.97	11,561.58	July 31, 2018	-
	9.80%	-	3,390.83	3,381.07	3,378.46	July 31, 2018	-
Series –III	10.63%	-	5,812.11	5,822.11	5,801.02	July 31, 2018	-
	9.40%	-	84.91	74.91	96.00	July 31, 2018	-
Series –IV*	10.90% *	-	-	-	6,044.39	August 1, 2016	-
	9.65%	-	-	-	72.64	August 1, 2016	-
Series –V	11.15%	-	-	2,597.72	2,631.70	July 31, 2017	-
	9.80%	-	-	43.63	9.66	July 31, 2017	-
	11.15%	-	2,619.12	2,597.72	2,631.70	July 31, 2018	-
	9.80%	-	22.23	43.64	9.64	July 31, 2018	-
Total		-	**23,478.41**	**41,059.80**	**73,569.90**		

***** includes Rs. Nil (March 31, 2017: Rs. 1.20 lacs, March 31, 2016: Rs. 1.20 lacs and March 31, 2015: Rs. 10.75 lacs) issued to related parties.

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2018*	As at March 31, 2017	As at March 31, 2016*	As at March 31, 2015	Redeemable at par on	Put and Call option
Series -I *	10.90%*	-	-	12,819.78	-	August 1, 2016	-
	9.65%	-	-	13,573.29	-	August 1, 2016	-
Series –II*	11.15%	-	11,549.21	-	-	July 31, 2017	-
	9.80%	-	3,390.83	-	-	July 31, 2017	-
	11.15%*	11,565.05	-	-	-	July 31, 2018	-
	9.80%	3,374.99	-	-	-	July 31, 2018	-
Series - III	10.63%	5,823.40	-	-	-	July 31, 2018	-
	9.40%	73.62	-	-	-	July 31, 2018	-
Series –IV *	10.90% *	-	-	6,067.30	-	August 1, 2016	-
	9.65%	-	-	49.73	-	August 1, 2016	-
Series –V	11.15%	-	2,619.12	-	-	July 31, 2017	-
	9.80%	-	22.23	-	-	July 31, 2017	-
	11.15%	2,634.62	-	-	-	July 31, 2018	-
	9.80%	6.73	-	-	-	July 31, 2018	-
Total		**23,478.41**	**17,581.39**	**32,510.10**	**-**		

* includes Rs. 0.60 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 9.55 lacs and March 31, 2015: Rs. Nil 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. 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.

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

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017*	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series -I*	11.25% *	-	-	-	7,745.00	October 24, 2016	-
	10.75%	-	-	-	19,390.84	October 24, 2016	-
Series –II *	11.50% *	-	3,165.95	3,165.18	3,167.15	October 24, 2018	-
	10.75%	-	7,487.57	7,488.34	7,486.37	October 24, 2018	-
Series –III	11.75%	4,695.66	4,695.64	4,703.56	4,710.54	October 24, 2020	-
	10.75%	3,061.89	3,061.91	3,053.99	3,047.01	October 24, 2020	-
Series –IV	11.25%	-	-	-	2,250.99	October 24, 2016	-
	10.75%	-	-	-	14.61	October 24, 2016	-
Series –V	11.50%	-	806.75	806.60	809.92	October 24, 2018	-
	10.75%	-	8.22	8.37	5.05	October 24, 2018	-
Series –VI	11.75%	1,347.03	1,347.84	1,349.17	1,348.34	October 24, 2020	-
	10.75%	25.49	24.68	23.35	24.18	October 24, 2020	-
Total		**9,130.07**	**20,598.56**	**20,598.56**	**50,000.00**		

* includes Rs. Nil (March 31, 2017: Rs. 0.50 lacs, March 31, 2016: Rs. 0.50 lacs and March 31, 2015: Rs. 1.80 lacs) issued to related parties.

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2018 *	As at March 31, 2017	As at March 31, 2016*	As at March 31, 2015	Redeemable at par on	Put and Call option
Series - I *	11.25% *	-	-	7,749.14	-	October 24, 2016	-
	10.75% *	-	-	19,386.70	-	October 24, 2016	-
Series - II *	11.50% *	3,181.74	-	-	-	October 24, 2018	-
	10.75%	7,471.78	-	-	-	October 24, 2018	-
Series - IV	11.25%	-	-	2,250.16	-	October 24, 2016	-
	10.75%	-	-	15.44	-	October 24, 2016	-
Series - V	11.50%	802.55	-	-	-	October 24, 2018	-
	10.75%	12.42	-	-	-	October 24, 2018	-
Total		**11,468.49**	**-**	**29,401.44**	**-**		

* includes Rs. 0.50 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 6.3 lacs and March 31, 2015: Rs. Nil) 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.

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

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series I	9.85%	-	-	111,397.42	111,578.53	July 15, 2017	-
	11.00%	-	-	6,980.86	6,571.96	July 15, 2017	-
	11.25%	-	-	7,514.40	7,742.19	July 15, 2017	-
Series II	10.00%	33,141.05	33,150.36	33,235.44	33,145.30	July 15, 2019	-
	11.25%	3,463.73	3,328.32	3,175.43	3,138.76	July 15, 2019	-
	11.50%	1,806.25	1,932.35	2,000.16	2,126.97	July 15, 2019	-
Series III	10.15%	5,343.24	5,333.34	5,334.05	5,588.00	July 15, 2021	-
	11.50%	6,085.86	5,834.06	5,765.62	5,327.02	July 15, 2021	-
	11.75%	2,177.77	2,439.47	2,507.20	2,691.85	July 15, 2021	-
Series IV	9.57%	20.33	31.42	45.42	51.76	July 15, 2019	-
	10.71%	1,706.96	1,619.62	1,512.84	1,427.85	July 15, 2019	-
	10.94%	1,056.35	1,132.60	1,225.38	1,304.03	July 15, 2019	-
Series V	9.71%	9.39	3.45	2.51	2.17	July 15, 2021	-
	10.94%	2,528.16	2,422.77	2,158.80	2,090.82	July 15, 2021	-
	11.17%	981.11	1,092.44	1,357.35	1,425.67	July 15, 2021	-
Series VI	9.85%	-	-	5,007.91	5,018.55	July 15, 2017	-
	11.00%	-	-	2,899.34	2,803.29	July 15, 2017	-
	11.25%	-	-	1,032.70	1,118.11	July 15, 2017	-
Series VII	10.00%	14.72	2.71	6.05	4.55	July 15, 2019	-
	11.25%	1,083.14	1,067.94	1,048.43	1,023.08	July 15, 2019	-
	11.50%	422.37	449.58	465.75	492.60	July 15, 2019	-
Series VIII	10.15%	31.86	25.25	33.57	33.17	July 15, 2021	-
	11.50%	2,025.80	1,971.58	1,947.07	1,893.46	July 15, 2021	-
	11.75%	753.99	814.82	831.01	885.02	July 15, 2021	-
Total		**62,652.08**	**62,652.08**	**197,484.71**	**197,484.71**		

Current maturity

(Rs. in lacs)

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series I	9.85%	-	111,396.77	-	-	July 15, 2017	-
	11.00%	-	7,215.46	-	-	July 15, 2017	-
	11.25%	-	7,280.45	-	-	July 15, 2017	-
Series - VI	9.85%	-	5,506.59	-	-	July 15, 2017	-
	11.00%	-	2,466.85	-	-	July 15, 2017	-
	11.25%	-	966.51	-	-	July 15, 2017	-
Total		-	**134,832.63**	-	-		

Nature of security

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

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

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

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

(Rs. in lacs)

Total non-convertible debentures-secured (gross of unamortised discount on debenture) (Non current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Privately placed (i+ii+iii)	1,848,370.00	1,313,495.83	761,693.72	1,027,234.86
Public issue (iv+v+vi+vii+viii+ix+x)	71,782.15	106,729.05	296,225.89	353,676.00
Total non-convertible debentures-secured	**1,920,152.15**	**1,420,224.88**	**1,057,919.61**	**1,380,910.86**
Less: issued to related parties	-	1.70	2.20	19.89
Issued to other than related parties	**1,920,152.15**	**1,420,223.18**	**1,057,917.41**	**1,380,890.97**

(Rs. in lacs)

Total non-convertible debentures- secured (gross of unamortised discount on debenture) (Current maturity)	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
Privately placed (i+ii+iii)	478,465.08	225,046.59	410,031.31	267,851.65
Public issue (iv+v+vi+vii+viii+ix+x)	34,946.90	189,496.84	144,671.93	129,017.32
Total non-convertible debentures- secured	**513,411.98**	**414,543.43**	**554,703.24**	**396,868.97**
Less: issued to related parties	1.10	0.50	17.75	2.44
Issued to other than related parties	**513,410.88**	**414,542.93**	**554,685.49**	**396,866.53**

C) Redeemable non-convertible debentures- Unsecured

Privately placed unsecured redeemable non-convertible debentures of Rs. 1,000,000/- each
Terms of repayment as on March 31, 2018
Long term borrowing
Outstanding as at March 31, 2018: Rs. Nil.

Current maturity
Outstanding as at March 31, 2018: Rs. Nil.

Terms of repayment as on March 31, 2017
Long term borrowing
Outstanding as at March 31, 2017: Rs. Nil.

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

Terms of repayment as on March 31, 2016
Long term borrowing
Outstanding as at March 31, 2016: Rs. Nil.

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

Terms of repayment as on March 31, 2015
Long term borrowing
Outstanding as at March 31, 2015: Nil.

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

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		
	<10%	**>=10% <12%^**	**Total**
upto 12 months^	-	2,150.00	**2,150.00**
Total	**-**	**2,150.00**	**2,150.00**

^NCDs amounting to Rs. 2,150.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

D) Senior secured notes
Senior secured notes of Rs. 10,000,000/- each
Terms of repayment

Long-term borrowing **(Rs. in lacs)**

Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on
Senior secured notes	8.10%	84,000.00	-	-	-	June 8, 2023
Senior secured notes	7.90%	32,000.00	-	-	-	March 12, 2021
Senior secured notes	8.25%	135,000.00	135,000.00	-	-	February 18, 2020
Total		**251,000.00**	**135,000.00**	**-**	**-**	

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 borrowing 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.

Current maturity
Outstanding as at March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015: Rs. Nil.

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

E) Term loans from bank- unsecured

As at March 31, 2018
Terms of repayment
Outstanding as at March 31, 2018 : Rs. Nil.

As at March 31, 2017
Terms of repayment **(Rs. in lacs)**

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

As at March 31, 2016
Terms of repayment **(Rs. in lacs)**

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

As at March 31, 2015
Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
24-36 months	14.00%	Bullet frequency	10,000.00	-
Total			**10,000.00**	**-**

F) Term loans from banks -secured

As at March 31, 2018
Terms of repayment
Long term borrowing **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	8.10% to 8.75%	20 instalments of quarterly frequency	234,784.70	62,800.00
36-48 months	8.30% to 9.20%	12 to 20 instalments of quarterly and specific frequency	207,203.07	72,958.33
24-36 months	7.85% to 9.70%	10 to 36 instalments of monthly and quarterly frequency	199,066.90	120,750.00
12-24 months	8.15% to 9.60%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	135,173.35	95,386.90
upto 12 months	2.59% to 9.70%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	217,090.24
Total			**776,228.02**	**568,985.47**

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, 2017
Terms of repayment
Long term borrowing **(Rs. in lacs)**

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

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

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

As at March 31, 2016
Terms of repayment
Long term borrowing **(Rs. in lacs)**

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

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

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

As at March 31, 2015
Terms of repayment
Long term borrowing **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	10.35% to 10.75%	16 to 20 installments of quarterly frequency	207,061.63	49,812.50
36-48 months	10.10% to 11.25%	10 to 48 installments of monthly, quarterly and half-yearly frequency	303,609.73	88,000.00
24-36 months	10.35% to 11.25%	5 to 48 installments of monthly, quarterly, half-yearly, yearly and specific frequency	202,164.10	119,568.67
12-24 months	9.85% to 11.25%	1 to 60 installments of bullet, monthly, quarterly, half-yearly and specific frequency	184,205.10	108,214.29
upto 12 months (* refer security details)	9.00% to 12.25%	3 to 60 installments of monthly, quarterly, half-yearly and yearly frequency	-	70,043.00
Total			**897,040.56**	**435,638.46**

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

(Rs. in lacs)

Nature of security	As at March 31, 2015
a) * includes secured by hypothecation of vehicles for own use	0.44
b) Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed / current assets relating to hypothecation loans	1,332,678.58
Total	**1,332,679.02**

G) Deposits from public - unsecured [Refer Annexure VI Note 6]

Terms of repayment as on March 31, 2018
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12%	
48-60 months €	88,915.77	-	**88,915.77**
36-48 months €	72,392.40	-	**72,392.40**
24-36 months €	189,453.98	-	**189,453.98**
12-24 months €	146,601.21	23,512.29	**170,113.50**
Total	**497,363.36**	**23,512.29**	**520,875.65**
Current maturity			
Upto 12 months €	**255,478.75**	**12,763.43**	**268,242.18**

€ includes Rs. 7.13 lacs issued to related parties.

Terms of repayment as on March 31, 2017
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12% €	
48-60 months €	65,550.35	-	**65,550.35**
36-48 months €	58,806.65	-	**58,806.65**
24-36 months €	133,919.38	23,689.74	**157,609.12**
12-24 months €	222,523.88	12,745.91	**235,269.79**
Total	**480,800.26**	**36,435.65**	**517,235.91**
Current maturity			
Upto 12 months €	**64,474.49**	**253,118.12**	**317,592.61**

€ includes Rs. 6.47 lacs issued to related parties.

Terms of repayment as on March 31, 2016
Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10% €	>= 10% < 12% €	
48-60 months	36,763.33	-	**36,763.33**
36-48 months	8,220.08	24,012.53	**32,232.61**
24-36 months €	204,554.94	12,815.20	**217,370.14**
12-24 months €	31,918.55	256,384.14	**288,302.70**
Total	**281,456.90**	**293,211.87**	**574,668.77**
Current maturity			
Upto 12 months €	**43,245.42**	**133,620.57**	**176,865.99**

€ includes Rs. 6.88 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12% €	
48-60 months	5,133.39	23,983.59	**29,116.98**
36-48 months	305.36	12,897.04	**13,202.40**
24-36 months €	18,701.02	258,685.82	**277,386.84**
12-24 months €	9,718.23	135,494.81	**145,213.04**
Total	**33,858.00**	**431,061.26**	**464,919.26**
Current maturity			
Upto 12 months	**36,678.28**	**27,103.71**	**63,781.99**

€ includes Rs. 3.61 lacs issued to related parties.

(Rs. in lacs)

Total Deposits from public- Unsecured (Non -current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from public	520,875.65	517,235.91	574,668.77	464,919.26
Less: issued to related parties	4.30	4.51	4.79	3.61
Issued to other than related parties	**520,871.35**	**517,231.40**	**574,663.98**	**464,915.65**

(Rs. in lacs)

Total Deposits from public- Unsecured (Current maturity)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from public	268,242.18	317,592.61	176,865.99	63,781.99
Less: issued to related parties	2.83	1.96	2.09	-
Issued to other than related parties	**268,239.35**	**317,590.65**	**176,863.90**	**63,781.99**

H) Deposits from corporates - unsecured
Terms of repayment as on March 31, 2018

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	502.61	-	**502.61**
36-48 months	447.40	-	**447.40**
24-36 months	3,504.41	-	**3,504.41**
12-24 months	4,101.99	29.00	**4,130.99**
Total	**8,556.41**	**29.00**	**8,585.41**
Current maturity			
Upto 12 months	**12,229.73**	**64.34**	**12,294.07**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

Terms of repayment as on March 31, 2017
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	386.75	-	**386.75**
36-48 months	430.00	-	**430.00**
24-36 months	491.45	29.00	**520.45**
12-24 months	2,649.67	61.70	**2,711.37**
Total	**3,957.87**	**90.70**	**4,048.57**
Current maturity			
Upto 12 months	**5,133.16**	**3,407.94**	**8,541.10**

Terms of repayment as on March 31, 2016
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	383.00	-	**383.00**
36-48 months	4.00	33.80	**37.80**
24-36 months	2,295.62	61.70	**2,357.32**
12-24 months	1,192.27	3,427.95	**4,620.21**
Total	**3,874.89**	**3,523.45**	**7,398.34**
Current maturity			
Upto 12 months	**20,065.64**	**697.93**	**20,763.57**

Terms of repayment as on March 31, 2015
Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	3.00	33.80	**36.80**
36-48 months	-	61.70	**61.70**
24-36 months	687.00	3,488.65	**4,175.65**
12-24 months	156.14	727.93	**884.07**
Total	**846.14**	**4,312.08**	**5,158.22**
Current maturity			
Upto 12 months	**1,033.40**	**1,117.00**	**2,150.40**

(Rs. in lacs)

Total Deposits from corporate- Unsecured (Non -current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from corporate	8,585.41	4,048.57	7,398.34	5,158.22
Less: issued to related parties	-	-	-	-
Issued to other than related parties	**8,585.41**	**4,048.57**	**7,398.34**	**5,158.22**

(Rs. in lacs)

Total Deposits from corporate- Unsecured (Current maturity)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from corporate	12,294.07	8,541.10	20,763.57	2,150.40
Less: issued to related parties	-	-	-	-
Issued to other than related parties	**12,294.07**	**8,541.10**	**20,763.57**	**2,150.40**

I) Term loan from financial institution/corporate -secured

As at March 31, 2018
Terms of repayment
Long term borrowing **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
36-48 months	8.25% to 8.85%	11 to 20 installments of quarterly and specific frequency	111,250.00	47,000.00
24-36 months	8.75% to 9.25%	1 to 20 installments of bullet and quarterly frequency	77,000.00	16,000.00
12-24 months	9.25%	20 installments of quarterly frequency	4,500.00	6,000.00
upto 12 months	10.50%	6 installments of half-yearly frequency	-	8,333.33
Total			**192,750.00**	**77,333.33**

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, 2017
Terms of repayment
Long term borrowing **(Rs. in lacs)**

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

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

As at March 31, 2016
Terms of repayment
Long term borrowing **(Rs. in lacs)**

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

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

As at March 31, 2015
Long term borrowing
Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
48-60 months	10.00%	20 installments of quarterly frequency	22,500.00	6,000.00
24-36 months	10.00%	20 installments of specific frequency	17,500.00	10,000.00
12-24 months	10.00%	1 to 12 installments of bullet and specific frequency	28,900.00	16,800.00
upto 12 months	10.00%	11 installments of specific frequency	-	5,000.00
Total			**68,900.00**	**37,800.00**

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

Total Long term borrowings - Non Current portion **(Rs. in lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings	3,140,056.95	2,537,104.02	2,104,322.29	2,346,823.50
Unsecured borrowings	897,535.18	832,914.29	922,645.09	810,252.98
Total Long term borrowings - Non-current portion	**4,037,592.13**	**3,370,018.31**	**3,026,967.38**	**3,157,076.48**

Total Long term borrowings - Current Maturities **(Rs. in lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings	1,159,685.80	1,070,095.89	1,387,970.60	870,189.70
Unsecured borrowings	366,991.94	372,581.88	231,097.08	134,211.30
Total Long term borrowings - Current maturities	**1,526,677.74**	**1,442,677.77**	**1,619,067.68**	**1,004,401.00**

(Rs. in lacs)

Note- 4 - Other long-term liabilities	As at March 31,			
	2018	2017	2016	2015
Interest accrued but not due on loans	63,679.45	66,136.39	69,421.52	57,229.69
Unrealised gain on securitisation @	80,867.52	49,131.34	30,657.73	24,387.06
Payable on account of Securitisation/assignment	3,240.75	8,674.69	775.29	19,151.36
Payable on account of forward contracts	-	752.68	-	-
Retention and others	15,471.86	15,065.25	16,271.38	15,517.51
Other liabilities	55.84	776.38	1,752.07	1,967.17
	163,315.42	**140,536.73**	**118,877.99**	**118,252.79**

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

(Rs. in lacs)

Note- 5 - Long-term provisions	As at March 31,			
	2018	**2017**	**2016**	**2015**
For employee benefits				
For gratuity	-	-	-	-
For others				
For non-performing assets [Refer Annexure VI Note 14]	519,957.80	374,944.43	272,654.14	151,501.84
For diminution in fair value of restructured loans	4,566.77	-	-	-
For contingent provision on standard assets [Refer Annexure VI Note 14]	19,930.36	14,449.40	11,617.54	7,148.53
For credit loss on securitisation	-	-	-	-
	544,454.93	**389,393.83**	**284,271.68**	**158,650.37**

(Rs. in lacs)

Note- 6 - Short-term borrowings	As at March 31,			
	2018	**2017**	**2016**	**2015**
Secured				
Redeemable non convertible debentures	5,000.00	75,000.00	25,000.00	-
Term loans				
From banks	232,384.55	157,346.93	102,625.00	236,344.91
From financial institutions / corporates	10,000.00	-	-	-
Loans repayable on demand - Secured				
Cash credit	68,206.70	247,076.82	201,410.34	17,022.32
Unsecured				
Term loans from banks	-	16,000.00	4,000.00	12,000.00
Inter corporate deposits from subsidiary/associate [Refer Annexure VI Note 15]	2,835.00	2,890.00	-	-
Unsecured loan from subsidiary	-	-	-	773.36
Commercial papers from other than banks	455,500.00	-	-	-
Less: Unamortised discount	(6,280.29)	-	-	-
	449,219.71	-	-	-
	767,645.96	**498,313.75**	**333,035.34**	**266,140.59**

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

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

Terms of repayment as on March 31, 2018

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	Rate of interest	
	<=10% *	Total
Upto 12 months *	5,000.00	**5,000.00**
Total	**5,000.00**	**5,000.00**

* Includes 1 NCD of Rs. 5,000.00 lacs partly paid to the extent of Rs. 50,000/-

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	8.10%	5,000.00	May 30, 2018
Total		**5,000.00**	

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.

Terms of repayment as on March 31, 2017

(Rs. in lacs)

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

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

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

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.

Terms of repayment as on March 31, 2016

(Rs. in lacs)

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

Nature of security
Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.
Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

Terms of repayment as on March 31, 2015
Outstanding as at March 31, 2015 : Nil.

B) Term loans from banks -Secured

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
upto 12 months	3.16% to 9.07%	1 to 16 installments of bullet, quarterly and half-yearly frequency	232,384.55
Total			**232,384.55**

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

Terms of repayment **(Rs. in lacs)**

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

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

Terms of repayment **(Rs. in lacs)**

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

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

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2015
upto 12 months	9.75% to 11.00%	1 to 20 installments of bullet and quarterly frequency	236,344.91
Total			**236,344.91**

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 institution -Secured

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
upto 12 months	8.75%	Bullet frequency	10,000.00
Total			**10,000.00**

Outstanding as at March 31, 2017, March 31, 2016, March 31, 2015 : Rs. Nil.

D) Cash Credit from bank

(Rs. in lacs)

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Rate of interest	8.10% to 11.65%	8.60% to 11.95%	9.55% to 12.55%	9.90% to 12.25%
Secured by hypothecation of specific assets covered under hypothecation loan agreements	68,206.70	247,076.82	201,410.34	17,022.32
Total	**68,206.70**	**247,076.82**	**201,410.34**	**17,022.32**

E) Term loans from bank -unsecured

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

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2017
upto 12 months	9.00%	Bullet frequency	16,000.00
Total			**16,000.00**

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
upto 12 months	9.60%	Bullet frequency	4,000.00
Total			**4,000.00**

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2015
upto 12 months	10.00%	Bullet frequency	12,000.00
Total			**12,000.00**

F) Inter corporate deposits from subsidiary/associate

Terms of repayment **(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	2,835.00
Total			**2,835.00**

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of Interest	Repayment Details	As on March 31, 2017
Upto 12 months	9.50%	Bullet frequency	2,890.00
Total			**2,890.00**

Terms of repayment
Outstanding as at March 31, 2016 and March 31, 2015 : Nil.

G) Unsecured loan from subsidiary/associate

Terms of repayment
Outstanding as at March 31, 2018, March 31, 2017 and March 31, 2016 : Nil.

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2015
Upto 12 months	10.65%	Bullet frequency	773.36
Total			**773.36**

H) Commercial papers from other than banks (net of unamortised discount)

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
Upto 12 months	7.86 % to 8.12 %	Bullet frequency	449,219.71
Total			**449,219.71**

Outstanding as at March 31, 2017, March 31, 2016 and March 31, 2015 is Rs. Nil.

Note
The amount of commercial paper is disclosed at net value. The amount of unamortised discount on commercial paper is Rs. 6,280.29 lacs.

Total Short-term borrowings **(Rs. in lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings	315,591.25	479,423.75	329,035.34	253,367.23
Unsecured borrowings	452,054.71	18,890.00	4,000.00	12,773.36
Total Short-term borrowings (A+B+C+D+E+F+G+H)	**767,645.96**	**498,313.75**	**333,035.34**	**266,140.59**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 7 - Other current liabilities	As at March 31,			
	2018	**2017**	**2016**	**2015**
Current maturities of long term debts [Refer Annexure IV Note 3]	1,526,677.74	1,442,677.77	1,619,067.68	1,004,401.00
Interest accrued but not due on loans	154,433.75	141,585.23	106,312.92	101,569.80
Investor Education and Protection Fund shall be credited by the following amounts (as and when due)*				
- Unclaimed dividend	1,310.11	1,083.21	923.26	821.59
- Unclaimed matured deposits and interest accrued thereon	20,737.92	15,530.53	6,553.91	3,718.52
- Unclaimed matured debentures and interest accrued thereon	3,539.22	5,755.28	9,327.74	5,566.28
- Unclaimed matured subordinate debts and interest accrued thereon	1,928.31	1,140.75	2,028.85	1,855.92
Temporary credit balance in bank accounts	10,550.58	8,125.98	4,069.14	3,418.49
Statutory dues payable	4,291.65	3,665.97	3,085.37	2,391.02
Unrealised gain on securitisation @	112,828.97	88,432.02	66,307.82	50,009.19
Payable on account of Securitisation/assignment	146,243.68	121,897.70	76,014.26	59,638.56
Insurance premium payable	2,029.92	3,277.16	1,997.07	1,013.31
Advance from Customers	3,040.06	3,262.35	2,036.21	1,045.29
Payable to dealers	3,820.36	1,601.93	-	242.36
Income received in advance	1,167.57	678.44	422.62	-
Payable on account of forward contracts	1,681.39	553.49	-	-
Creditors for capital expenditure	925.53	117.45	198.89	274.85
Retention and others	9,171.25	11,606.30	9,623.46	5,682.31
Other liabilities (including bonus payable)	7,253.79	7,391.13	46,022.46	19,432.83
	2,011,631.80	**1,858,382.69**	**1,953,991.66**	**1,261,081.32**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

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

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 8 - Short-term provisions	As at March 31,			
	2018	**2017**	**2016**	**2015**
For employee benefits				
For gratuity [Refer Annexure VI Note 2]	-	42.12	228.26	28.52
For leave encashment and availment	2,322.00	1,994.51	2,044.25	1,626.56
For Others				
For restructured performing assets	64.94	-	-	-
For contingent provision for standard assets [Refer Annexure VI Note 14]	9,353.83	6,858.03	6,015.51	4,859.72
For service tax- contested	8,793.99	8,793.99	8,793.99	8,793.99
For value added tax	1,112.59	1,092.88	1,096.15	988.00
For income tax [net of advance tax Rs. 447,970.42 lacs (March 31, 2017: Rs. 361,010.26 lacs, March 31, 2016: Rs. 293,427.70 lacs and March 31, 2015: Rs. 224,663.81 lacs)]	21,541.16	21,451.69	16,918.04	7,564.75
For proposed dividend	-	-	13,612.96	13,612.96
For corporate dividend tax	-	-	2,771.28	2,721.78
	43,188.51	**40,233.22**	**51,480.44**	**40,196.28**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

Note- 9 - Fixed assets **(Rs. in lacs)**

Particulars	Property, plant and equipment								Intangible assets
	Land - Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvement	Total property, plant and equipment	Computer Software
Gross Block									
-									
As at April 1, 2014	**14.15**	**387.55**	**8,264.55**	**298.81**	**2,221.38**	**78.15**	**7,817.35**	**19,081.94**	**1,075.41**
Additions	-	25.31	1,279.75	551.31	521.13	24.64	1,807.29	**4,209.43**	**68.23**
Deletions	-	-	309.30	70.30	126.76	5.69	615.12	**1,127.17**	**-**
Adjustment	-	-	(1,521.83)	1,521.83	-	-	-	**-**	**-**
As at March 31, 2015	**14.15**	**412.86**	**7,713.17**	**2,301.65**	**2,615.75**	**97.10**	**9,009.52**	**22,164.20**	**1,143.64**
Addition on amalgamation as at April 1, 2015	1.27	-	187.13	2.52	7.64	-	78.52	**277.08**	**123.45**
Additions	-	-	1,057.44	405.89	400.72	38.26	1,582.45	**3,484.76**	**105.21**
Deletions	-	2.13	482.99	37.58	59.75	16.30	243.20	**841.95**	**-**
Adjustment*	-	-	(25.61)	25.61	-	-	-	-	-
As at March 31, 2016	**15.42**	**410.73**	**8,449.14**	**2,698.09**	**2,964.36**	**119.06**	**10,427.29**	**25,084.09**	**1,372.30**
Additions	-	-	594.20	197.87	271.56	6.32	557.94	**1,627.89**	**105.72**
Deletions	-	-	403.97	53.67	54.09	1.39	312.73	**825.85**	**-**
Adjustment*	-	-	0.87	-	0.81	-	(1.68)	**-**	**-**
As at March 31, 2017	**15.42**	**410.73**	**8,640.24**	**2,842.29**	**3,182.64**	**123.99**	**10,670.82**	**25,886.13**	**1,478.02**
Additions	-	-	2,304.39	744.43	768.60	-	3,420.84	**7,238.26**	**102.57**
Deletions	-	3.21	435.41	56.23	40.74	5.04	275.99	**816.62**	**-**
Adjustment*	-	-	-	0.17	-	-	(0.17)	**-**	**-**
Transferred from investment property	-	110.84	-	-	-	-	-	**110.84**	**-**
Transferred to investment property	**-**	(187.35)	**-**	**-**	**-**	**-**	**-**	**(187.35)**	**-**
As at March 31, 2018	**15.42**	**331.01**	**10,509.22**	**3,530.66**	**3,910.50**	**118.95**	**13,815.50**	**32,231.26**	**1,580.59**

Shriram Transport Finance Company Limited **Annexure IV**

Notes forming part of reformatted statement of assets and liabilities

Note- 9 - Fixed assets **(Rs. in lacs)**

Particulars	Property, plant and equipment (at cost)								Intangible assets
	Land - Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvement	Total property, plant and equipment	Computer Software
Depreciation									
As at April 1, 2014	**-**	**93.69**	**3,558.67**	**152.92**	**1,320.92**	**68.39**	**3,985.57**	**9,180.16**	**910.92**
Retained Earnings	-	**-**	**16.48**	**107.85**	**-**	**-**	**-**	**124.33**	**-**
Charge for the year	-	6.50	1,671.35	421.00	388.69	2.94	1,453.05	**3,943.53**	**104.85**
Deletions	-	-	266.45	61.43	102.39	5.41	592.64	**1,028.32**	**-**
Adjustment	-	-	(309.65)	309.65	-	-	-	**-**	**-**
As at March 31, 2015	**-**	**100.19**	**4,670.40**	**929.99**	**1,607.22**	**65.92**	**4,845.98**	**12,219.70**	**1,015.77**
Addition on amalgamation as at April 1, 2015	-	-	115.76	1.63	2.57	-	4.62	**124.58**	**116.27**
Charge for the year	-	7.99	1,293.37	416.10	173.11	5.27	1,637.56	**3,533.40**	**94.97**
Deletions	-	2.13	433.39	32.16	49.25	13.24	224.43	**754.60**	**-**
Adjustment*	-	-	(8.64)	8.64	-	-	-	**-**	**-**
As at March 31, 2016	**-**	**106.05**	**5,637.50**	**1,324.20**	**1,733.65**	**57.95**	**6,263.73**	**15,123.08**	**1,227.01**
Charge for the year	-	6.49	996.66	468.07	198.08	7.95	1,620.85	**3,298.10**	**90.44**
Deletions	-	-	368.90	42.94	45.67	1.32	293.26	**752.09**	**-**
Adjustment*	-	-	0.28	0.36	0.71	-	(1.35)	**-**	**-**
As at March 31, 2017	**-**	**112.54**	**6,265.54**	**1,749.69**	**1,886.77**	**64.58**	**7,589.97**	**17,669.09**	**1,317.45**
Charge for the year	-	5.26	1,057.73	511.94	230.66	7.92	1,707.07	**3,520.58**	**89.36**
Deletions	-	1.00	387.60	45.66	34.24	4.79	252.89	**726.18**	**-**
Adjustment*	-	-	-	0.17	-	-	(0.17)	**-**	**-**
Transferred from investment property	-	14.37	-	-	-	-	-	**14.37**	**-**
Transferred to investment property	-	(68.36)	-	-	-	-	-	**(68.36)**	**-**
As at March 31, 2018	**-**	**62.81**	**6,935.67**	**2,216.14**	**2,083.19**	**67.71**	**9,043.98**	**20,409.50**	**1,406.81**

Shriram Transport Finance Company Limited **Annexure IV**

Notes forming part of reformatted statement of assets and liabilities

Note- 9 - Fixed assets **(Rs. in lacs)**

Particulars	Property, plant and equipment (at cost)								Intangible assets
	Land - Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Leasehold Improvement	Total property, plant and equipment	Computer Software
Net Block									
As at March 31, 2015	**14.15**	**312.67**	**3,042.77**	**1,371.66**	**1,008.53**	**31.18**	**4,163.54**	**9,944.50**	**127.87**
As at March 31, 2016	**15.42**	**304.68**	**2,811.64**	**1,373.89**	**1,230.71**	**61.11**	**4,163.56**	**9,961.01**	**145.29**
As at March 31, 2017	**15.42**	**298.19**	**2,374.70**	**1,092.60**	**1,295.87**	**59.41**	**3,080.85**	**8,217.04**	**160.57**
As at March 31, 2018	**15.42**	**268.20**	**3,573.55**	**1,314.52**	**1,827.31**	**51.24**	**4,771.52**	**11,821.76**	**173.78**

* Adjustment is on account of regrouping of fixed assets

Depreciation and amortisation **(Rs. in Lacs)**

Particulars	For the year ended March 31,			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
on property, plant and equipment	3,520.58	3,298.10	3,533.40	3,943.53
on intangible assets	89.36	90.44	94.97	104.85
on investment property	3.46	2.24	2.24	2.24
Total	**3,613.40**	**3,390.78**	**3,630.61**	**4,050.62**

Net Block **(Rs. in Lacs)**

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
on property, plant and equipment	11,821.76	8,217.04	9,961.01	9,944.50
on intangible assets	173.78	160.57	145.29	127.87
Total	**11,995.54**	**8,377.61**	**10,106.30**	**10,072.37**

(Rs. in lacs)

Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Investment property (at cost less accumulated depreciation)									
Investment property given on operating lease [including cost of land - Rs. 69.75 lacs (March 31, 2017: Rs. 69.75 lacs, March 31, 2016: Rs. 69.75 lacs and March 31, 2015: Rs. 69.75 lacs)]			288.17		211.66		211.66		211.66
Less: accumulated depreciation			78.35		20.91		18.67		16.43
Net Block			**209.82**		**190.75**		**192.99**		**195.23**
Non trade (valued at cost unless stated otherwise):									
A. Shares : Fully paid up									
a) Unquoted- Equity shares									
Investment in Associate Company									
Shriram Automall India Limited [Refer Annexure VI Note 15]	10	13,369,565	1,336.96	-	-	-	-	-	-
Investment in wholly owned subsidiaries									
Shriram Equipment Finance Company Limited @ (Amalgamated during the year 2015-16)	10	-	-	-	-	-	-	10,000,000	1,000.00
Shriram Automall India Limited [Refer Annexure VI Note 15] (Sold 16,630,435 shares during the year 2017-18)	10	-	-	30,000,000	3,000.00	30,000,000	3,000.00	30,000,000	3,000.00
Investment in other companies									
State Industrial Investment Corporation of Maharashtra Limited	10	50,000	40.00	50,000	40.00	50,000	40.00	50,000	40.00
Credential Finance Limited [At cost less provision for other than temporary diminution in value of Rs. 25.00 lacs (March 31, 2017: Rs. 25.00 lacs and March 31, 2016: Rs. 25.00 lacs, March 31, 2015: Rs. 25.00 lacs)]	10	25,000	-	25,000	-	25,000	-	25,000	-

Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	The Zoroastrian Co-operative Bank Limited	25	100	0.03	100	0.03	100	0.03	100	0.03
	Freight Commerce Solutions Private Limited [At cost less provision for other than temporary diminution in value of Rs. 700.24 lacs (March 31, 2017: Rs. 0.37 Lacs, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil)]	10	66,984	-	3,705	-	3,705	0.37	3,705	0.37
	Shriram Seva Sankalp Foundation	10	18,000	1.80	18,000	1.80	18,000	1.80	18,000	1.80
	b) Unquoted- Preference shares (Fully paid up)									
	Investment in wholly owned subsidiaries									
	Shriram Equipment Finance Company Limited (Amalgamated during the year 2015-16)	100	-	-	-	-	-	-	25,000,000	25,000.00
B.	**Government securities [Refer Annexure VI note 6]**									
	Quoted:									
	6.13% GOI Loan 2028	100	176,000	177.05	176,000	177.16	176,000	177.26	176,000	177.36
	6.35% GOI Loan 2020	100	2,500,000	2,465.09	2,500,000	2,445.24	2,500,000	2,425.39	2,500,000	2,405.49
	6.49% GOI Loan 2015	100	-	-	-	-	-	-	-	-
	6.90% GOI Loan 2019	100	5,000,000	4,949.88	5,000,000	4,910.87	5,000,000	4,871.87	5,000,000	4,832.76
	7.02% GOI Loan 2016	100	-	-	-	-	-	-	400,000	398.27
	7.80% GOI Loan 2020	100	2,500,000	2,498.39	2,500,000	2,497.62	2,500,000	2,496.84	2,500,000	2,496.07
	8.13% GOI Loan 2022	100	2,500,000	2,501.22	2,500,000	2,501.49	2,500,000	2,501.76	2,500,000	2,502.04
	8.24% GOI Loan 2027	100	500,000	498.12	500,000	497.91	500,000	497.70	500,000	497.49
	8.26% GOI Loan 2027	100	7,500,000	7,405.27	7,500,000	7,395.14	7,500,000	7,385.00	7,500,000	7,374.83
	8.28% GOI loan 2027	100	15,000,000	14,456.53	15,000,000	14,399.22	15,000,000	14,341.91	15,000,000	14,284.44
	8.97% GOI Loan 2030	100	2,500,000	2,627.97	2,500,000	2,638.05	2,500,000	2,648.14	2,500,000	2,658.25
	8.33% GOI Loan 2026	100	7,500,000	7,493.06	7,500,000	7,492.22	7,500,000	7,491.38	7,500,000	7,490.54

(Rs. in lacs)

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	8.83% GOI Loan 2023	100	10,000,000	10,050.98	10,000,000	10,059.99	10,000,000	10,069.00	10,000,000	10,078.04
	7.16% GOI Loan 2023	100	12,500,000	12,102.45	12,500,000	12,025.10	12,500,000	11,947.76	12,500,000	11,917.43
	8.60% GOI Loan 2028	100	7,500,000	7,897.67	7,500,000	7,936.73	7,500,000	7,975.80	7,500,000	8,220.41
	8.15% GOI Loan 2026	100	10,000,000	10,066.67	10,000,000	10,074.37	10,000,000	10,082.07	-	-
	7.88% GOI Loan 2030	100	28,700,000	28,724.63	28,700,000	28,726.69	22,200,000	22,111.98	-	-
	8.20% GOI Loan 2025	100	8,000,000	8,080.74	8,000,000	8,091.51	8,000,000	8,102.29	-	-
	7.73% GOI Loan 2034	100	9,500,000	10,101.34	9,500,000	10,137.28	-	-	-	-
	8.24% GOI Loan 2033	100	3,500,000	3,875.39	3,500,000	3,933.06	-	-	-	-
	7.61% GOI Loan 2030	100	5,000,000	5,126.26	5,000,000	5,276.20	-	-	-	-
C.	**Unquoted - Investment in subordinated debts**									
	Yes Bank Limited	1,000,000	500	5,000.00	500	5,000.00	500	5,000.00	500	5,000.00
D.	**Unquoted - Investment in venture capital fund**									
	ICICI Investment Management Company Limited	10,000	5,519	65.09	5,519	65.09	16,556	1,655.64	16,556	1,655.64
E.	**Unquoted: Investment in mutual fund**									
	Shriram Equity & Debt Opportunities Fund Direct -Growth	10	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00
	Total			**147,952.41**		**149,713.52**		**125,216.98**		**111,426.49**

(Rs. in lacs)

Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Aggregate value of quoted investments									
Cost of acquisition			141,098.71		141,215.85		115,126.15		75,533.42
Market value			143,242.80		147,662.58		117,783.14		78,023.63
Aggregate value of unquoted investments									
Cost of acquisition			7,369.12		8,332.29		9,922.84		35,722.84
Aggregate Provision for diminution in value of investments			725.24		25.37		25.00		25.00
Investment property (at cost less accumulated depreciation)			209.82		190.75		192.99		195.23
Total Non-current investments (net of diminution in value of Investments)			**147,952.41**		**149,713.52**		**125,216.98**		**111,426.49**

These shares are subject to restrictive covenants of regulatory authority.

@ 3,000,000 shares have been pledged against loan availed by subsidiary from Bank.

(Rs. in lacs)

Note- 11 Deferred tax assets	As at March 31,			
	2018	2017	2016	2015
Deferred tax asset				
Impact of difference between written down value of PPE as per books of accounts and the Income Tax Act, 1961	2,046.74	1,717.27	1,382.54	1,045.39
Disallowance under section 43B of the Income Tax Act, 1961	4,470.31	3,946.12	4,028.88	3,715.01
Provision for credit loss on securitisation	25,460.81	23,017.97	19,497.03	17,509.87
Provision for upgraded restructured assets	22.69	-	-	-
Contingent provision for standard assets	10,233.06	7,374.07	6,102.45	4,081.61
Others	678.35	376.82	335.26	305.10
Gross deferred tax assets (A)	**42,911.96**	**36,432.25**	**31,346.16**	**26,656.98**
Deferred tax liability				
Public issue expenses for non-convertible debentures	9.54	204.09	575.90	1,008.53
Others	5.85	-	-	-
Gross deferred tax liability (B)	**15.39**	**204.09**	**575.90**	**1,008.53**
Net deferred tax assets(A-B)	**42,896.57**	**36,228.16**	**30,770.26**	**25,648.45**

(Rs. in lacs)

Note- 12 - Long-term loans and advances	As at March 31,			
	2018	2017	2016	2015
Unsecured, considered good				
Capital Advances	234.71	172.86	222.70	226.69
Security Deposits	3,349.08	2,380.87	2,903.59	2,653.12
Secured, considered good				
Hypothecation loans	4,902,611.18	4,067,633.77	3,800,745.73	2,771,925.76
Retained interest on securitisation	47,930.94	36,677.33	28,365.13	24,011.94
Other loans	147.39	153.27	280.89	48,625.79
Securitisation deferred consideration receivable *	80,867.52	49,131.34	30,657.73	24,387.06
Unsecured, considered good				
Unsecured loans	27,178.63	18,934.21	38,122.56	8,730.59
Advance - hypothecation loans	-	-	-	1,119.60

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 12 - Long-term loans and advances	As at March 31,			
	2018	2017	2016	2015
Unsecured, considered good				
Advance recoverable from subsidiaries (Refer Annexure VI Note 7 and Note 15)*$	-	-	-	-
Other loans and advances -Unsecured, considered good				
Advances recoverable in cash or in kind or for value to be received	206.40	458.37	908.25	17.23
Taxes paid under protest	6,385.31	5,985.73	3,282.74	2,691.62
Prepaid expenses	274.66	110.33	100.00	77.96
Advance income tax [net of provision for income tax Rs. 237,687.55 lacs (March 31, 2017: Rs. 235,687.55 lacs, March 31, 2016: Rs. 235,687.55 lacs and March 31, 2015: Rs. 235,687.55 lacs)]	8,405.89	8,405.89	8,405.89	8,405.89
Doubtful				
Secured Hypothecation loans	712,943.35	513,127.72	367,627.98	178,684.89
Other loans	-	-	-	-
Unsecured loan	24,452.48	27,413.04	19,199.82	10,692.98
Advances recoverable in cash or in kind or for value to be received	191.84	274.39	196.04	36.03
Security deposits	51.65	28.43	-	-
Total	**5,815,231.03**	**4,730,887.55**	**4,301,019.05**	**3,082,287.15**
* Advance given to subsidiary M/s. Shriram Equipment Finance Company Limited	N.A.	N.A.	N.A.	Nil
$ Advance given to associate/subsidiary M/s. Shriram Automall India Limited	Nil	Nil	Nil	Nil

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

(Rs. in lacs)

Note- 13 - Other non-current assets	As at March 31,			
	2018	2017	2016	2015
Unsecured, considered good				
Deposits with original maturity for more than 12 months (Annexure IV Note 15)	-	-	-	290.80
Margin money deposit with banks (Annexure IV Note 15)	253.22	7,150.08	340.03	6,727.97
Interest accrued on fixed deposits with banks	17.81	73.44	40.96	58.14
Public issue expenses for non convertible debentures	-	27.29	589.71	1,664.06
Issue expenses for equity shares	-	264.03	416.81	569.59
Total	**271.03**	**7,514.84**	**1,387.51**	**9,310.56**

Shriram Transport Finance Company Limited **Annexure IV**

Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

	Note- 14 - Current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
1	**Current portion of long term investments (valued at cost unless otherwise mentioned)**									
	a) Quoted: Government Securities									
	6.49% GOI loan 2015 (Redeemed during the year 2015-16 at par)	100	-	-	-	-	-	-	500,000	499.32
	7.02% GOI Loan 2016 (Redeemed during the year 2016-17 at par)	100	-	-	-	-	400,000	399.52	-	-
2	**Current Investments (At lower of cost and fair value)**									
	Unquoted: Investment in Certificate of Deposit with Banks									
	Andhra Bank [At cost less provision for diminution in value of Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil)]		-	-	-	-	-	-	10,000	9,817.48
	Bank of Maharashtra		-	-	-	-	-	-	25,000	24,562.73
	Corporation Bank		-	-	-	-	-	-	30,000	29,386.23
	Jammu & Kashmir Bank		-	-	-	-	-	-	25,000	24,540.55
	Oriental Bank of Commerce		-	-	-	-	-	-	35,000	34,422.50
	Punjab & Sindh Bank		-	-	-	-	-	-	30,000	29,416.65
	State Bank of Bikaner & Jaipur		-	-	-	-	-	-	25,000	24,496.16
	Syndicate Bank		-	-	-	-	-	-	25,000	24,568.65
	UCO Bank		-	-	-	-	-	-	20,000	19,581.86

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 14 - Current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Quoted- Investments in non-convertible debentures									
Dewan Housing Fin Corp Ltd (sold during the year 2017-18)	1000	-	-	500,000	5,220.97	-	-	-	-
Quoted: Investment in Mutual Fund									
DWS Insta Cash Plus Fund - Direct Plan - Growth	10	-	-	-	-	-	-	-	-
Kotak Liquid Scheme Plan A - Direct Plan -Growth (sold during the year 2016-17)	10	-	-	-	-	325,651	10,000.00	-	-
Total			**-**		**5,220.97**		**10,399.52**		**221,292.13**
Aggregate value of quoted investments									
Cost of acquisition			-		5,220.97		399.52		499.32
Market value			-		5,314.19		399.53		498.04
Aggregate value of unquoted investments									
Cost of acquisition			-		-		10,000.00		220,792.81
Aggregate Provision for diminution in value of investments			-		-		-		-
Total of Current investments			**-**		**5,220.97**		**10,399.52**		**221,292.13**

Shriram Transport Finance Company Limited **Annexure IV**
Notes forming part of reformatted statement of assets and liabilities

(Rs. in lacs)

Note- 15 - Cash and bank balances	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Cash and cash equivalents				
Balances with scheduled banks in:				
Current accounts	92,946.60	102,039.50	59,641.88	165,145.63
Unclaimed dividend accounts	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	164,704.00
Cheques on hand	2,542.76	3,175.11	4,698.24	7,367.11
Cash on hand	7,996.25	7,865.26	10,079.91	10,794.43
Other bank balances				
Deposits with original maturity for more than 12 months	9.02	-	10.38	300.02
Deposits with original maturity for more than 3 months but less than 12 months	37,410.11	152,518.52	30,295.16	6,582.59
Margin money deposit #	216,204.78	184,537.01	126,040.61	123,643.29
	364,004.14	**451,218.61**	**236,725.72**	**479,358.66**
Less: Non-current portion of other bank balances (Annexure IV Note 13)	**253.22**	**7,150.08**	**340.03**	**7,018.77**
	363,750.92	**444,068.53**	**236,385.69**	**472,339.89**
# Includes deposits pledged with Banks as margin for credit enhancement	212,778.18	182,678.72	124,055.99	115,097.11
# Includes deposits pledged with Banks as margin for guarantees	2,860.16	1,275.92	1,527.60	8,106.35
# Includes deposits pledged as lien against loans taken	566.44	582.38	457.02	439.84

(Rs. in lacs)

Note- 16 - Short-term loans and advances #	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Security Deposits	752.69	1,248.48	790.85	682.17
Secured, considered good				
Hypothecation loans	2,172,080.30	1,829,435.86	1,847,547.58	1,812,182.07
Retained interest on securitisation	36,192.47	36,520.69	37,830.80	33,466.27
Other loans	260.04	434.22	78.89	16,503.67
Securtisation Deferred Consideration Receivable *	112,828.97	88,432.02	66,307.82	50,009.19
Unsecured, considered good				
Unsecured loans^	125,037.46	87,635.98	111,822.99	73,797.36
Advance - hypothecation loans	2,580.81	1,519.09	2,410.94	-
Debtors on securitisation [net of delinquency provision Rs. 73,145.92 lacs (March 31, 2017: Rs. 66,510.55 lacs, March 31, 2016: Rs. 56,336.77 lacs and March 31, 2015: Rs. 51,514.79 lacs)]	-	-	-	-
Unsecured, considered good				
Advance recoverable from subsidiaries (Refer Annexure VI Note 7 and Note 15#$	-	15.53	183.97	22.25
Advance recoverable from Associate Company (Refer Annexure VI Note 7 and Note 15)$	12.31	-	-	-
Other loans and advances -Unsecured, considered good				
Other receivables	1,292.06	411.42	334.90	290.77
Advances recoverable in cash or in kind or for value to be received	2,548.20	2,185.05	4,594.16	3,429.24
Taxes paid under protest	-	-	257.22	-
Service tax credit (input) receivable	-	4,376.83	2,857.60	3,238.41
Goods & service tax credit (input) receivable	4,637.59	-	-	-
Prepaid expenses	544.21	431.84	541.49	472.31
	2,458,767.11	**2,052,647.01**	**2,075,559.21**	**1,994,093.71**

(Rs. in lacs)

Note- 16 - Short-term loans and advances #	As at March 31,			
	2018	2017	2016	2015
#Advance given to subsidiary M/s. Shriram Equipment Finance Company Limited	N.A.	N.A.	N.A	Nil
#Maximum advance given to subsidiary M/s. Shriram Equipment Finance Company Limited at any time during the year	N.A.	N.A.	N.A.	34,897.44
$ Advance given to associate/subsidiary M/s. Shriram Automall India Limited	12.31	15.53	183.97	22.25
$ Maximum advance given to associate/subsidiary M/s. Shriram Automall India Limited at any time during the year	2,187.58	1,372.93	1,519.63	713.22

Includes current maturities of long term loans and advances
* Securitisation deferred consideration receivable comprises of Company's share of future interest strip receivables in case of a par structure securitised/assigned deals.
^ Advance given to the company in which the director is interested: Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs.0.60 lacs and March 31, 2015: Rs. Nil)

(Rs. in lacs)

Note- 17 - Other current assets	As at March 31,			
	2018	2017	2016	2015
Unsecured, considered good				
Plan Asset - Gratuity Fund	193.17	-	-	-
Interest accrued on investments	2,518.43	2,347.81	2,031.82	1,578.11
Interest accrued on fixed deposits with banks	3,433.83	2,824.10	1,799.22	3,210.49
Public issue expenses for non convertible debentures	27.29	562.42	1,074.35	1,303.09
Issue expenses for equity shares	-	152.78	152.77	152.77
	6,172.72	**5,887.11**	**5,058.16**	**6,244.46**

Shriram Transport Finance Company Limited **Annexure V**
Notes forming part of Reformatted Statement of Profit and Loss

(Rs. in lacs)

Note- 18 - Revenue from operations	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Interest income on:-				
- loan portfolio and related charges	1,070,136.89	958,392.55	923,117.10	726,549.70
- securitisation and direct assignment	1,899.81	10,950.06	15,470.00	21,132.89
- securitisation including interest on pass through certificates*	114,597.73	84,370.04	53,224.28	55,827.62
- Margin money on securitisation/assignments	11,623.09	9,377.02	8,466.80	10,971.17
- deposits with banks	917.51	892.39	2,263.76	1,656.67
- long- term investments	11,925.79	10,876.00	8,093.20	4,675.73
- current investments	96.82	17.44	321.37	867.55
Other financial services				
- Reversal of provision for credit loss on securitisation	-	-	-	2,148.31
- Income from portfolio management services	-	-	-	1.68
- Income from commission services- life insurance	522.80	913.39	1,557.83	667.20
- Income from commission services- general insurance	3,959.11	3,541.31	3,261.41	3,233.41
- Income from commission services- others	2,884.48	2,124.44	1,371.18	1,513.51
- Bad debt recovery	1,205.09	618.00	870.08	473.08
- Profit on sale of current investments (net)	396.58	802.50	10,960.78	33,973.46
	1,220,165.70	**1,082,875.14**	**1,028,977.79**	**863,691.98**

* includes Rs. Nil (March 31, 2017: Rs. 571.71 lacs, March 31, 2016: Rs. 2,832.11 lacs and March 31, 2015: Rs. 7,033.92 lacs) of income on pass through certificates where distribution tax has been deducted by the trustees as per section 115TA of Income Tax Act.

Shriram Transport Finance Company Limited **Annexure V**
Notes forming part of Reformatted Statement of Profit and Loss

(Rs. in lacs)

Note- 19 - Other income	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Income from operating lease	20.90	7.20	10.14	10.14
Profit on sale of assets (net)	-	-	-	-
Interest on Income tax refund	5,796.67	-	-	-
Dividend on long term investments [includes dividend from subsidiary Rs. 1,200 lacs (March 31, 2017: Rs. Nil)]	1,200.00	-	-	2.75
[Includes dividend from erstwhile subsidiary Rs. 1,200.00 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil and March 31, 2015: Rs. 2.50 lacs)]				
Miscellaneous income	500.19	178.89	360.19	767.58
	7,517.76	**186.09**	**370.33**	**780.47**

(Rs. in lacs)

Note- 20 - Employee benefits expense	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Salaries, other allowances and bonus	65,028.44	49,675.77	53,813.62	38,261.98
Gratuity expenses [Refer Annexure VI Note 2]	647.12	611.16	658.75	639.30
Contribution to provident and other funds	4,466.75	3,241.44	3,285.61	2,639.32
Staff welfare expenses	1,373.06	1,267.63	1,125.98	1,416.71
	71,515.37	**54,796.00**	**58,883.96**	**42,957.31**

Shriram Transport Finance Company Limited **Annexure V**
Notes forming part of Reformatted Statement of Profit and Loss

(Rs. in lacs)

Note- 21 - Finance costs	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Interest expense				
- Debentures	194,815.64	176,235.11	179,322.04	174,222.09
- Senior secured notes *	12,194.74	1,908.70	-	-
- Subordinated debts	40,143.60	40,443.73	43,652.90	47,699.21
- Public deposits	79,931.01	85,193.73	69,459.62	41,326.09
- Corporate deposits	346.53	506.21	506.62	277.90
- Loans from banks	151,496.18	175,041.71	185,254.97	145,429.78
- Loans from institutions and others	23,363.91	17,842.79	15,245.20	11,296.28
- Commercial paper	15,064.11	7,691.49	866.28	623.41
- Income tax	6,070.75			
Other borrowing costs				
Professional charges - resource mobilisation	7,790.48	7,672.05	3,709.84	9,414.93
Processing charges on loans	629.23	338.95	604.99	857.88
Brokerage	4,826.34	4,792.93	5,867.05	6,088.93
Amortisation of public issue expenses for non-convertible debentures	562.42	1,074.35	1,303.09	1,761.70
	537,234.94	**518,741.75**	**505,792.60**	**438,998.20**

*Interest expense on Senior secured notes includes withholding tax of Rs. 525.63 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil)

(Rs. in lacs)

Note- 22 - Provisions and write-offs	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Provision for non performing assets [Refer Annexure VI Note 14]	145,092.18	106,479.02	90,446.24	35,385.68
Provision for diminution in fair value of restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision for standard assets [Refer Annexure VI Note 14]	7,976.76	3,674.37	4,990.48	2,980.95
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Provision for diminution in value of investments	699.87	0.37	-	-
Bad debts written off	147,459.59	124,104.50	110,420.78	90,548.64
	312,211.32	**244,432.05**	**210,679.48**	**128,915.27**

Shriram Transport Finance Company Limited **Annexure V**
Notes forming part of Reformatted Statement of Profit and Loss

(Rs. in lacs)

Note- 23 - Other expenses	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Rent	9,972.83	9,195.17	8,683.95	7,869.58
Electricity expenses	1,670.31	1,449.68	1,349.55	1,175.06
Repairs and maintenance				
- Others	4,946.97	4,835.30	4,934.10	4,222.65
Rates and taxes	222.76	167.78	90.55	37.81
Printing and stationery	1,643.98	906.98	1,384.54	1,354.51
Travelling and conveyance	12,742.94	11,295.41	12,469.46	10,543.73
Advertisement	83.37	43.37	155.21	315.21
Business promotion	3,977.98	3,613.38	5,904.59	8,750.19
Outsourcing expenses	3,622.16	4,067.03	3,428.12	2,602.43
Royalty	13,534.07	10,955.37	10,055.28	5,892.34
Directors' sitting fees and commission	47.95	54.33	40.37	11.71
Insurance	205.50	93.04	59.61	41.30
Communication expenses	4,768.32	4,256.49	4,488.62	4,166.09
Payment to auditor [Refer Annexure VI Note 10]				
As Auditor:				
- Audit fees	83.93	153.65	154.02	135.38
- Tax audit fees	8.72	8.65	7.64	7.43
- Out of pocket	0.83	8.38	7.57	6.85
In any other manner:				
- Certification	3.27	13.03	52.02	2.34
Bank charges	4,228.70	3,273.06	2,948.87	3,050.09
Processing charges on securitisation	-	-	-	-
Professional charges on securitisation	2,490.51	2,391.89	2,162.18	3,170.41
Legal and professional charges	4,155.56	2,811.35	3,181.76	3,464.29
Loss on sale of fixed assets (net)	18.16	27.26	36.37	35.75
Issue expenses for equity shares	416.81	152.78	152.78	152.78
Service charges	4,130.13	5,162.04	5,016.04	4,528.64
CSR Expenses [Refer Annexure VI Note 13]	1,881.50	1,193.15	1,863.72	691.61
Miscellaneous expenses	5,042.25	3,179.53	3,591.43	3,084.06
	79,899.51	**69,308.10**	**72,218.35**	**65,312.24**

For the Financial year 2017-18

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
2.	**Basis of preparation**
	The financial statements have been prepared under the historical cost convention on an accrual basis in conformity with generally accepted accounting principles in India ("Indian GAAP") to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The Company follows directions prescribed by the Reserve Bank of India ('RBI') for Non-Banking Finance Company ('NBFC'). All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. The Company has ascertained its operating cycle to be 12 months for such classification. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. These financial statements are presented in Indian rupees and rounded off to nearest lacs unless otherwise stated.
2.1	**Significant accounting policies**
(a)	**Use of estimates**
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.
(b)	**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. 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. The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain/loss arising from derecognition of an item of PPE is included in the Statement of Profit and Loss. The gain or loss arising from the derecognition of an item of PPE would be the difference between the net disposal proceeds, if any, and the carrying amount of the item. The residual value, useful life and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if required.
(c)	**Depreciation**
	Depreciation on cost of PPE is provided on straight line method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold Improvements 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.

(d)	**Intangible assets and amortisation**
	Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. 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. 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. 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. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. 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.
(e)	**Impairment of assets**
	The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. The reversal of impairment is recognised in Statement of Profit and Loss, unless the same is carried at revalued amount and treated as revaluation reserve.
(f)	**Investments**
	On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as 'current investments'. All other investments are classified as 'long term investments'. 'Long term investments' are carried at acquisition/amortised cost. A provision is made for diminution other than temporary on an individual basis. 'Current Investments' are carried at the lower of cost or fair value on an individual basis. Profit or loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of the investment. Any premium or discount on acquisition is amortised over the remaining maturity of the security on constant yield to maturity basis. Such amortisation of premium/discount is adjusted against interest income from investments. The book value of the investment is reduced to the extent of amount amortised during the relevant accounting year. Investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life as prescribed as per the Schedule II of the Companies Act, 2013.
(g)	**Loans**
	Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, up to the Balance Sheet date as reduced by the amounts received and loans securitized.
(h)	**Securitisation/direct assignment**
	The Company enters into arrangements for sale of loan receivables through direct assignment/securitisation. The said assets are derecognised upon transfer of significant risks and rewards to the purchaser and on meeting the true sale criteria.

(i)	**Provisioning / write off of assets**
	The Company assesses all loans and receivables for their recoverability and makes provision for Non-performing assets (NPA)/restructured assets as considered necessary based on past experience, emerging trends and estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Direction") as and when amended. NPA loans where underlying asset has been repossessed are provided in full. Provision on standard assets is made as per RBI Master Direction. Delinquencies on assets securitised/assigned are provided for based on management estimates.
(j)	**Foreign currency transactions**
	- *Initial recognition* Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. - *Conversion* Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost. - *Exchange Differences* Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. - *Forward contracts* The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.
(k)	**Revenue/income recognition**
	Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. **Income from financing activities** - Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis. - Income recognised and remaining unrealised after installments become overdue for 90 days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised. - Additional finance charges/additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly. - Income from application and processing fees, including recovery of documentation charges are recognised upfront at the inception of the contract. - Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment. **Income from securitisation** - Interest spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV' /agreements. - Loss (if any)/expenditure in relation to securitisation/direct assignment is recognised upfront. **Income from investments** - Interest income on fixed deposits/margin money, call money (Collaterised borrowing and lending obligation), certificate of deposits, pass through certificates, subordinated debts, non-convertible debentures, government securities, inter-corporate deposits and treasury bills are recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long-term investments is recognised on a time proportion basis over the tenure of the securities.

	- Dividend income on investments is recognised as income when right to receive payment is established by the date of Balance Sheet. - Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption. Income from any other activities - Income from services is recognised as per the terms of the contract on accrual basis. - Income from guarantee commission is recognised on a time proportion basis taking into the amount outstanding and the commission rate applicable.
(l)	**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*** *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. *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. The Company fully contributes all ascertained liabilities to The Trustees - Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The Company recognises the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise. ***- 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 entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(m)	**Leases**
	Where the Company is the lessee: Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. ***Where the Company is the lessor:*** Assets given on operating leases are included in Investment property. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation incurred in earning rental income are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.
(n)	**Taxation**
	Income-tax expense comprises current tax, deferred tax charge or credit and minimum alternative tax (MAT). ***Current tax*** Current income-tax is measured at the amount expected to be paid to the tax authorities after considering tax allowances, deductions and exemptions determined in accordance with Income Tax Act, 1961 and the prevailing tax laws. The tax rate and laws used to compute the amount are those which are enacted at the reporting date. ***Minimum alternative tax*** Minimum alternative tax (MAT) obligation in accordance with the tax laws, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably, and reviewed at each reporting date. ***Deferred tax*** Deferred tax liability or asset is recognised for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognised only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.
(o)	**Provisions and contingencies**
	A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
(p)	**Earnings per share**
	Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are calculated after adjusting effects of potential equity shares (PES).PES are those shares which will convert into equity shares at a later stage. Profit/loss is adjusted by the expenses incurred on such PES. Adjusted profit/loss is divided by the weighted average number of ordinary plus potential equity shares.

(q)	**Borrowing cost**
	Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs to the extent related/attributable to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss in the period they occur.
(r)	**Cash and cash equivalents**
	Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.
(s)	**Debenture issue expenses**
	Public issue expenses, other than the brokerage, incurred on issue of debentures are charged off on a straight-line basis over the weighted average tenor of underlying debentures. The brokerage incurred on issue of debentures is treated as expenditure in the year in which it is incurred. Expenses incurred for private placement of debentures, are charged to Statement of Profit and Loss in the year in which they are incurred.

Significant accounting policies upto March 31, 2017:

1.	**Corporate Information**
	Shriram Transport Finance Company Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company provides finance for commercial vehicles, equipments and other loans. The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs and Insurance Regulatory and Development Authority of India (IRDA). The registration details are as follows:

RBI	07-00459
Corporate Identification No. (CIN)	L65191TN1979PLC007874
IRDA	CA0197

2.	**Basis of preparation**
	The reformatted financial statements include financial statements for the year ended March 31, 2013 to September 30, 2017 which have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 as amended, and the relevant provisions of the Companies Act, 1956 ('the Act'). These reformatted financial statements have been prepared in conformity with the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The reformatted financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except for the change in accounting policy explained below. The reformatted financial statements are prepared by the Company in accordance with the requirements of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Companies (Prospectus and Allotment of Securities) Rules, 2014.
2.1	**Significant Accounting Policies**
(a)	**Change in accounting policy**
	As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/declared after the Balance Sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the Company cannot create provision for dividend proposed/declared after the Balance Sheet date unless a statute requires otherwise. Rather, Company will need to disclose the same in notes to the financial statements. Accordingly, the Company has disclosed dividend proposed by board of directors after the Balance Sheet date in the notes.

	Had the Company continued with creation of provision for proposed dividend, its surplus in the Statement of Profit and Loss would have been lower by Rs. 16,384.24 lacs and current provision would have been higher by Rs. 16,384.24 lacs (including dividend distribution tax of Rs. 2,771.28 lacs). **Depreciation on fixed assets** Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. **1. Useful lives/ depreciation rates** Effective from April 01, 2014, the Company has provided depreciation on fixed assets based on useful lives as provided in Schedule II of the Companies Act, 2013 or as re-assessed by the Company. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets. This change in accounting policy has resulted in additional charge of depreciation of Rs. 737.85 lacs for the year ended March 31, 2015 and has impacted the opening reserve to the extent of Rs. 82.07 lacs (net of deferred tax). **2. Component accounting** Further, on application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines separate useful life for each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset. **3. Depreciation on assets costing less than Rs. 5,000/-** Till the year ended March 31, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of assets costing less than Rs. 5,000/-. As per the revised policy, the Company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after April 01, 2014. The change in accounting for depreciation of assets costing less than Rs. 5,000/- did not have any material impact on financial statements of the Company for the current year.
(b)	**Current / Non-current classification of assets / liabilities**
	The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current.
(c)	**Use of estimates**
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.
(d)	**Fixed assets, depreciation/amortisation and impairment**
	i) **Property, plant and equipment** Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on property, plant and equipment

From the financial year 2014-15, Depreciation on property, plant and equipment is provided on Straight Line Method ('SLM') using the rates arrived at based on the useful lives estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets:

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

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

All fixed assets individually costing Rs. 5,000/- or less are fully depreciated in the year of installation.

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

ii) **Intangible assets**

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

Amortisation of intangible assets

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

Particulars	Rates (SLM)
Computer software	33.33%

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

Impairment of assets

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

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

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

(f)	**Investments**
	Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, however, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments. An investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life as prescribed as per the Schedule II of the Companies Act, 2013.
(g)	**Provisioning / Write-off of assets**
	Non-performing loans are written off/provided for, as per management estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended. Delinquencies on assets securitised/assigned are provided for based on management estimates. Provision on standard assets is made as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as and when amended. Pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 150 days to 120 days (March 31, 2016: from 180 days to 150 days) and increased provision on standard assets from 0.30% to 0.35% (March 31, 2016: from 0.25% to 0.30%). Had the Company continued to use the earlier policy of classification of NPA and provision for standard asset, provisions and write-offs for the year ended March 31, 2017 would have been lower by Rs. 36,867.13 lacs (March 31, 2016: Rs. 30,071.80 lacs), income from operations for the same period would have been higher by Rs. 1,769.38 lacs (March 31 2016: Rs. 1,582.92 lacs) and profit before tax for the same period would have been higher by Rs. 38,636.51 lacs (March 31, 2016: Rs. 31,654.72 lacs) (net of tax Rs. 25,265.19 lacs (March 31, 2016: Rs. 20,699.65 lacs). **Upto March 31, 2016**, Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non- Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Delinquencies on assets securitised/assigned are provided for based on management estimates of the historical data. Upto March 31, 2016, Provision on standard assets is made as per the notification DNBS.PD.CC.No.207/ 03.02.002 /2010-11 issued by Reserve Bank of India.
(g)	**Loans**
	Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, up to the balance sheet date as reduced by the amounts received and loans securitised.

(h)		**Leases**
		Where the Company is the lessor
		Assets given on operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.
		Where the Company is the lessee
		Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.
(i)		**Foreign currency translation**
		Initial recognition
		Transactions in foreign currency entered into during the year are recorded at the exchange rates prevailing on the date of the transaction.
		Conversion
		Monetary assets and liabilities denominated in foreign currency are translated in to Rupees at exchange rate prevailing on the date of the Balance Sheet.
		Exchange differences
		All exchange differences are dealt with including differences arising on translation settlement of monetary items in the statement of profit and loss.
		Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability
		The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.
(j)		**Revenue recognition**
		Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
	i.	***From the year ended March 31, 2015 onwards***
		Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis.
	ii.	Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment.
	iii.	***For the year ended March 31, 2017***
		Income recognised and remaining unrealised after installments become overdue for 120 days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.
		For the year ended March 31, 2016
		Income recognised and remaining unrealised after installments become overdue for five months or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.
		For the year ended March 31, 2015
		Income recognised and remaining unrealised after installments become overdue for six months or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised.
	iv.	Additional finance charges / additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.
	v..	Income apportioned on securitisation/direct assignment of loan receivables arising under premium structure is recognised over the tenure of securities issued by SPV/agreements. Interest Spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV' / agreements. Loss/expenditure, if any, in respect of securitisation /direct assignment is recognised upfront.
		Unrealised gain on securitisation comprises of future interest receivable under par structure of securitisation/assignment. Securitisation deferred consideration receivable comprises of Company's share of future interest strip receivables in case of a par structure securitised / assigned deals.

	vi.	Interest income on fixed deposits/margin money, call money (Collaterised Borrowing and Lending Obligation), certificate of deposits, pass through certificates, subordinate debts, government securities, inter corporate deposits and treasury bills is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long term investments is recognised on a time proportion basis over the tenure of the securities.
	vii.	Dividend is recognised as income when right to receive payment is established by the date of balance sheet.
	viii.	Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption.
	viii.	Income from services is recognised as per the terms of the contracts on an accrual basis.
	ix.	Income from operating lease is recognised as rentals, as accrued on straight line basis over the period of the lease.
(k)		**Retirement and other employee benefits**
		Provident Fund Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future provident fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. ***Upto the year ended March 31, 2015*** All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which service is received.
		Gratuity The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet Date using the Projected Unit Credit Method. The Company fully contributes all ascertained liabilities to The Trustees-Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.
		Leave Encashment Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.
(l)		**Income tax**
		Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such

	deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
	The un-recognised deferred tax assets are re-assessed by the Company at each balance sheet date and are recognised to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.
	The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
	Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the Income tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.
(m)	**Segment reporting policies**
	Identification of segments: The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate. ***Unallocated items:*** Unallocated items include income and expenses which are not allocated to any reportable business segment. ***Segment policies :*** The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.
(n)	**Earnings per share**
	Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
(o)	**Provisions**
	A provision is recognised when the Company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
(p)	**Cash and cash equivalents**
	Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less.
(q)	**Equity shares and Debentures issue expenses**
	Expenses incurred on issue of equity shares are charged to statement of profit and loss on a straight line basis over a period of 10 years. Public issue expenses, other than the brokerage, incurred on issue of debentures are charged off on a straight line basis over the weighted average tenor of underlying debentures. The brokerage incurred on issue of debentures is treated as expenditure in the year in which it is incurred.
	Expenses incurred for private placement of debentures, are charged to statement of profit and loss in the year in which they are incurred.
(r)	**Borrowing costs**

	Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary and other borrowing costs are charged to statement of profit & loss in the year in which they are incurred.
(s)	**Employee stock compensation costs**
	In accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis. ***Upto the year ended March 31, 2015*** In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the compensation cost relating to employee stock options is measured and recognised using intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.
(t)	**Contingent liabilities**
	A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to Accounts on Reformatted Financial Statements

1. Earnings per share

	For the year ended March 31,			
Particulars	**2018**	**2017**	**2016**	**2015**
Net Profit after tax as per statement of profit and loss (Rs. in lacs) **(A)**	156,802.25	125,734.25	117,819.76	123,780.98
Weighted average number of equity shares for calculating Basic EPS (in lacs) **(B)**	2268.83	2,268.83	2,268.83	2,268.83
Weighted average number of equity shares for calculating Diluted EPS (in lacs) **(C)**	2268.83	2,268.83	2,268.83	2,268.83
Basic earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) **(A) / (B)**	69.11	55.42	51.93	54.56
Diluted earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) **(A) / (C)**	69.11	55.42	51.93	54.56
Weighted average number of equity shares for calculating Basic EPS (in lacs)	2268.83	2,268.83	2,268.83	2,268.83
Add : Equity shares for no consideration arising on grant of stock options under ESOP (in lacs)	-	-	-	-
Weighted average number of equity shares in calculating Diluted EPS (in lacs)	2,268.83	2,268.83	2,268.83	2,268.83

2. Gratuity and other post-employment benefit plans:

For the year ended March 31, 2018

The Company has a defined benefit gratuity plan. Every employee who completes five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.
The Company has funded Rs. 520.46 lacs during the financial year 2017-18 and Rs. 267.54 lacs during the financial year 2016-17.

For the year ended March 31, 2017
The Company has a defined benefit gratuity plan. Every employee who has completes five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.
The Company has funded Rs. 267.54 lacs during the financial year 2016-17 and Rs. 217.82 lacs during the financial year 2015-16.

For the year ended March 31, 2016
The Company has a defined benefit gratuity plan. Every employee who has completes five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.
The Company has funded Rs. 217.82 lacs during the financial year 2015-16 and Rs. 307.86 lacs during the financial year 2014-15.

For the year ended March 31, 2015
The Company has a defined benefit gratuity plan. Every employee who has completes five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.
The Company funded Rs. 307.86 lacs during the financial year 2014-15 and Rs. 1,849.88 lacs during the financial year 2013-14.

Consequent to the adoption of revised AS 15 'Employee Benefits' issued under Companies (Accounts) Rules, 2014, as amended, the following disclosures have been made as required by the standard:

Statement of Profit and Loss
Net employee benefit expense (recognised in statement of Profit and Loss)

(Rs. in Lacs)

Particulars	**Gratuity**			
	Year ended March 31, 2018	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**
Current service cost	407.94	375.56	363.99	310.19
Interest cost on benefit obligation	254.70	258.08	202.48	181.73
Expected return on plan assets	(252.26)	(223.33)	(200.50)	(165.01)
Net actuarial (gain)/loss recognised in the year	198.17	200.85	306.37	(47.77)
Past service cost	46.89	Nil	Nil	Nil
Net benefit expense*	**655.44**	**611.16**	**672.34**	**279.14**
Actual return on plan assets	329.11	249.78	240.89	218.29

(Rs. in lacs)

*** Net benefit expense includes**	**Year ended March 31, 2018**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**
Transferred from subsidiary company	Nil	Nil	Nil	Nil
Transferred to subsidiary company	Nil	Nil	Nil	Nil
Transferred from other company	Nil	Nil	13.60	Nil
Transferred to other company	Nil	Nil	Nil	Nil
Amount paid to trust towards relieved employees	8.32	Nil	Nil	336.43

Balance sheet
Benefit assets/(liability)

(Rs. in Lacs)

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Present value of defined benefit obligation	4,130.22	3,527.72	3,460.20	2,439.01
Fair value of plan assets	4,323.49	3,493.92	2,980.67	2,422.78
Surplus / (deficit)	193.17	(33.80)	(479.53)	(16.23)
Less: Unrecognised past service cost	Nil	Nil	Nil	Nil
Plan asset / (liability)*	**193.17**	**(33.80)**	**(479.53)**	**(16.23)**

* Disclosed under Annexure IV Note 5 Long term provisions and Annexure IV Note 8 Short term provisions

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

(Rs. in Lacs)

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Opening defined benefit obligation	3,527.72	3,460.20	2,439.01	1,941.59
Interest cost	254.70	258.08	202.48	181.73
Current service cost	407.94	375.56	363.99	310.19
Past Service Cost - Vested Benefit incurred during the period	46.89	Nil	Nil	Nil
Liability transferred in/acquisitions/on account of amalgamation	15.49	Nil	107.95	Nil
Benefits paid	(397.44)	(793.42)	Nil	Nil
Actuarial (gains) / losses on obligation	275.02	227.30	346.77	5.50
Closing defined benefit obligation	**4,130.32**	**3,527.72**	**3,460.20**	**2,439.01**

Changes in the fair value of the plan assets are as follows: **(Rs. in Lacs)**

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Opening fair value of plan assets	3,493.92	2,980.67	2,422.78	1,896.63
Expected return	252.26	223.33	200.50	165.01
Contributions by employer	897.90	1,056.89	217.82	307.86
Assets transferred in/on account of amalgamation	Nil	Nil	99.18	Nil
Benefits paid	(397.44)	(793.42)	Nil	Nil
Actuarial gains /(losses)	76.85	26.45	40.39	53.28
Closing fair value of plan assets	**4,323.49**	**3,493.92**	**2,980.67**	**2,422.78**

The Company's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is Rs. 278.80 lacs (March 31, 2017: Rs. 441.74 lacs, March 31, 2016: Rs. 885.30 lacs, March 31, 2015: Rs. 344.74 lacs).

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
	%	**%**	**%**	**%**
Investments with insurer	100	100	100	100

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Discount Rate	7.80%	7.22%	7.80%	7.95%
Expected rate of return on assets $	7.80%	7.22%	7.80%	7.95%
Increase in compensation cost	5.00%	5.00%	5.00%	5.00%
Employee Turnover*	7.50% and 20.00%	7.50% and 20.00%	7.5% and 20.00%	5.00% and 15.00%

The estimates of future salary increases, considered in actuarial valuation, are on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

*7.5% (5% upto March 31, 2015) in case of employees with service period of 5 years and above and 20% (15% for March 30, 2015) for all other employees.

$The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the Current year and previous three years are as follows:

(**Rs. in lacs)**

Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Defined benefit obligation	4,130.32	3,527.72	3,460.20	2,439.01
Plan assets	4,323.49	3,493.92	2,980.67	2,422.78
Surplus / (deficit)	193.17	(33.80)	(479.53)	(16.23)
Experience adjustments on plan liabilities (gains)/losses	454.92	79.78	172.80	(263.30)
Experience adjustments on plan assets (losses)/gains	76.85	26.45	40.39	53.28

3. Segment information

For the year ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015.

Segment information is presented in the consolidated financial statement in terms of the accounting standard 17 - Segment Reporting.

4. Employee Stock Option Plan

Employee Stock Option Plan						
	Series I	**Series II**	**Series III**	**Series IV**	**Series V**	**Series VI**
Date of grant	31-Oct-05	1-Apr-06	9-Oct-06	17-Aug-07	15-Jul-08	13-May-09
Date of Board/committee Approval	19-Oct-05	22-Feb-06	6-Sep-06	17-Aug-07	15-Jul-08	13-May-09
Date of Shareholder's approval	13-Oct-05	13-Oct-05	13-Oct-05	13-Oct-05	13-Oct-05	13-Oct-05
Number of options granted	2,962,500	832,500	910,000	109,000	77,000	50,000
Method of Settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity
Graded Vesting Period						
After 1 year of grant date	10% of options granted	10% of options granted	10% of options granted	10% of options granted	10% of options granted	10% of options granted
After 2 years of grant date	20% of options granted	20% of options granted	20% of options granted	20% of options granted	20% of options granted	20% of options granted
After 3 years of grant date	30% of options granted	30% of options granted	30% of options granted	30% of options granted	30% of options granted	30% of options granted
After 4 years of grant date	40% of options granted	40% of options granted	40% of options granted	40% of options granted	40% of options granted	40% of options granted
Exercisable period	10 years from vesting date	10 years from vesting date	10 years from vesting date	10 years from vesting date	10 years from vesting date	10 years from vesting date
Vesting Conditions	On achievement of predetermined targets.					

The details of Series I have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	-
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	-
Weighted average exercise price	-	-	-	-

The details of Series II have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	-
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	-
Weighted average exercise price	-	-	-	-

The details of Series III have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	4,000
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	4,000
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	Rs. 74.85
Weighted Average Exercise Price	-	-	-	Rs. 35.00

The details of Series IV have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	-
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	-
Weighted Average Exercise Price	-	-	-	-

The details of Series V have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	-
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	-
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	-
Weighted Average Exercise Price	-	-	-	-

The details of Series VI have been summarised below:

Particulars	As at March 31,			
	2018	2017	2016	2015
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Outstanding at the beginning of the period	-	-	-	14,800
Add: Granted during the period	-	-	-	-
Less: Forfeited during the period	-	-	-	-
Less: Exercised during the period	-	-	-	14,800
Less: Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted	-	-	-	Rs. 201.45
Weighted Average Exercise Price	-	-	-	Rs. 35.00

Weighted average share price for the period over which stock options were exercised

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
The weighted average share price for the period over which stock options were exercised Rs.	Nil	Nil	Nil	Nil

The details of exercise price for stock options outstanding at the end of the year are:

Series I

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Series II

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Series III

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Series IV

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Series V

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Series VI

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Range of exercise prices	-	-	-	-
Number of options outstanding	-	-	-	-
Weighted average remaining contractual life of options (in years)	-	-	-	-
Weighted average exercise price	-	-	-	-

Stock Options granted

Series I:
The weighted average fair value of stock options granted was Rs. 59.04. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2005	2006	2007	2008
Weighted average share price (Rs.)	93.30	93.30	93.30	93.30
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	38.44	38.44	38.44	38.44
Historical Volatility	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	5.98	6.33	6.54	6.73
Expected dividend rate (%)	2.31	2.31	2.31	2.31

Series II :

The weighted average fair value of stock options granted was Rs. 91.75. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2006	2007	2008	2009
Weighted average share price (Rs.)	130.10	130.10	130.10	130.10
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	19.89	19.89	19.89	19.89
Historical Volatility	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	6.64	6.83	6.93	7.26
Expected dividend rate (%)	2.52	2.52	2.52	2.52

Series III :

The weighted average fair value of stock options granted was Rs. 74.85. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2006	2007	2008	2009
Weighted average share price (Rs.)	111.25	111.25	111.25	111.25
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	31.85	31.85	31.85	31.85
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	6.96	7.10	7.26	7.40
Expected dividend rate (%)	2.52	2.52	2.52	2.52

Series IV :

The weighted average fair value of stock options granted was Rs. 136.40. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2007	2008	2009	2010
Weighted average share price (Rs.)	168.05	168.05	168.05	168.05
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	41.51	41.51	41.51	41.51
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	7.68	7.76	7.82	7.87
Expected dividend rate (%)	0.89	0.89	0.89	0.89

Series V :

The weighted average fair value of stock options granted was Rs. 253.90. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2008	2009	2010	2011
Weighted average share price (Rs.)	294.50	294.50	294.50	294.50
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	69.22	69.22	69.22	69.22
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	9.41	9.36	9.34	9.36
Expected dividend rate (%)	1.63	1.63	1.63	1.63

Series VI :

The weighted average fair value of stock options granted was Rs. 201.45. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2009	2010	2011	2012
Weighted average share price (Rs.)	245.25	245.25	245.25	245.25
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	64.80	64.80	64.80	64.80
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	5.00	5.00	5.00	5.00
Average risk-free interest rate (%)	4.03	4.68	5.20	5.64
Expected dividend rate (%)	1.96	1.96	1.96	1.96

The expected volatility was determined based on historical volatility data equal to the NSE volatility rate of Bank Nifty which is considered as a comparable peer group of the Company. To allow for the effects of early exercise, it was assumed that the employees will exercise the options within six months from the date of vesting in view of the exercise price being significantly lower than the market price.

Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position:

(Rs. in Lacs)

Particulars	As at March 31,			
	2018	2017	2016	2015
Total compensation cost pertaining to employee share-based payment plan (entirely equity settled)	-	-	-	-
Liability for employee stock options outstanding as at year end	-	-	-	-
Deferred compensation cost	-	-	-	-

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	**For the year ended March 31,**			
	2018	**2017**	**2016**	**2015**
Profit as reported (Rs. in lacs)	156,802.25	125,734.25	117,819.76	123,780.98
Add: Employee stock compensation under intrinsic value method (Rs. in lacs)	-	-	-	-
Less: Employee stock compensation under fair value method (Rs. in lacs)	-	-	-	-
Proforma profit (Rs. in lacs)	156,802.25	125,734.25	117,819.76	123,780.98
Earnings per share				
Basic (Rs.)				
- As reported	69.11	55.42	51.93	54.56
- Proforma	69.11	55.42	51.93	54.56
Diluted (Rs.)				
- As reported	69.11	55.42	51.93	54.56
- Proforma	69.11	55.42	51.93	54.56
Nominal Value	Rs. 10.00	Rs. 10.00	Rs. 10.00	Rs. 10.00

5. Leases

Operating Lease:

In case of assets taken on lease

The Company has taken various office premises, furniture and fixtures, computers and plant and machinery under operating lease. The lease payments are recognised in the statement of profit and loss. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements.

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
The lease payments recognised in the statement of profit and loss (Rs. in Lacs)	9,972.83	9,195.17	8,683.95	7,869.58
Period of non-cancellable operating lease agreements	11 to 180 months	11 to 180 months	11 to 180 months	6 to 144 months

The future minimum lease payments in respect of non-cancellable operating lease as at the balance sheet date are summarised below:

(Rs. in Lacs)

Particulars	As at March 31,			
	2018	2017	2016	2015
Minimum Lease Payments:				
Not later than one year	3,105.81	2,482.34	3,222.16	2,005.21
Later than one year but not later than five years	9,835.17	5,300.09	6,570.19	3,762.66
Later than five years	3,372.07	2,280.51	3,331.56	1,629.73

In case of assets given on lease

The Company has given office premises under operating lease. The income from operating lease is recognised in the statement of profit and loss. Agreements provide for cancellation by either party or contains clause for escalation and renewal of agreements.

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
The income from operating lease recognised in the statement of profit and loss (Rs. in Lacs)	20.90	7.20	10.14	10.14
Period of non-cancellable operating lease agreements	108 months	108 months	N.A.	N.A.

The future minimum lease payments in respect of non-cancellable operating lease as at the balance sheet date are summarised below:

(Rs. in Lacs)

Particulars	As at March 31,			
	2018	2017	2016	2015
Minimum Lease Payments:				
Not later than one year	14.66	-	-	-
Later than one year but not later than five years	64.12	-	-	-
Later than five years	8.43	-	-	-

6. 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 in favour of trustees representing the public deposit holders of the Company.

(Rs. in Lacs)

Particulars	**As at March 31,**	
	2018	**2017**
The amount for which floating charge was created	140,376.00	140,376.00

In accordance with the Reserve Bank of India circular no.RBI/2006-07/ 225 DNBS (PD) C.C No. 87/03.02.004/2006-07 dated January 4, 2007, the Company has created a floating charge on the statutory liquid assets comprising of investment in Government Securities in favour of trustees representing the public deposit holders of the Company.

(Rs. in Lacs)

Particulars	**As at March 31,**	
	2016	**2015**
The amount for which floating charge was created	116,276.00	76,576.00

7. Related Party Disclosure

Related parties	
Subsidiary	Shriram Equipment Finance Company Limited. (SEFCL) (from December 15, 2009 and amalgamated with STFC w.e.f. April 1, 2015)
	Shriram Automall India Limited (SAMIL) (from February 11, 2010 upto February 06, 2018)
	Shriram Insurance Broking Company Limited (SIBCL) (from January 01, 2013 upto December 13, 2013)
Other related parties	
Enterprises having significant influence over the Company	Shriram Holdings (Madras) Private Limited (upto November 05, 2012)
	Shriram Capital Limited
	Newbridge India Investments II Limited (upto May 10, 2013)
	Shriram Ownership Trust (from April 01, 2010)
	Shriram Financial Ventures (Chennai) Private Limited (w.e.f. August 31, 2012)
	Piramal Enterprises Limited
Associates	Shriram Automall India Limited (SAMIL) (from February 07, 2018)
	Shriram Asset Management Company Limited (upto June 18, 2013)
Related parties as per AS 18 with whom transactions have taken place during the year	
Key Management Personnel	Mr. Umesh Revankar, Managing Director & CEO (till April 29, 2016 and from October 26, 2016 onwards)
	Mr. Jasmit Singh Gujral, Managing Director & CEO (from April 30, 2016 to October 25, 2016)
Relatives of Key Management Personnel	Mrs. Suchita U. Revankar (spouse of Managing Director)
	Master Shirish U. Revankar (son of Managing Director)
	Mr. Shreyas U. Revankar (son of Managing Director)
	Mrs. Geeta G. Revankar (mother of Managing Director)
	Mr. Anil G. Revankar (brother of Managing Director)

(Rs. In lacs)

Particulars	Enterprises having significant influence over the company			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Payments/Expenses				
Royalty paid to Shriram Ownership Trust	12,416.58	10,167.40	9,375.97	5,549.39
Data Sourcing Fees paid to Shriram Ownership Trust	-	-	-	-
Service charges paid to Shriram Capital Limited @	3,800.00	4,790.76	4,676.69	4,265.06
Service charges paid to Shriram Ownership Trust @	-	-	-	-
Equity Dividend Paid Ω				
- Shriram Capital Limited	6,509.03	5,910.32	5,910.32	4,728.25
- Piramal Enterprises Limited	2,486.00	2,260.00	2,260.00	-
Non-convertible debenture matured				
- Shriram Capital Limited	-	5.00	-	-
Subordinated debt matured Ω				
- Shriram Capital Limited	48.34	28.80	28.09	-
Interest on subordinated debt				
- Shriram Capital Limited	39.52	42.51	42.16	12.03
Interest on non-convertible debenture				
- Shriram Capital Limited	-	0.30	0.54	0.54
Rent paid @				
- Shriram Capital Limited	99.63	328.71	202.47	89.80
Other administrative expenses @				
- Shriram Capital Limited	85.78	182.96	94.58	31.89
Refund of Security Deposit				
- Shriram Capital Limited	100.41	-	-	-
Purchase of Fixed Asset				
- Shriram Capital Limited	568.34	-	-	-
Reimbursement of Petty cash				
- Shriram Capital Limited	8.90	-	-	-
Receipts/Income				
Recovery of common sharing expenses				
- Shriram Capital Limited	1.42	2.39	-	-
Recovery of Rent & Electricity				
- Shriram Capital Limited	31.54	30.16	26.03	13.44
Balance Outstanding at the year end				
Share Capital				
- Shriram Capital Limited	5,917.30	5,917.30	5,910.32	5,910.32
- Piramal Enterprises Limited	2,260.00	2,260.00	2,260.00	-
Non-convertible debenture				
- Shriram Capital Limited	-	-	5.00	5.00
Rent receivable from Shriram Capital Limited	2.71	2.68	2.17	4.12

(Rs. In lacs)

Particulars	Enterprises having significant influence over the company			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Rent Payable to Shriram Capital Limited	-	-	42.14	-
Outstanding expenses				
- Shriram Capital Limited	1,026.23	1,404.60	283.42	13.69
- Shriram Ownership Trust	3,724.70	2,151.55	1,140.93	180.35
Subordinated debt				
- Shriram Capital Limited	262.80	311.14	339.94	268.03
Interest payable on subordinated debt				
- Shriram Capital Limited	91.71	79.11	65.57	25.24
Expenses recoverable from Shriram Capital Limited	0.12	0.10	-	-

(Rs. in lacs)

Particulars	Subsidiaries			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Payments/Expenses				
Subordinated debt matured Ω				
- Shriram Automall India Ltd	5.90	45.83	-	-
Interest on subordinated debt				
- Shriram Automall India Ltd	23.24	13.61	5.37	-
Rent paid @				
- Shriram Automall India Ltd	323.17	399.22	400.41	494.76
Interest paid on Unsecured Loan				
- Shriram Automall India Limited	-	-	-	-
- Shriram Equipment Finance Company Limited	-	-	-	88.39
Business Mobilisation Expenses Paid to Shriram Automall India Limited @	199.84	227.79	222.17	232.44
Other Administrative Expenses paid to @				
- Shriram Insurance Broking Company Limited	-	-	-	-
- Shriram Automall India Ltd	63.52	78.63	85.28	84.64
Unsecured loan Given Ω				
- Shriram Automall India Limited	-	-	-	-
- Shriram Equipment Finance Company Limited	-	-	-	-
Unsecured loan and advances received from Ω				
- Shriram Automall India Limited	-	1,110.04	-	-
Interest paid on inter-corporate deposit	210.93	161.91	-	-
Inter Corporate Deposit repaid				
- Shriram Automall India Limited	880.00	1,015.00	-	-

(Rs. in lacs)

Particulars	Subsidiaries			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Receipts/Income				
Recovery of common sharing expenses				
- Shriram Automall India Limited	29.29	26.18	41.75	77.97
- Shriram Equipment Finance Company Limited	-	-	-	469.64
Unsecured loan Repaid				
- Shriram Insurance Broking Company Limited	-	-	-	-
- Shriram Automall India Limited	-	-	-	-
- Shriram Equipment Finance Company Limited	-	-	-	14,152.06
Unsecured loan Received µ				
- Shriram Automall India Limited	-	-	-	3.85
- Shriram Equipment Finance Company Limited	-	-	-	773.36
Interest Received on Unsecured Loan				
- Shriram Equipment Finance Company Limited	-	-	-	723.91
Recovery of Rent & Electricity				
- Shriram Automall India Limited	164.13	217.39	183.60	134.45
Recovery of other administrative expenses				
- Shriram Automall India Limited	98.48	90.27	68.75	21.07
Unsecured loan and advances repaid by µ				
- Shriram Automall India Limited	451.82	1,641.79	267.29	-
Dividend on Preference Share Shriram Equipment Finance Company Limited	-	-	-	2.5
Equity dividend received	1,200.00	-	-	-
Inter-corporate deposit received from Shriram Automall India Limited	1,185.00	3,905.00	-	-
Balance Outstanding at the year end				
Investment in Equity shares				
- Shriram Equipment Finance Company Limited	-	-	-	1,000.00
- Shriram Automall India Limited	-	3,000.00	3,000.00	3,000.00
Investment in Preference shares				
- Shriram Equipment Finance Company Limited	-	-	-	25000.00
Unsecured loan recoverable				
- Shriram Equipment Finance Company Limited	-	-	-	-
- Shriram Automall India Limited	-	15.53	183.97	22.25
Subordinated debt				
- Shriram Automall India Limited	-	160.61	78.64	-
Interest payable on subordinated debt				
- Shriram Automall India Limited	-	21.98	3.74	-

(Rs. in lacs)

Particulars	Subsidiaries			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Unsecured loan payable				
- Shriram Equipment Finance Company Limited	-	-	-	773.36
- Shriram Automall India Limited	-	-	-	-
Interest Receivable on Unsecured Loan				
- Shriram Equipment Finance Company Limited	-	-	-	-
Interest payable on unsecured Loan				
- Shriram Equipment Finance Company Limited	-	-	-	8.15
Expenses Recoverable				
- Shriram Equipment Finance Company Limited	-	-	-	99.80
Inter-corporate deposit received - Shriram Automall India Limited	-	2,890.00	-	-
Interest payable on inter-corporate deposit - Shriram Automall India Limited	-	56.50	-	-
Guarantee given by Company				
- Shriram Equipment Finance Company Limited	-	-	-	100.00
- Shriram Automall India Limited	-	200.00	200.00	200.00

(Rs. in lacs)

Particulars	Associates			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Payments/Expenses				
Business mobilisation expenses paid to Shriram Automall India Limited@	78.98	-	-	-
Interest on Subordinate Debt				
- Shriram Automall India Limited	5.23	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Interest on Non-convertible Debenture				
- Shriram Asset Management Company Limited	-	-	-	-
Rent paid @				
- Shriram Automall India Limited	85.28	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Other administrative expenses @				
- Shriram Automall India Limited	7.45	-	-	-
Interest paid on inter-corporate deposit	35.35	-	-	-
Inter Corporate Deposit repaid				
- Shriram Automall India Limited	360.00	-	-	-
Receipts/Income				
Recovery of common sharing expenses				
- Shriram Automall India Limited	6.02	-	-	-
Recovery of rent and electricity				
- Shriram Asset Management Company Limited	-	-	-	-
- Shriram Automall India Limited	36.38	-		

(Rs. in lacs)

Particulars	Associates			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Recovery of other administrative expenses				
- Shriram Automall India Limited	17.80	-	-	-
Unsecured loan and advances received from Ω				
- Shriram Automall India Limited	14.93	-	-	-
Balance Outstanding at the year end				
Investment in Equity shares				
- Shriram Automall India Limited	1,336.96	-	-	-
Unsecured loan and advances recoverable				
- Shriram Automall India Limited	12.31	-	-	-
Subordinated debt				
- Shriram Automall India Limited	246.91	-	-	-
Interest payable on subordinated debt				
- Shriram Automall India Limited	39.67	-	-	-
Inter-corporate deposit received				
- Shriram Automall India Limited	2,835.00	-	-	-
Interest payable on inter-corporate deposit				
- Shriram Automall India Limited	50.28	-	-	-

(Rs. in lacs)

Particulars	Key Management personnel (Managing Director, Whole time director, manager and other management personnel)			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Payments/Expenses				
Employee benefits for key management personnel				
- Mr. Umesh Revankar	59.26	40.51	52.45	48.15
- Mr. Jasmit Singh Gujral	-	46.85	-	-
Equity Dividend Paid Ω	-	-	3.57	2.95
Interest on Non-convertible Debenture				
- Mr. Umesh Revankar	-	0.03	0.39	0.35
Balance Outstanding at the year end				
Share Capital	-	-	1.85	1.85
Non-convertible Debenture	-	-	3.00	3.00
Interest payable on Non-convertible Debenture	-	-	0.96	0.57

(Rs. in lacs)

Particulars	Relative of Key Management Personnel			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Payments/Expenses				
Equity Dividend Paid Ω	0.02	0.01	0.01	-
Non-convertible Debenture Matured Ω	1.10	1.89	2.38	1.39
Fixed Deposit Matured Ω	1.96	0.74	-	-
Subordinated Debt Matured Ω	-	0.30	-	-
Interest on Fixed Deposit	5.15	0.19	0.54	0.32
Interest on Subordinate Debt	0.13	0.07	0.16	0.14

(Rs. in lacs)

Particulars	Relative of Key Management Personnel			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Interest on Non-convertible Debenture	0.19	0.32	1.59	1.76
Receipts/Income				
Non-convertible Debenture μ	-	-	-	-
Fixed Deposit μ	2.62	1.68	3.27	1.52
Subordinate Debts μ	-	-	-	-
Balance Outstanding at the year end				
Share Capital	0.02	0.02	0.02	-
Non-convertible Debenture	1.10	2.20	11.95	14.33
Interest payable on Non-convertible Debenture	0.12	0.15	0.92	1.31
Fixed Deposit	7.56	6.47	6.88	3.61
Interest payable on Fixed Deposit	1.13	0.91	1.00	0.44
Subordinated debt	0.80	0.80	1.10	1.10
Interest payable on subordinated debt	0.46	0.34	0.48	0.32

Ω Denotes payments
μ Denotes receipts
@ Income /expenses are presented excluding service tax/Goods and services tax

(Rs. in Lacs)

8. Contingent Liabilities not provided for		**As at March 31,**			
		2018	**2017**	**2016**	**2015**
a.	In respect of Income tax demands where the Company has filed appeal before various authorities	7,507.88	15,085.63	14,284.36	17,494.75
b.	VAT demand where the company has filed appeal before various Appellates	12,700.57	10,925.05	7,843.00	4,769.50
c.	Service Tax Demand	31,110.08	12833.93	12,833.93	12,833.93
d.	Guarantees and Counter Guarantees	221,391.36	163,921.07	158,760.87	119,798.42
e.	Guarantees given for subsidiaries	-	200.00	200.00	300.00

Future cash outflows in respect of (a), (b) and (c) above are determinable only on receipt of judgments /decisions pending with various forums/authorities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

The Company has received show cause notice demanding service tax on services rendered towards provision of collection of receivables and liquidity facilities in respect of Securitisation / Direct Assignments for the period 2008-09 to 2014-15, the same are contested by the Company.

(Rs. in Lacs)

	Commitments not provided for	**As at March 31,**			
		2018	**2017**	**2016**	**2015**
a.	Estimated amount of contracts remaining to be executed on capital account	593.10	491.66	422.56	541.43
b.	Uncalled amount in investment in ICICI Investment Management Company Limited	-	747.02	809.83	809.83
c.	Commitments related to loans sanctioned but undrawn	12,485.78	846.72	1,056.07	847.46

9.	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,**			
	2018	**2017**	**2016**	**2015**
The principal amount remaining unpaid to supplier as at the end of the year	-	-	-	-
The interest due thereon remaining unpaid to supplier as 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 appointment 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	-	-	-	-

(Rs. in lacs)

Particulars	As at March 31,			
	2018	2017	2016	2015
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	-	-	-	-

10.	In addition to the auditors remuneration shown in operating and other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with: i. issue of senior secured notes shown under professional charges-resource mobilisation in Annexure IV note 21. ii. public issue of non-convertible debentures and QIP issue of equity shares and which have been amortised as per note 2.1 (r) of Annexure VI and shown under Annexure IV Note 13 Other Non-current assets and Annexure IV Note 17 Other current assets. (redraft)

(Rs. in Lacs)

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
Auditors Remuneration in connection with				
issue of senior secured notes	26.16	126.37	-	-
out of pocket expenses included above	-	2.45	-	-
Public issue of non-convertible debentures	-	-	-	60.61
out of pocket expenses included above	-	-	-	1.06
QIP Issue of equity shares	-	-	-	-
out of pocket expenses included above	-	-	-	-

11. For Financial Year 2015-16

Merger of Shriram Equipment Finance Company Limited (SEFCL) with the Company under Sections 391 to 394 of the Companies Act, 1956 with the Company during the year ended March 31, 2016.

Details of net assets taken over on amalgamation:

Pursuant to the scheme of amalgamation ('the Scheme') of erstwhile Shriram Equipment Finance Company Limited (SEFCL) with the Company under Sections 391 to 394 of the Companies Act, 1956 sanctioned by Hon'ble High Court of Madras on March 31, 2016 entire business and all assets and liabilities of Shriram Equipment Finance Company Limited were transferred and vested in the Company effective from April 01, 2015. Accordingly the Scheme has been given effect to in these financial statements.

SEFCL was Non-banking finance Company 'NBFC' engaged in business of equipment financing.

The amalgamation has been accounted for under the "Pooling of Interest" method as prescribed by the Accounting Standard 14 "Accounting for Amalgamations" notified under the Companies (Accounting Standards) amendment Rules, 2014. Accordingly, the accounting treatment has been given as under:-

(i) The assets and liabilities as at April 01, 2015 were incorporated in the financial statement of the Company at its book value.

(ii) Debit balance in the Statement of Profit and Loss of SEFCL as at April 01, 2015 amounting to Rs. 3,503.89 lacs was adjusted in "Surplus in Statement of Profit and Loss".

(iii) Credit balance in the Statutory Reserve pursuant to section 45- IC of the RBI Act, 1934 of SEFCL as at April 01, 2015 amounting to Rs. 4,655.65 lacs was adjusted in "Statutory Reserve pursuant to section 45- IC of the RBI Act, 1934".

(iv) SEFCL being wholly owned subsidiary, the entire share capital i.e. 10,000,000 Equity Shares of Rs.10/- each fully paid and 25,000,000 0.01% Preference Share of Rs.100/- each in Shriram Equipment Finance Company Limited, held as investment by the Company stands cancelled.

12. Expenditure in foreign currency (accrual basis)

(Rs. in Lacs)

Particulars	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Professional Fees Paid	-	-	-	-
Rating fees	-	-	-	-
Computer Software	-	-	14.24	-
Computer charges	-	-	-	1.94
Membership Fees	0.16	0.17	0.10	0.16
Resource mobilisation	1,721.21	1,351.05	27.18	-
Advertisement	-	-	20.20	-
Listing fees	12.24	16.77	-	-
Total	**1,733.61**	**1,367.99**	**61.72**	**2.10**

13. Details of CSR expenses

(Rs. in lacs)

	Year ended March 31,			
Particulars	**2018**	**2017**	**2016**	**2015**
a) Gross amount required to be spent by the Company during the year	3,699.14	3,632.97	3,789.53	3,815.26
b) Amount spent during the year				
- On purposes other than construction/acquisition of any asset				
Paid in cash	1,881.50	1,193.15	1,863.73	691.61
Yet to be paid in cash	-	-	-	-
Total	**1,881.50**	**1,193.15**	**1,863.73**	**691.61**

14. During the year ended March 31, 2018, pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 120 days to 90 days and increased contingent provision on standard assets from 0.35% to 0.40% and applied the revised norms in the last quarter of the year. Had the Company continued to use the earlier policy of classification of NPA and contingent provision on standard assets, provisions and write offs for the year ended March 31, 2018 would have been lower by Rs. 72,156.19 lacs, revenue from operations for the same period would have been higher by Rs. 2,717.25 lacs and profit before tax for the same period would have been higher by Rs. 74,873.44 lacs (net of tax Rs. 48,961.24 lacs).

15. During the year ended March 31, 2018, the Company has 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 has ceased to be a subsidiary and is now 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.

16. Movement in provisions

(Rs. in lacs)

Particular	**As at March 31, 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

(Rs. in lacs)

Particular	**As at March 31, 2016**	**Additional provision made during the year**	**Utilisation/reversal during the year**	**As at March 31, 2017**
Provision for service tax- contested	8,793.99	-	-	8,793.99
Provision for value added tax- contested	1,096.15	137.92	141.19	1,092.88

(Rs. in lacs)

Particular	**As at March 31, 2015**	**Additional provision made during the year**	**Utilisation/reversal during the year**	**As at March 31, 2016**
Provision for service tax- contested	8,793.99	-	-	8,793.99
Provision for value added tax- contested	988.00	108.15	-	1,096.15

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.

17. Disclosure of restructured accounts
Financial Year 2017-18

(Rs. in lacs)

Sr. No.	Type of restructuring		Others									
	Financial year		Year ended March 31, 2018					Year ended March 31, 2017				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	No. of borrowers	983	12,215	4,937	626	**18,761**	632	10,863	3,193	86	**14,774**
		Amount outstanding	544.59	40,302.73	12,176.10	1,980.63	**55,004.05**	897.78	25,311.61	8,201.06	383.44	**34,793.89**
		Provision thereon	2.18	13,713.90	12,173.29	1,980.63	**27,870.00**	2.69	11,561.55	8,201.06	383.44	**20,148.74**
2	Fresh restructuring during the year	No. of borrowers	-	14,367	3	-	**14,370**	-	8,797	244	21	**9,062**
		Amount outstanding	-	64,214.88	17.00	-	**64,231.88**	-	30,219.76	800.11	59.48	**31,079.35**
		Provision thereon	-	10,086.05	8.00	-	**10,094.05**	-	4,159.18	800.11	59.48	**5,018.77**
3	Upgradation	No. of borrowers	883	(723)	(102)	(58)	**-**	983	(816)	(158)	(9)	**-**
		Amount outstanding	2,532.46	(2,193.23)	(138.15)	(201.08)	**-**	1,022.01	(615.62)	(366.83)	(39.56)	**-**
		Provision thereon	1,154.80	(815.58)	(138.14)	(201.08)	**-**	466.97	(60.58)	(366.83)	(39.56)	**-**
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	(983)	-	-	-	**(983)**	(632)	-	-	-	**(632)**
		Amount outstanding	(544.59)	-	-	-	**(544.59)**	(897.78)	-	-	-	**(897.78)**
		Provision thereon	(2.18)	-	-	-	**(2.18)**	(2.69)	-	-	-	**(2.69)**
5	Downgradation of restructured accounts during the year	No. of borrowers	-	(6,201)	4,810	1,391	**-**	-	(3,134)	2,578	556	**-**
		Amount outstanding	-	(21,322.06)	16,724.94	4,597.12	**-**	-	(7,715.76)	6,206.61	1,509.15	**-**
		Provision thereon	-	(6,062.95)	1,852.08	4,210.87	**-**	-	(6,180.53)	4,792.90	1,387.63	**-**
6	Write-offs of restructured accounts during the year	No. of borrowers	530	5,196	3,105	321	**9,152**	-	3,495	920	28	**4,443**
		Amount outstanding	1,233.76	17,212.06	8,077.87	832.24	**27,355.93**	477.42	6,897.26	2,664.85	(68.12)	**9,971.41**
		Provision thereon	1,024.92	(3,935.75)	(6,794.80)	446.00	**(9,259.63)**	464.79	(4,234.28)	1,253.95	(189.64)	**(2,705.18)**
7	Restructured accounts as on March 31	No. of borrowers	353	14,462	6,543	1,638	**22,996**	983	12,215	4,937	626	**18,761**
		Amount outstanding	1,298.70	63,790.26	20,702.02	5,544.43	**91,335.41**	544.59	40,302.73	12,176.10	1,980.63	**55,004.05**
		Provision thereon	129.88	20,857.17	20,690.03	5,544.42	**47,221.50**	2.18	13,713.90	12,173.29	1,980.63	**27,870.00**

The above provision for restructured accounts include provision for diminution in fair value of restructured accounts amounting to Rs. 4,566.77 lacs (March 31, 2017: Rs. Nil) and the total provision for each loan account is capped at 100% of the outstanding amount.

Financial Year 2016-17

(Rs. in lacs)

Sr. No.	Type of restructuring		Others									
	Financial year		Year ended March 31, 2017					Year ended March 31, 2016				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	No. of borrowers	632	10,863	3,193	86	**14,774**	-	4,454	-	12	**4,466**
		Amount outstanding	897.78	25,311.61	8,201.06	383.44	**34,793.89**	-	13,832.01	-	110.11	**13,942.12**
		Provision thereon	2.69	11,561.55	8,201.06	383.44	**20,148.74**	-	5,079.26	-	110.11	**5,189.37**
2	Fresh restructuring during the year	No. of borrowers	-	8,797	244	21	**9,062**	-	11,667	-	-	**11,667**
		Amount outstanding	-	30,219.76	800.11	59.48	**31,079.35**	-	26,515.10	-	-	**26,515.10**
		Provision thereon	-	4,159.18	800.11	59.48	**5,018.77**	-	13,054.52	-	-	**13,054.52**
3	Upgradation	No. of borrowers	983	(816)	(158)	(9)	**-**	632	(631)	-	(1)	**-**
		Amount outstanding	1,022.01	(615.62)	(366.83)	(39.56)	**-**	1,674.94	(1,666.55)	-	(8.39)	**-**
		Provision thereon	466.97	(60.58)	(366.83)	(39.56)	**-**	438.48	(430.09)	-	(8.39)	**-**
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	(632)	-	-	-	**(632)**	-	-	-	-	**-**
		Amount outstanding	(897.78)	-	-	-	**(897.78)**	-	-	-	-	**-**
		Provision thereon	(2.69)	-	-	-	**(2.69)**	-	-	-	-	**-**
5	Downgradation of restructured accounts during the year	No. of borrowers	-	(3,134)	2,578	556	**-**	-	(3,269)	3,193	76	**-**
		Amount outstanding	-	(7,715.76)	6,206.61	1,509.15	**-**	-	(8,505.67)	8,201.06	304.61	**-**
		Provision thereon	-	(6,180.53)	4,792.90	1,387.63	**-**	-	(8,505.69)	8,201.06	304.61	**-**
6	Write-offs of restructured accounts during the year	No. of borrowers	-	3,495	920	28	**4,443**	-	(1,358)	-	(1)	**(1,359)**
		Amount outstanding	477.42	6,897.26	2,664.85	(68.12)	**9,971.41**	(777.16)	(4,863.28)	-	(22.89)	**(5,663.33)**
		Provision thereon	464.79	(4,234.28)	1,253.95	(189.64)	**(2,705.18)**	(435.79)	2,363.55	-	(22.89)	**1,904.87**
7	Restructured accounts as on March 31	No. of borrowers	983	12,215	4,937	626	**18,761**	632	10,863	3,193	86	**14,774**
		Amount outstanding	544.59	40,302.73	12,176.10	1,980.63	**55,004.05**	897.78	25,311.61	8,201.06	383.44	**34,793.89**
		Provision thereon	2.18	13,713.90	12,173.29	1,980.63	**27,870.00**	2.69	11,561.55	8,201.06	383.44	**20,148.74**

Financial Year 2015-16

(Rs. in lacs)

Sr. No.	Type of restructuring		Others									
	Financial year		Year ended March 31, 2016					Year ended March 31, 2015				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	No. of borrowers	-	4,454	-	12	**4,466**	-	2,188	-	-	**2,188**
		Amount outstanding	-	13,832.01	-	110.11	**13,942.12**	-	6,686.57	-	-	**6,686.57**
		Provision thereon	-	5,079.26	-	110.11	**5,189.37**	-	911.07	-	-	**911.07**
2	Fresh restructuring during the year	No. of borrowers	-	11,667	-	-	**11,667**	-	4,357	-	-	**4,357**
		Amount outstanding	-	26,515.10	-	-	**26,515.10**	-	11,390.11	-	-	**11,390.11**
		Provision thereon	-	13,054.52	-	-	**13,054.52**	-	2,258.08	-	-	**2,258.08**
3	Upgradation	No. of borrowers	632	(631)	-	(1)	**-**	1,345	(1,345)	-	-	**-**
		Amount outstanding	1,674.94	(1,666.55)	-	(8.39)	**-**	5,031.79	(5,031.79)	-	-	**-**
		Provision thereon	438.48	(430.09)	-	(8.39)	**-**	505.67	(505.67)	-	-	**-**
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	-	-	-	-	**-**	(1,345)	-	-	-	**(1,345)**
		Amount outstanding	-	-	-	-	**-**	(5,031.79)	-	-	-	**(5,031.79)**
		Provision thereon	-	-	-	-	**-**	(505.67)	-	-	-	**(505.67)**
5	Downgradation of restructured accounts during the year	No. of borrowers	-	(3,269)	3,193	76	**-**	-	(1)	-	1	**-**
		Amount outstanding	-	(8,505.67)	8,201.06	304.61	**-**	-	(0.26)	-	0.26	**-**
		Provision thereon	-	(8,505.69)	8,201.06	304.61	**-**	-	(0.03)	-	0.03	**-**
6	Write offs of restructured accounts during the year	No. of borrowers	-	(1,358)	-	(1)	**(1,359)**	-	(917)	-	(1)	**(918)**
		Amount outstanding	(777.16)	(4,863.28)	-	(22.89)	**(5,663.33)**	-	(2,158.05)	-	(0.26)	**(2,158.31)**
		Provision thereon	(435.79)	2,363.55	-	(22.89)	**1,904.87**	-	(173.18)	-	(0.03)	**(173.21)**
7	Restructured accounts as on March 31	No. of borrowers	632	10,863	3,193	86	**14,774**	-	4,282	-	-	**4,282**
		Amount outstanding	897.78	25,311.61	8,201.06	383.44	**34,793.89**	-	10,886.58	-	-	**10,886.58**
		Provision thereon	2.69	11,561.55	8,201.06	383.44	**20,148.74**	-	2,490.27	-	-	**2,490.27**

The figures as on April 01, 2015 includes the numbers of amalgamated entity and hence will not match with previous year closing.

Financial Year 2014-15

(Rs. in lacs)

Sr. No.	Type of restructuring		Others				
	Financial year		Year ended March 31, 2015				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on April 1	No. of borrowers	-	2,188	-	-	**2,188**
		Amount outstanding	-	6,686.57	-	-	**6,686.57**
		Provision thereon	-	911.07	-	-	**911.07**
2	Fresh restructuring during the year	No. of borrowers	-	4,357	-	-	**4,357**
		Amount outstanding	-	11,390.11	-	-	**11,390.11**
		Provision thereon	-	2,258.08	-	-	**2,258.08**
3	Upgradation	No. of borrowers	1,345	(1,345)	-	-	**-**
		Amount outstanding	5,031.79	(5,031.79)	-	-	**-**
		Provision thereon	505.67	(505.67)	-	-	**-**
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	(1,345)	-	-	-	**(1,345)**
		Amount outstanding	(5,031.79)	-	-	-	**(5,031.79)**
		Provision thereon	(505.67)	-	-	-	**(505.67)**
5	Downgradation of restructured accounts during the year	No. of borrowers	-	(1)	-	1	**-**
		Amount outstanding	-	(0.26)	-	0.26	**-**
		Provision thereon	-	(0.03)	-	0.03	**-**
6	Write offs of restructured accounts during the year	No. of borrowers	-	(917)	-	(1)	**(918)**
		Amount outstanding	-	(2,158.05)	-	(0.26)	**(2,158.31)**
		Provision thereon	-	(173.18)	-	(0.03)	**(173.21)**
7	Restructured accounts as on March 31	No. of borrowers	-	4,282	-	-	**4,282**
		Amount outstanding	-	10,886.58	-	-	**10,886.58**
		Provision thereon	-	2,490.27	-	-	**2,490.27**

The outstanding amount and number of borrowers as at March 31, 2015 is after considering recoveries during the year.

The outstanding amount and number of borrowers as at March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 is after considering recoveries during the year.

The figures as on April 01, 2015 include the numbers of amalgamated entity and hence will not match with previous year closing.

Additional facilities availed by borrowers in existing restructured accounts are disclosed under "Fresh restructuring during the year" and partial repayments in existing restructured accounts are disclosed under "Write-offs of restructured accounts", however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.

For the purpose of arithmetical accuracy as required by Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, movement in provisions in the existing restructured account as compared to opening balance is disclosed under write-off/sale/recovery (for any change in provision) during the year and are not comparable with the additional facilities availed and partial recovery disclosed under the respective columns.

Upto Financial year 2015-16, For the purpose of arithmetical accuracy as required by RBI circular no DNBS (PD) CC No. 380/03.02.001/ 2014-15 movement in provisions in the existing restructured account as compared to opening balance is disclosed under column fresh restructuring(for increase in provision) and write-off/sale/recovery(for decrease in provision) during the year and are not comparable with the additional facilities availed and partial recovery disclosed under the respective columns.

Since the disclosure of restructured advance account pertains to section "Others", the first two sections, namely, "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" as per format prescribed in the guidelines are not included above.

Additional disclosures required by Reserve Bank of India*

* Additional disclosures are made as required under and as per the format prescribed in DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014

1. Credit Rating

Instruments	Credit rating agency	As on March 31,			
		2018	2017	2016	2015
Bank Loan Long-term	CRISIL	CRISIL AA+/Stable	CRISIL AA+/ Stable	CRISIL AA+/ Stable	CRISIL AA/ Positive
Bank Loan Short-term	CRISIL	CRISIL A1+	CRISIL A1+	CRISIL A1+	CRISIL A1+
Commercial Paper	India Ratings & Research Private Limited (Formerly known as "FITCH")	IND A1+	-	-	-
Commercial Paper	CARE	CARE A1+	-	-	-
Fixed deposit	CRISIL	CRISIL FAAA/Stable	CRISIL FAAA/Stable	CRISIL FAAA/Stable	CRISIL FAA+/ Positive
Fixed deposit	ICRA	MAA+ with Stable outlook	MAA+ with Stable outlook	MAA+ with Stable outlook	MAA+ with Stable outlook
Long-Term Issuer Credit Rating	Standard & Poor's Ratings	BB+/Stable	BB+/Stable	BB+/Stable	-
Long-Term Issuer Default Rating	Fitch Ratings	BB+/Stable Outlook	BB+/Stable Outlook	BB+/Stable Outlook	-
Non-convertible debenture	CARE	CARE AA+/Stable	CARE AA+	CARE AA+	CARE AA+
Non-convertible debenture	CRISIL	CRISIL AA+/Stable	CRISIL AA+/Stable	CRISIL AA+/Stable	CRISIL AA/ Positive
Non-convertible debenture	India Ratings & Research Private Limited (Formerly known as "FITCH")	IND AA+/Stable Outlook	IND AA+/Stable Outlook	IND AA+/Stable Outlook	IND AA+/Stable Outlook
Offshore Rupee Denominated Bond (Masala Bond)	Standard & Poor's Ratings	BB+	BB+	-	-
Offshore Rupee Denominated Bond (Masala Bond)	Fitch Ratings	BB+	-	-	-
Short term debt	CRISIL	CRISIL A1+	CRISIL A1+	CRISIL A1+	CRISIL A1+
Short-Term Issuer Credit Rating	Standard & Poor's Ratings	B	B	B	-
Short-Term Issuer Default Rating	Fitch Ratings	B	B	B	-

Instruments	Credit rating agency	As on March 31,			
		2018	2017	2016	2015
Subordinated debt	CARE	CARE AA+/Stable	CARE AA+	CARE AA+	CARE AA+
Subordinated debt	India Ratings & Research Private Limited (Formerly known as FITCH")	IND AA+/Stable	IND AA+/Stable Outlook	IND AA+/Stable Outlook	IND AA+/Stable Outlook
Subordinated debt	CRISIL	CRISIL AA+/Stable	CRISIL AA+/Stable	CRISIL AA+/Stable	CRISIL AA/ Positive

2. Capital

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
i) CRAR (%)	16.87	16.94	17.56	20.52
ii) CRAR - Tier I Capital (%)	14.24	15.20	14.71	16.40
iii) CRAR - Tier II Capital (%)	2.63	1.74	2.85	4.12
iv) Amount of subordinated debt raised as Tier-II capital*	454,529.81	348,077.98	352,045.50	396,304.41
v) Amount raised by issue of Perpetual Debt Instruments	-	-	-	-

*** Note:**
Discounted value of Rs. 272,267.52 lacs (March 31, 2017: Rs. 179,899.48 lacs, March 31, 2016: Rs. 214,273.07 lacs, March 31, 2015: Rs. 250,538.17 lacs) considered for Tier II capital against the book value is Rs. 454,529.81 lacs (March 31, 2017: Rs. 348,077.98 lacs, March 31, 2016: Rs. 352,045.50 lacs, March 31, 2015: Rs. 396,304.41 lacs).

3. Investments

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
(1) Value of investments				
(i) Gross value of investments				
(a) In India	148,677.65	154,959.86	135,641.50	332,743.62
(b) Outside India,	-	-	-	-
(ii) Provisions for depreciation				
(a) In India	725.24	25.37	25.00	25.00
(b) Outside India,	-	-	-	-
(iii) Net value of investments				
(a) In India	147,952.41	154,934.49	135,616.50	332,718.62
(b) Outside India,	-	-	-	-
(2) Movement of provisions held towards depreciation on investments				
(i) Opening balance	25.37	25.00	25.00	41.81
(ii) Add : Provisions made during the year	699.87	0.37	-	-
(iii) Less : Write-off/write-back of excess provisions during the year	-	-	-	16.81
(iv) Closing balance	725.24	25.37	25.00	25.00

4. Derivatives

4.1. Forward rate agreement/Interest rate swap

(Rs. in lacs)

Particulars		As at March 31,			
		2018	2017	2016	2015
(i)	The notional principal of swap agreements	95,058.37	90,718.37	41,725.00	30,795.00
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil	Nil	Nil
(iii)	Collateral required by the NBFC upon entering into swaps	Nil	Nil	Nil	Nil
(iv)	Concentration of credit risk arising from the swap	Nil	Nil	Nil	Nil
(v)	The fair value of the swap book	95,058.37	90,718.37	41,725.00	30,795.00

4.2. Exchange Traded interest rate (IR) derivatives : Nil

4.3. 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, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Currency derivatives	**Interest rate derivatives**	**Currency derivatives**	**Interest rate derivatives**	**Currency derivatives**	**Interest rate derivatives**	**Currency derivatives**	**Interest rate derivatives**
(i)	Derivatives (Notional principal amount)								
	For hedging	95,058.37		90,718.37		41,725.00		30,795.00	
(ii)	Marked to market positions [1]								
	a) Asset (+)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Liability (-)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(iii)	Credit exposure [2]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(iv)	Unhedged exposures	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

5. Disclosures relating to securitisation

5.1. 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,			
			2018	2017	2016	2015
1	No of SPVs sponsored by the NBFC for securitisation transactions* (in No.)		68	51	35	44
2	Total amount of securitised assets as per books of the SPVs sponsored		1,557,117.75	1,288,049.92	964,926.71	916,559.38
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	-	-	282.25
		Others	-	-	-	-
	(b)	On-Balance Sheet exposures				
		First loss	158,790.60	114,952.94	93,086.83	97,512.02
		Others	83,360.85	68,213.22	47,721.45	44,761.53
4	Amount of exposures to securitisation transactions other than MRR					
	(a)	Off-Balance Sheet exposures				
		(i) Exposure to own securitisations				
		First loss	-	-	-	-
		Others	124,085.10	71,921.05	76,122.94	100,438.85
		(ii) Exposure to third party securitisations				
		First loss	-	-	-	-
		Others	-	-	-	-

(Rs. in lacs)

Sr. No.		Particulars	As at March 31,			
			2018	2017	2016	2015
	(b)	On-Balance Sheet exposures				
		(i) Exposure to own securitisations				
		First loss	-	-	-	376.37
		Others	53,987.58	67,725.77	30,969.18	17,208.72
		(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,			
			2018	2017	2016	2015
1	No. of transactions assigned by the Company		24	24	25	16
2	Total amount outstanding		6,193.18	41,424.24	166,539.92	116,735.73
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	762.56	4,984.80	18,474.48	12,716.68
4	Amount of exposures to assigned transaction other than MRR					

(Rs. in lacs)

Sr. No.		Particulars	As at March 31,			
			2018	2017	2016	2015
	(a)	Off-Balance Sheet exposures				
		(i) Exposure to own securitisations				
		First loss	-	-	407.00	1,359.00
		Loss	-	-	271.00	3,083.00
		(ii) Exposure to third party securitisations				
		First loss	-	-	-	-
		Others	-	-	-	-
	(b)	On-Balance Sheet exposures				
		(i) Exposure to own securitisations				
		First loss	-	-	-	-
		Others	-	-	-	-
		(ii)Exposure to third party securitisations				
		First loss	-	-	-	-
		Others	-	-	-	-

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,			
			2018	2017	2016	2015
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				

(Rs. in lacs)

Sr. No.		Particulars	As at March 31,			
			2018	2017	2016	2015
		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	-	-	-	-

5.2. No financial assets are sold to securitisation/reconstruction company for asset reconstruction as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015.

5.3. Details of assignment transactions undertaken by NBFCs

(Rs. in lacs)

Particulars		Year ended March 31,			
		2018	**2017**	**2016**	**2015**
i)	No. of accounts	-	902	170,931	27,096
ii)	Aggregate value (net of provisions) of accounts sold	-	4,863.89	237,630.14	44,160.81
iii)	Aggregate consideration *	-	5,038.54	248,497.50	44,708.56
iv)	Additional consideration realized in respect of accounts transferred in earlier years	1,899.81	10,775.41	4,590.78	17,071.19
v)	Aggregate gain/loss over net book value	1,899.81	10,950.06	15,458.15	17,618.94

* Includes income on assignment transactions realised in respect of accounts transferred in current year.

5.4. The Company has not purchased/sold non-performing assets for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015.

6. 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 *	50,575.86	20,389.17	22,891.14	76,727.05	157,736.61	390,042.11	167,496.81	-	**885,858.76**
Advances **	237,891.11	192,671.42	192,074.49	578,478.21	1,135,040.44	3,506,469.81	1,489,395.45	195,113.05	**7,527,133.98**
Investments	-	-	-	-	-	9,913.35	2,501.22	135,537.84	**147,952.41**
Borrowings ***	103,495.16	329,865.74	420,888.03	473,300.51	686,238.01	2,134,842.79	853,988.28	519,300.00	**5,521,918.52**
Foreign currency assets	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	711.99	-	-	-	969.40	-	-	-	**1,681.39**

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2017

(Rs. in lacs)

Particulars	Upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits *	46,847.65	31,272.78	31,427.46	96,198.55	172,125.75	417,622.34	129,430.37	-	**924,924.90**
Advances **	226,385.01	158,429.03	156,671.66	474,452.63	939,607.52	2,968,958.67	1,194,126.17	126,212.88	**6,244,843.57**
Investments	5,220.97	-	-	-	-	7,356.11	2,497.62	139,859.79	**154,934.49**
Borrowings ***	45,987.60	130,143.41	146,786.93	531,825.71	513,037.43	2,022,741.99	752,328.66	320,740.00	**4,463,591.73**
Foreign currency assets	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	200.00	-	-	553.49	-	752.68	-	-	**1,506.17**

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2016

(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 *	14,793.50	9,556.61	10,043.68	69,337.47	120,366.42	538,308.50	72,491.20	-	**834,897.37**
Advances **	196,834.03	167,981.17	165,091.31	496,173.61	973,611.08	2,892,993.54	985,534.34	103,356.12	**5,981,575.21**
Investments	10,000.00	-	-	399.52	-	-	9,794.10	115,422.88	**135,616.51**
Borrowings ***	59,133.33	68,216.43	238,691.59	455,127.81	731,893.89	1,587,450.83	709,532.68	349,327.18	**4,199,373.72**
Foreign currency assets	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	-	-	-	-	-	-	-	-	**-**

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2015

(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 *	7,518.94	4,445.92	4,971.40	22,366.56	37,971.99	444,546.38	43,895.14	-	**565,716.34**
Advances **	342,820.34	161,510.18	161,654.62	440,781.09	829,183.16	2,328,398.99	562,295.73	1,631.02	**4,828,275.13**
Investments	220,792.81	-	499.32	-	-	398.27	7,238.25	103,789.97	**332,718.62**
Borrowings ***	80,501.60	30,590.69	137,725.66	385,572.39	467,510.28	1,623,918.23	623,468.64	542,320.71	**3,891,608.19**
Foreign currency assets	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	-	-	-	-	-	-	-	-	**-**

* includes deposits from corporates and interest payable and unclaimed matured deposit

** net of provision for non-performing assets and provision for diminution in fair value of restructured loans.

*** excludes deposits

7. Exposure to real estate sector

The Company has no exposure to real estate sector.

8. Exposure to capital market

(Rs. in lacs)

Particulars		As at March 31,			
		2018	**2017**	**2016**	**2015**
(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;	1,578.79	3,241.83	3,242.20	4,242.20
(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;	-	-	-	65,000.00
(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	78,360.46	70,451.82	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-	-
(vi)	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-	-
(vii)	Bridge loans to companies against expected equity flows/issues;	-	-	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	65.09	65.09	1,655.64	1,655.64
Total exposure to capital market		**88,819.89**	**81,667.38**	**75,349.66**	**70,897.84**

*Amount of Rs. 87,176.01 lacs (March 2017: Rs. 78,360.46 lacs, March 31, 2016: Rs. 70,451.82 lacs, March 31, 2015: Rs. Nil) pertains to off Balance sheet item i.e. Corporate guarantee given by the Company which is secured by the shares of SVL Ltd.

9. Details of financing of parent company products

The Company has not financed parent company products.

10. 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).

11. Unsecured advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

12. Additional disclosures

12.1. 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,			
	2018	2017	2016	2015
Provisions for depreciation on investment	699.87	0.37	-	-
Provision towards NPA	145,092.18	106,479.02	90,446.24	35,385.68
Provision made towards income tax	88,826.31	72,116.20	60,323.36	60,457.83
Other Provision and contingencies (with details)				
Provision for value added tax	19.71	137.92	108.15	865.31
Provision made towards service tax contested	-	-	-	-
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Contingent provision on standard assets	7,976.76	3,674.37	4,990.48	2,980.95
Provision for diminution in fair value of restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-

12.2. Draw down reserve

The draw down from reserves was Rs. Nil.

13. Concentration of deposits, advances, exposures and NPAs

13.1. Concentration of deposits (for deposit taking NBFCs)

(Rs. in lacs)

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total deposits of twenty largest depositors	66,964.26	49,584.26	47,664.51	12,893.01
Percentage of deposits of twenty largest depositors to total deposits of the NBFC	7.75%	5.36%	5.71%	2.28%

13.2. Concentration of advances

(Rs. in lacs)

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total advances to twenty largest borrowers *	25,060.83	17,633.49	20,231.01	77,854.03
Percentage of advances to twenty largest borrowers to total advances of the NBFC *	0.31%	0.27%	0.33%	1.58%

* Excludes retained interest on securitisation Rs. 84,123.41 lacs (March 31, 2017: Rs. 73,198.02 lacs, March 31, 2016: Rs. 66,195.93 lacs, March 31, 2015: Rs. 57,478.21 lacs)

13.3. Concentration of exposures

(Rs. in lacs)

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total exposure to twenty largest borrowers/customers *	111,667.13	82,119.10	84,732.22	77,854.03
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers *	1.39%	1.24%	1.36%	1.58%

* Excludes retained interest on securitisation Rs. 84,123.41 lacs (March 31, 2017: Rs. 73,198.02 lacs, March 31, 2016: Rs. 66,195.93 lacs, March 31, 2015: Rs. 57,478.21 lacs)

13.4. Concentration of NPAs

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total exposure to top four NPA accounts	5,019.01	4,534.24	4,126.84	1,836.98

13.5. Sector-wise NPAs *

		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector	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 working capital loans	13.64%	20.23%	11.34%	11.45%
6	Auto loans	8.93%	7.80%	6.04%	3.71%
7	Others	12.88%	16.76%	-	-

* The loans mentioned above include loans given to corporates.

14. Movement of NPAs

(Rs. in lacs)

Particulars			Year ended March 31,			
			2018	2017	2016	2015
(i)	**Net NPAs to net advances (%)**		2.83%	2.66%	1.91%	0.79%
(ii)	**Movement of NPAs (Gross)**					
	(a)	(i) Opening balance	540,843.58	387,023.84	189,413.90	145,050.35
	(a)	(ii) Transfer from SEFC on account of amalgamation	-	-	47,185.08	-
	(b)	Additions during the year	774,743.11	358,346.87	322,592.68	240,554.13
	(c)	Reductions during the year	577,947.37	204,527.13	172,167.82	196,190.58
	(d)	**Closing balance**	**737,639.32**	**540,843.58**	**387,023.84**	**189,413.90**
(iii)	**Movement of Net NPAs**					
	(a)	(i) Opening balance	165,899.15	114,369.70	37,912.06	30,291.24

(Rs. in lacs)

Particulars			Year ended March 31,			
			2018	2017	2016	2015
	(a)	(ii) Transfer from SEFC on account of amalgamation	-	-	18,930.62	-
	(b)	Additions during the year	520,693.81	114,609.13	184,907.14	118,984.03
	(c)	Reductions during the year	473,478.21	63,079.68	127,380.12	111,363.21
	(d)	**Closing balance**	**213,114.75**	**165,899.15**	**114,369.70**	**37,912.06**
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**					
	(a)	(i) Opening balance	374,944.43	272,654.14	151,501.84	114,759.11
	(a)	(ii) Transfer from SEFC on account of amalgamation	-	-	28,254.46	-
	(b)	Provisions made during the year	254,049.30	243,737.74	137,685.54	121,570.10
	(c)	Write-off/write-back of excess provisions	104,469.16	141,447.45	44,787.70	84,827.37
	(d)	**Closing balance**	**524,524.57**	**374,944.43**	**272,654.14**	**151,501.84**

The above movement includes provision for diminution in fair value of restructured loans.

15. Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

16. Off-balance sheet SPVs sponsored

The Company has not sponsored any off-balance sheet SPV.

17. Customer complaints

	Particulars	Year ended March 31,			
		2018	2017	2016	2015
(a)	Number of complaints pending at the beginning of the year	153	825	313	230
(b)	Number of complaints received during the year	4,502	7,715	7,281	4,706
(c)	Number of complaints redressed during the year	4,583	8,387	6,769	4,623
(d)	Number of complaints pending at the end of the year	72	153	825	313

18. Information on instances of fraud

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	-	-

Instances of fraud for the year ended March 31, 2017: **(Rs.in lacs)**

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by staff and customers	14	90.78	26.50	-

*Amount recovered against cases reported during the year ended March 31, 2016

Instances of fraud for the year ended March 31, 2016: **(Rs.in lacs)**

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off #
Fraud committed by staff and customers	10	81.49	-	44.43

Amount recovered against cases reported during the year ended March 31, 2015

19. Penalties:
No penalties have been levied by any regulator on the Company.

20. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as provided in the Table below:-

(Rs. in lacs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	**9,882.36**	**231.75**	**10,114.11**
(+) Permitted receipts	**-**	34,544.43	**34,544.43**
(-) Permitted payments	**-**	1,346.58	**1,346.58**
(-) Amount deposited in Banks	9,882.36	31,840.30	**41,722.66**
Closing cash in hand as on 30.12.2016	**-**	**1,589.30**	**1,589.30**

In the ordinary course of business, loan borrowers of the Company have directly deposited cash as part of their loan repayments in the collection bank accounts of the Company with various banks, aggregating to Rs. 60,639.52 lacs during the period November 9, 2016 to December 30, 2016 the denomination wise details of which are currently not available with the Company and hence not included in the above table.
Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

21. 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

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

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

Sumant Sakhardande
Partner
Membership No. 034828

Sangeeta Gupta
Partner
Membership No. 064225

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

22. 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, 2018		As at March 31, 2017		
	Liabilities side :					
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	
	(a) Debenture : Secured	2,551,709.36	3,539.22	2,013,062.15	5,755.28	#
	: Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil	Nil	Nil	
	(b) Deferred Credits	Nil	Nil	Nil	Nil	
	(c) Term Loans	1,860,256.77	Nil	1,822,294.59	Nil	
	(d) Inter-corporate loans and borrowing	2,885.28	Nil	2,946.50	Nil	
	(e) Commercial Paper	449,219.71	Nil	Nil	Nil	
	(f) Public Deposits* @	864,198.57	20,626.14	911,817.58	15,489.74	#
	(g) Other Loans - Subordinated debts	504,218.49	1,928.32	393,556.74	1,140.75	#
	- Cash Credit	68,259.56	Nil	247,114.70	Nil	
	- Deposits from corporates	21,660.18	111.78	13,107.32	40.79	
	- Senior secured notes	253,826.56	Nil	137,258.44	Nil	
	@ excludes deposits from corporates *Please see note 1 below # Represent amounts unclaimed					
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**	**As at March 31, 2018**		**As at March 31, 2017**		
		Amount outstanding	**Amount overdue**	**Amount outstanding**	**Amount overdue**	
	(a) In the form of Unsecured debentures	Nil	Nil	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	Nil	Nil	
	(c) Other public deposits @	864,198.57	20,626.14	911,817.58	15,489.74	
	@ excludes deposits from corporates *Please see note 1 below # Represent amounts unclaimed					
	Assets side :	**Amount outstanding**				
(3)	**Break-up of loans and advances including bills receivables (other than those included in (4) below):**	**As at March 31, 2018**		**As at March 31, 2017**		
	(a) Secured	1,276,779.67		587.49		
	(b) Unsecured	179,429.87		133,983.23		

(Rs. in lacs)

(4)	**Break up of leased assets and stock on hire and other assets counting towards AFC activities**	**Amount outstanding**	
		As at March 31, 2018	**As at March 31, 2017**
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	Nil	Nil
	(b) Operating lease	Nil	Nil
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	Nil	Nil
	(b) Repossessed Assets	Nil	Nil
	(iii) Other loans counting towards AFC Activities :		
	(a) Loans where assets have been repossessed	27,706.56	29,378.99
	(b) Loans other than (a) above	6,567,679.44	6,382,337.45

(5)	**Break-up of investments :**	**Amount outstanding**	
		As at March 31, 2018	**As at March 31, 2017**
	Current investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debenture and bonds	Nil	5,220.97
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil
	2. Unquoted :		
	(i) Shares: (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil
	Long term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	141,098.71	141,215.84
	(v) Others (Please specify)	Nil	Nil
	2. Unquoted :		
	(i) Shares: (a) Equity	1,378.79	3,041.83
	(b) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	200.00	200.00
	(iv) Government securities	Nil	Nil
	(v) Others -Venture capital fund	65.09	65.09
	Investment in subordinated debts	5,000.00	5,000.00

(Rs. in lacs)

(6)	**Borrower group-wise classification of assets, financed as in (3) and (4) above :**						
	Please see note 2 below	**Amount (Net of provisions)**					
	Category	**Secured**		**Unsecured**		**Total**	
		As at March 31, 2018	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
	1. Related Parties **						
	(a) Subsidiaries	Nil	Nil	Nil	Nil	**Nil**	**Nil**
	(b) Companies in the same group	Nil	Nil	Nil	Nil	**Nil**	**Nil**
	(c) Other related parties	Nil	Nil	Nil	Nil	**Nil**	**Nil**
	2. Other than related parties	7,372,337.07	6,065,189.81	154,796.90	107,286.94	**7,527,133.97**	**6,172,476.75**

(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	**Market Value / Break up or fair value or NAV***		**Book Value (Net of Provisions)**	
		As at March 31, 2018	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
	1. Related Parties **				
	(a) Subsidiaries	Nil	5,970.33	Nil	3,000.00
	(b) Companies in the same group	2,896.58	Nil	1,336.96	Nil
	(c) Other related parties	Nil	Nil	Nil	Nil
	2. Other than related parties	148,394.04	163,373.37	146,405.63	151,743.73

* Disclosure is made in respect of available information.

** As per Accounting Standard of ICAI (Please see note 3)

(8)	**Other information**		
	Particulars	**As at March 31, 2018**	**As at March 31, 2017**
(i)	Gross non-performing assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	737,639.32	540,843.58
(ii)	Net non-performing assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	213,114.75	165,899.15
(iii)	Assets acquired in satisfaction of debt	Nil	Nil

Notes:

1. 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.

2. Provisioning norms shall be applicable as prescribed in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

23. As required in terms of paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Schedule to the Balance Sheet

(Rs. in lacs)

	Particulars	As at March 31, 2016		As at March 31, 2015		
(1)	**Liabilities side :** **Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	
	(a) Debenture : Secured	1,729,670.78	9,327.74	1,874,775.58	5,566.28	#
	: Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil	2,872.07	Nil	
	(b) Deferred Credits	Nil	Nil	Nil	Nil	
	(c) Term Loans	2,010,227.91	Nil	1,698,948.95	Nil	
	(d) Inter-corporate loans and borrowing	Nil	Nil	Nil	Nil	
	(e) Commercial Paper	Nil	Nil	Nil	Nil	
	(f) Public Deposits* @	805,485.12	6,469.69	557,890.13	3,693.84	#
	(g) Other Loans - Subordinated debts	396,386.94	2,028.85	437,379.05	1,855.92	#
	- Cash Credit	201,453.71	Nil	17,092.93	Nil	
	- Corporate Loan	Nil	Nil	Nil	Nil	
	- Unsecured loan from subsidiary	Nil	Nil	773.36	Nil	
	- Deposits from corporates	29,412.25	84.21	7,826.21	24.68	
	- Senior secured notes	Nil	Nil	Nil	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):**	**As at March 31, 2016**		**As at March 31, 2015**	
		Amount outstanding	**Amount overdue**	**Amount outstanding**	**Amount overdue**
	(a) In the form of Unsecured debentures	Nil	Nil	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	Nil	Nil
	(c) Other public deposits @	805,485.12	6,469.69	557,890.13	3,693.84
	@ excludes deposits from corporates *Please see note 1 below # Represent amounts unclaimed				
	Assets side :	**Amount outstanding**			
(3)	**Break-up of loans and advances including bills receivables (other than those included in (4) below):**	**As at March 31, 2016**		**As at March 31, 2015**	
	(a) Secured	359.78		65,129.46	
	(b) Unsecured	169,145.37		93,220.94	
(4)	**Break up of leased assets and stock on hire and other assets counting towards AFC activities**	**Amount outstanding**			
		As at March 31, 2016		**As at March 31, 2015**	
	(i) Lease assets including lease rentals under sundry debtors :				
	(a) Financial lease	Nil		Nil	
	(b) Operating lease	Nil		Nil	
	(ii) Stock on hire including hire charges under sundry debtors :				
	(a) Assets on hire	Nil		Nil	
	(b) Repossessed Assets	Nil		Nil	

(Rs. in lacs)

	Break up of leased assets and stock on hire	**Amount outstanding**

	and other assets counting towards AFC activities (contd.)	As at March 31, 2016	As at March 31, 2015
	(iii) Other loans counting towards AFC Activities :		
	(a) Loans where assets have been repossessed	19,080.67	22,976.41
	(b) Loans other than (a) above	5,999,251.56	4,740,935.90
(5)	**Break-up of investments :**	**Amount outstanding**	
		As at March 31, 2016	**As at March 31, 2015**
	Current investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debenture and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	399.52	499.32
	(v) Others (Please specify)	Nil	Nil
	2. Unquoted :		
	(i) Shares: (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	10,000.00	Nil
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)		
	(a) Certificate of Deposits	Nil	220,792.80
	(b) Debentures	Nil	Nil
	(c) Mutual Funds	Nil	Nil
	Long term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil

(Rs. in lacs)

	Break-up of investments (contd.):	Amount outstanding	
		As at March 31, 2016	As at March 31, 2015
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	200.00
	(iv) Government securities	115,126.15	75,333.42
	(v) Others (Please specify)	Nil	Nil
	2. Unquoted :		
	(i) Shares: (a) Equity	3,042.20	4,042.20
	(b) Preference	Nil	25,000.00
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	200.00	Nil
	(iv) Government securities	Nil	Nil
	(v) Others -Venture capital fund	1,655.64	1,655.64
	Investment in subordinated debts	5,000.00	5,000.00

(Rs. in lacs)

Borrower group-wise classification of assets, financed as in (3) and (4) above :

Please see note 2 below	Amount (Net of provisions)					
Category	**Secured**		**Unsecured**		**Total**	
	As at March 31, 2016	**As at March 31, 2015**	**As at March 31, 2016**	**As at March 31, 2015**	**As at March 31, 2016**	**As at March 31, 2015**
1. Related Parties **						
(a) Subsidiaries	Nil	Nil	Nil	Nil	**Nil**	**Nil**
(b) Companies in the same group	Nil	Nil	Nil	Nil	**Nil**	**Nil**
(c) Other related parties	Nil	Nil	Nil	Nil	**Nil**	**Nil**
2. Other than related parties	5,765,548.19	4,688,268.94	149,962.67	82,545.07	**5,915,510.86**	**4,770,814.01**

(Rs. in lacs)

(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	**Market Value / Break up or fair value or NAV***		**Book Value (Net of Provisions)**	
		As at March 31, 2016	**As at March 31, 2015**	**As at March 31, 2016**	**As at March 31, 2015**
	1. Related Parties **				
	(a) Subsidiaries	5,136.90	31,785.28	3,000.00	29,000.00
	(b) Companies in the same group	Nil	Nil	Nil	Nil
	(c) Other related parties	Nil	Nil	Nil	Nil
	2. Other than related parties	124,951.57	306,070.01	122,423.51	303,523.38

* Disclosure is made in respect of available information.

** As per Accounting Standard of ICAI (Please see note 3)

(Rs. in lacs)

(8)	**Other information**		
	Particulars	**As at March 31, 2016**	**As at March 31, 2015**
(i)	Gross non-performing assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	387,023.84	189,413.90
(ii)	Net non-performing assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	114,369.70	37,912.06
(iii)	Assets acquired in satisfaction of debt	Nil	Nil

Notes:

1. As defined in paragraph 2(1)(xii) of Non-Banking Financial Company Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

Shriram Transport Finance Co. Limited.
Standalone Ratio as per IGAAP
Accounting ratio

AnnexureVIII

Sr No	Particular	For the year ended March 31,			
		2018	2017	2016	2015
	Number of equity shares at the beginning of the year	226,882,736	226,882,736	226,882,736	226,882,736
	Number of equity Shares at the end of the year	226,882,736	226,882,736	226,882,736	226,882,736
	Weighted average number of shares Rs. 10/-each	226,882,736	226,882,736	226,882,736	226,882,736
	Dilutive effect on weighted average number of shares	-	-	-	-
	Net Profit after tax available for equity shares (Rs. in lacs)	156,802.25	125,734.25	117,819.76	123,780.98
	Shareholders Fund at the end of the year (Rs. in lacs)*	1,257,231.63	1,130,222.87	1,015,411.45	923,796.50
	Average Shareholders Fund during the year (Opening + Closing)/2 (Rs. in lacs)	1,193,727.25	1,072,817.16	969,603.98	875,559.12
A	Basic Earnings Per Share (EPS) Rs.	69.11	55.42	51.93	54.56
B	Dilutive Earnings Per Share (EPS) Rs.	69.11	55.42	51.93	54.56
	Return on Shareholders Fund (%)				
C	Considering Shareholders Fund at the end of the year	12.47%	11.13%	11.63%	13.45%
D	Considering Average Shareholders Fund during the year	13.14%	11.72%	12.19%	14.20%
E	Book value Per Share Rs.	554.13	498.15	447.55	407.17
	Borrowings (Rs in lacs)	6,331,915.83	5,311,009.83	4,979,070.40	4,427,618.07
F	Debt Equity Ratio	5.04	4.70	4.91	4.81

Shriram Transport Finance Co. Limited.
Standalone Ratio as per IND AS
Accounting ratio

AnnexureVIII

Sr No	Particular	For the year ended March 31, 2019
	Number of equity shares at the beginning of the year	226,882,736
	Number of equity Shares at the end of the year	226,882,736
	Weighted average number of shares Rs 10/-each	226,882,736
	Dilutive effect on weighted average number of shares	-
	Net Profit after tax available for equity shares (Rs in lacs)	256,398.67
	Equity at the end of the year (Rs in lacs)	1,583,628.18
	Average Equity during the year (Opening + Closing)/2 (Rs in lacs)	1,470,588.22
A	Basic Earnings Per Share (EPS) Rs	113.01
B	Dilutive Earnings Per Share (EPS) Rs	113.01
	Return on Equity (%)	
C	Considering Equity at the end of the year	16.19 %
D	Considering Average Equity during the year	17.44%
E	Book value Per Shares Rs	697.99
	Borrowings (Rs in lacs)	8,791,439.67
F	Debt Equity Ratio	5.55

Shriram Transport Finance Co. Limited.
Standalone Ratio
Accounting ratio

AnnexureVIII

Notes :

A	Basic Earning Per Share (EPS) Rs.	Net Profit available to Equity Shareholder / Weighted Average Number equity shares outstanding during the year
B	Dilutive Earning Per Share (EPS) Rs.	Net Profit available to Equity Shareholders / Weighted average number of diluted equity shares outstanding during the year
C	Return on Shareholders Fund/Equity considering shareholders Fund at the end of the year (%)	Net Profit After Tax / Shareholder's Fund/Equity at the end of the year
D	Return on shareholders fund/Equity working in average Statement fund during the year	Net Profit After Tax / Average Shareholder Fund/Equity during the year
E	Book value of shares	Shareholder's Fund /Equity at the end of the year / Number of equity shares outstanding at the end of the year
F	Debt Equity (IGAAP)	Long term Borrowing +Short Term Borrowings+ Current maturities of Long Borrowings / Shareholders Fund
	Debt Equity (IND AS)	Debt securities+Borrowings+Deposits+Subordinated liabilities / Equity

* Shareholder's fund = Share Capital + Reserve and surplus
* Equity = Equity Share capital + Other Equity

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Standalone Basis:

Statement of Dividend in respect of Equity Shares **(Rs. In Lacs)**

Particulars	For the year ended March 31,				
	2019	2018	2017	2016	2015
Interim Dividend					
Rate of Dividend	50%	50%	40%	40%	40%
Number of Equity Shares on which Interim Dividend paid	226,882,736	226,882,736	226,882,736	226,882,736	226,882,736
Amount of Interim Dividend	11,344.14	11,344.14	9,075.31	9,075.31	9,075.31
Dividend Distribution Tax	2,331.83	2,309.40	1,847.52	1,897.02	1,814.51
Final Dividend for the previous year					
Rate of Dividend	60%	60%	-	-	-
Number of Equity Shares on which Final Dividend paid	226,882,736	226,882,736	-	-	-
Amount of Final Dividend	13,612.96	13,612.96	-	-	-
Dividend Distribution Tax	2,798.18	2,771.28	-	-	-
Proposed Final Dividend for the current year					
Rate of Dividend		-	-	60%	60%
Number of Equity Shares on which dividend paid		-	-	226,882,736	226,882,736
Amount of Final Dividend		-	-	13,612.96	13,612.96
Dividend Distribution Tax		-	-	2,771.28	2,721.78

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Shriram Transport Finance Company Limited

Annexure X

Capitalisation Statement

***Debt - equity ratio*:**
The debt equity ratio prior to this Issue is based on a total outstanding debt of Rs. 8,791,439.67 lacs and *Total Equity* amounting to Rs. 1,583,628.18 lacs as on March 31, 2019. The debt equity ratio post the Issue (assuming subscription of Rs. 1,000,000 lacs) is 6.18 times, based on a total outstanding debt of Rs. 9,791,439.67 lacs and *Total Equity* of Rs. 1,583,628.18 lacs as on March 31, 2019.

(Rs. in lacs)

	31-Mar-19		
Particulars	Prior to the Issue (A)	Proposed proceeds from the Issue* (B)	Post the Issue* (A+B)
Borrowing:			
Debt Securities	3,418,175.01	1,000,000.00	4,418,175.01
Borrowings	3,718,929.88	-	3,718,929.88
Deposits	1,034,146.68	-	1,034,146.68
Subordinated liabilities	620,188.10	-	620,188.10
Total Borrowings	**8,791,439.67**	**1,000,000.00**	**9,791,439.67**
Equity:			
Equity Share capital	22,690.67	-	22,690.67
Other equity	1,560,937.51	-	1,560,937.51
Total Equity	**1,583,628.18**	**-**	**1,583,628.18**
Debt Equity Ratio	5.55		6.18

* The debt-equity ratio post the Issue is indicative and is on account of assumed inflow of Rs. 1,000,000 lacs from the Issue, as on March 31, 2019 and does not include contingent and off-balance sheet liabilities. The actual debt- equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Haribhakti & Co. LLP
Chartered Accountants
705, Leela Business Park,
Andheri Kurla Road,
Andheri (East),
Mumbai – 400 059

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

Independent Auditors' Examination Report on Reformatted Consolidated Statements

The Board of Directors
Shriram Transport Finance Company Limited (the "Company")
Wockhardt Towers, 3rd Floor, West Wing
G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400051
Maharashtra, India

Dear Sir,

Sub: Auditors' Report on Reformatted Consolidated Financial Statements in relation to proposed public issue ("Issue") of secured, redeemable, non-convertible debentures ("NCDs") by Shriram Transport Finance Company Limited

1. We have examined the accompanying Reformatted Consolidated Financial Statements of the Company and its subsidiary/associate (the Company and its Subsidiary/associate together referred to as "the Group"), as at and for the years ended on March 31, 2018, 2017, 2016, and 2015 comprising of Reformatted Consolidated Statement of Assets and Liabilities, Reformatted Consolidated Statement of Profit and Loss, Reformatted Consolidated Cash Flow Statement as on and for the years ended March 31, 2018, 2017, 2016 and 2015, the Summary Statement of Significant Accounting Policies and other consolidated financial information, (collectively referred to as "Reformatted Consolidated Financial Statements") annexed to this report and initialed by us for identification purposes only, have been prepared by the Board of Directors of the Company ("Board of Directors"), in accordance with the requirements of :

   (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

   (b) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time ("SEBI Regulations"), issued by the Securities and Exchange Board of India, in pursuance of the Securities and Exchange Board of India Act, 1992;

   (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

   to be included in the Draft Shelf Prospectus and Shelf Prospectus(hereinafter collectively referred to as the "Prospectuses"), in connection with the proposed public issue of NCDs by the Company.

2. The Company's Board of Directors is responsible for the preparation of Reformatted Consolidated Financial Statements for the purpose of inclusion Prospectuses to be filed with Securities and Exchange Board of India, Stock Exchanges and Registrar of Companies, Tamil Nadu in connection with the proposed public issue of NCDs. The Company's Board of Directors responsibility includes

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Reformatted Consolidated Financial Statements. The Company's Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, Guidance Note and SEBI regulations.

3. We have examined such Reformatted Consolidated Financial Statements taking into consideration:

   (a) The term of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 04, 2019 in connection with the proposed public issue of NCDs of the Company;

   (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   (c) Concepts of tests checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Consolidated Financial Statements; and

   (d) The requirements of Section 26 of the Act and SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the Regulations and the Guidance Note in connection with the proposed public issue of NCDs.

4. These Reformatted Consolidated Financial Statements have been compiled by the Management from the audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2018, 2017, 2016, and 2015 prepared in accordance with Indian Accounting principles generally accepted in India as prescribed under Section 133 of the Act, read with relevant rules thereunder which have been approved by the Board of Directors at their meeting held on April 27, 2018; April 27, 2017; April 29, 2016; and April 30, 2015 respectively.

5. We have issued an unmodified audit opinion vide our report dated May 08, 2019 on the Consolidated Ind AS financial statements of the Company and its associate as at and for the year ended March 31, 2019. Our audit of these Ind AS financial statements were conducted in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

6. At the Company's request, we have also examined the following other consolidated financial information of the Company as at and for the years ended on March 31, 2019, 2018, 2017, 2016, and 2015 (Collectively referred to as "Other Consolidated Financial Information") proposed to be included in the Prospectus as approved by the Board of Directors or any other Committee thereof, annexed to this report:

   i. Statements of Accounting Ratios (Consolidated) as at and for the financial years ended March 31, 2019, 2018, 2017, 2016, and 2015 (Annexure VII); and

   ii. Capitalization Statement (Annexure VIII)

7. For the purpose of our examination we have relied on:

   (A) Auditors' report issued by us dated May 08, 2019; and April 27, 2018 on the Consolidated Financial Statements of the Group and its associate as at and for the year ended March 31, 2019 and 2018 as referred in paragraph 4 and 5 above;

   (B) Auditors' report issued by S.R. Batliboi & Co LLP and G.D.Apte & Co. (together referred to as "the Predecessor Auditors") dated April 27, 2017; April 29, 2016; and April 30, 2015 on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2017, 2016, and 2015 as referred in paragraph 4 above;

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

PIJUSH GUPTA & CO. CHARTERED ACCOUNTANTS

The audit for the year ended March 31, 2017, 2016 and 2015 were conducted by the Predecessor Auditors and accordingly reliance has been placed on Reformatted Consolidated Statement of Assets and Liabilities, Reformatted Consolidated Statement of Profit and Loss, Reformatted Consolidated Cash Flow Statement and Summary of Statement of Significant Accounting Policies and other explanatory information as on and for the years ended March 31, 2017, 2016 and 2015 and other consolidated financial information examined by them for the said previous years. The Examination report included for the said years is based solely on the report submitted by the Predecessor Auditors dated June 29, 2019.

In this regard, the Predecessor Auditors have confirmed that:

(a) the Reformatted Consolidated Financial Statements and other Consolidated Financial Information of the Group mentioned above, as at and for the years ended March 31, 2017, 2016, and 2015 have been prepared in accordance with Section 26 of the Act, the SEBI Regulations, the Generally Acceptable accounting Principles in India and the Guidance Notes; and

(b) The Reformatted Consolidated Financial Statements have been prepared after regrouping as in management's opinion were appropriate and more fully described in Significant Accounting policies and notes contained therein.

8. We did not audit the financial statements/financial information of 1 subsidiary, whose financial statements/financial information reflects total revenues of Rs. 7563.59 Lacs and net cash flows amounting to Rs. 317.22 Lacs for the period ended April 1, 2017 till February 6, 2018, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also includes Group's share of consolidated net profit of Rs. 228.52 Lacs for the period from February 7, 2018 till March 31, 2018, as considered in the consolidated financial statements, in respect of 1 associate, whose standalone and consolidated financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have 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 this subsidiary / associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary/associate, is based solely on the reports of the other auditors

9. The Consolidated Ind AS financial statements of the Company and its associate as at and for the year ended March 31, 2019 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 Ind AS 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 Ind AS 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.

10. Based on our examination and according to the information and explanation given to us, we report that, the Reformatted Consolidated Financial Statements and other Consolidated Financial Information of the Group mentioned above, as at and for the years ended March 31, 2018, 2017, 2016, and 2015 have been prepared in accordance with Section 26 of the Act read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Regulations and the Guidance Notes. We further state that:

The figures of earlier years have been regrouped (but not restated retrospectively for change in any accounting policy and for adjustments of amounts pertaining to previous years), wherever necessary, to conform to the classification adopted for the Consolidated Financial Statements

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

PIJUSH GOSALIA & CO. CHARTERED ACCOUNTANTS

for the year ended March 31, 2018 for purpose of the Reformatted Consolidated Financial Statements.

11. We have not audited any Consolidated Financial Statements of the Company and its associate as of any date or for any period subsequent to March 31, 2019. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company and its associate as of any date or for any period subsequent to March 31, 2019.

12. We have complied with the relevant applicable requirement of the Standard on Quality Control (SQC) 1, Quality Control for the Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements

13. This report should not, in any way, be construed as a re-issuance or re-dating of any of the previous audit reports, nor should this be construed as a new opinion on any of the financial statements/information referred to herein.

14. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

15. Our report is intended solely for the use of Board of Directors for inclusion in the Prospectus to be filed by the Company with the Stock Exchanges and the Securities and Exchange Board of India, and Registrar of Companies, Tamil Nadu in connection with the Proposed Issue of NCDs and is not to be used, referred to or distributed for any other purpose without our prior written consent. 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 report is shown or into whose hands it may come without our prior consent in writing.

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

Sumant Sakhardande
Partner
Membership No: 034828
Mumbai
June 29, 2019

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

Sangeeta Gupta
Partner
Membership No: 064225
Mumbai
June 29, 2019

Annexure I

Statement of Reformatted Consolidated Assets and Liabilities

(Rs in lacs)

	Particulars	Note No.	As at March 31,			
			2018	2017	2016	2015
	Equity and liabilities					
A	**Shareholders' fund**					
	Share capital	1	22,690.67	22,690.67	22,690.67	22,690.67
	Reserves and surplus	2	1,236,108.34	1,110,502.52	994,857.66	903,891.11
	Total shareholders' fund		**1,258,799.01**	**1,133,193.19**	**1,017,548.33**	**926,581.78**
B	**Non-current liabilities**					
	(a) Long-term borrowings	3	4,037,592.13	3,369,861.25	3,026,888.74	3,285,558.30
	(b) Other long-term liabilities	4	163,315.42	140,515.24	118,874.25	118,280.71
	(c) Long-term provisions	5	544,454.93	389,393.83	284,271.68	187,198.41
	Total non-current liabilities		**4,745,362.48**	**3,899,770.32**	**3,430,034.67**	**3,591,037.42**
C	**Current liabilities**					
	(a) Short-term borrowings	6	767,645.96	495,423.75	333,044.38	295,262.91
	(b) Trade payables					
	- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		21,976.95	17,167.28	14,387.84	14,386.20
	(c) Other current liabilities	7	2,011,631.80	1,858,404.48	1,954,164.52	1,346,989.51
	(d) Short-term provisions	8	43,188.51	40,609.94	51,739.44	41,103.62
	Total current liabilities		**2,844,443.22**	**2,411,605.45**	**2,353,336.18**	**1,697,742.24**
D	**Total equity and liabilities (A+B+C)**		**8,848,604.71**	**7,444,568.96**	**6,800,919.18**	**6,215,361.44**

Annexure I

Statement of Reformatted Consolidated Assets and Liabilities

(Rs. in lacs)

	Particulars	Note No.	As at March 31,			
			2018	2017	2016	2015
	Assets					
E	**Non-current assets**					
	(a) Fixed assets	9				
	(i) Property, plant and equipment		11,821.76	13,246.45	15,052.81	15,276.44
	(ii) Intangible assets		173.78	176.33	158.43	149.29
	(b) Non-current investments	10	149,519.80	146,792.40	122,251.16	82,426.49
	(c) Deferred tax assets (net)	11	42,896.57	36,348.80	30,887.14	25,778.33
	(d) Long-term loans and advances	12	5,815,231.03	4,731,203.23	4,301,326.73	3,248,125.45
	(e) Other non-current assets	13	271.03	7,518.23	1,389.01	9,310.56
	Total non-current assets		**6,019,913.97**	**4,935,285.44**	**4,471,065.28**	**3,381,066.56**
F	**Current assets**					
	(a) Current investments	14	-	5,225.25	11,699.19	221,292.13
	(b) Trade receivables	15	-	867.85	1,009.48	298.86
	(c) Cash and bank balances	16	363,750.92	444,531.15	236,555.03	476,117.88
	(d) Short-term loans and advances	17	2,458,767.10	2,052,752.36	2,075,525.80	2,130,329.48
	(e) Other current assets	18	6,172.72	5,906.91	5,064.40	6,256.53
	Total current assets		**2,828,690.74**	**2,509,283.52**	**2,329,853.90**	**2,834,294.88**
G	**Total assets (E+F)**		**8,848,604.71**	**7,444,568.96**	**6,800,919.18**	**6,215,361.44**

Annexure I

Statement of Reformatted Consolidated Assets and Liabilities

The accompanying statement of consolidated significant accounting policies and notes to financial statements are integral part of this statement.

As per our report of even date

For **Haribhakti & Co. LLP**	For **Pijush Gupta & Co.**	For and on behalf of the Board of Directors of
Chartered Accountants	Chartered Accountants	**Shriram Transport Finance Company Limited**
ICAI Firm Registration No. 103523W/W100048	ICAI Firm Registration No. 309015E	

Sumant Sakhardande	**Sangeeta Gupta**	**Umesh Revankar**	**Parag Sharma**
Partner	Partner	Managing Director & CEO	Executive Director & CFO
Membership No. 034828	Membership No. 064225	DIN: 00141189	
			Vivek M. Achwal
			Company Secretary
Mumbai	Mumbai	Mumbai	Mumbai
Date:	Date:	Date:	Date:

Annexure II

Statement of Reformatted Consolidated Profit and Loss

(Rs. in lacs)

	Particulars	Note No.	For the year ended March 31,			
			2018	2017	2016	2015
A.	**Revenue**					
i	Revenue from operations	19	1,227,716.81	1,090,271.46	1,035,858.80	917,697.38
ii	Other income	20	6,239.64	175.61	338.20	264.29
	Total Revenue		**1,233,956.45**	**1,090,447.07**	**1,036,197.00**	**917,961.67**
B.	**Expenses**					
i	Employee benefits expense	21	74,667.32	58,293.31	62,349.23	50,402.36
ii	Finance cost	22	537,001.16	518,570.24	505,792.37	467,464.51
iii	Depreciation and amortisation	9	3,683.43	3,487.35	3,763.16	4,315.49
iv	Provisions & write offs	23	312,211.32	244,432.05	210,679.48	161,222.39
v	Other expenses	24	82,076.06	71,859.14	74,684.92	69,601.37
	Total Expenses		**1,009,639.29**	**896,642.09**	**857,269.16**	**753,006.12**
C.	**Profit before exceptional items and tax**		**224,317.16**	**193,804.98**	**178,927.84**	**164,955.55**
	Exceptional items [Refer Annexure VI Note 15]		12,309.12	-	-	-
D.	**Profit before tax**		**236,626.28**	**193,804.98**	**178,927.84**	**164,955.55**
E.	**Tax expenses**					
	Current tax		89,625.45	72,703.23	65,674.83	62,280.81
	Deferred tax		(6,668.71)	(5,461.66)	(5,108.81)	(169.71)
	Tax paid for earlier years		(1,776.68)	-	-	-
	Total tax expense		**81,180.06**	**67,241.57**	**60,566.02**	**62,111.10**

Annexure II

Statement of Reformatted Consolidated Profit and Loss

(Rs. in lacs)

	Particulars	Note No.	For the year ended March 31,			
			2018	2017	2016	2015
F.	**Profit after tax from continuing operations (D-E)**		**155,446.22**	**126,563.41**	**118,361.82**	**102,844.45**
	Share of profit of associate		228.52	-	-	-
G.	**Net profit after taxes and share of profit of associate**		**155,674.74**	**126,563.41**	**118,361.82**	**102,844.45**
	Earnings per share					
	Basic (Rs.)		68.61	55.78	52.17	45.33
	Diluted (Rs.)		68.61	55.78	52.17	45.33
	Nominal value of equity share (Rs./share)		10.00	10.00	10.00	10.00

The accompanying statement of consolidated significant accounting policies and notes to financial statements are integral part of this statement.

As per our report of even date

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

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

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

Sumant Sakhardande
Partner
Membership No. 034828

Sangeeta Gupta
Partner
Membership No. 064225

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Annexure III

Statement of Reformatted Consolidated Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
A. Cash flow from operating activities				
Profit before taxes	236,626.28	193,804.98	178,927.84	164,955.55
Depreciation and amortisation	3,683.43	3,487.35	3,763.16	4,315.49
Profit arising on the sale of shares in subsidiary	(12,309.12)	-	-	-
Interest on income tax refund	(5,796.67)	-	-	-
Loss / (profit) on sale of fixed assets (net)	31.38	27.18	35.36	38.74
Provision for diminution in value of investments	699.87	0.37	-	-
Employees stock option compensation cost	(31.14)	4.28	(38.70)	55.33
Premium on government securities	171.48	124.17	82.30	19.74
Amortisation of discount on government securities	(227.50)	(227.97)	(221.42)	(165.69)
Amortisation of issue expenses for equity shares	416.81	152.78	152.78	168.85
Amortisation of public issue expenses for non-convertible debentures	562.42	1,074.35	1,303.09	1,761.70
Amortisation of prepaid interest on commercial paper	1,663.40	-	-	-
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Provisions for non-performing assets and bad debt written off	292,551.77	230,583.52	200,867.02	158,456.12
Provision for diminution in fair value of assets for restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision for standard assets	7,976.76	3,674.37	4,990.48	2,766.27
Operating profit before working capital changes	**537,002.09**	**442,879.17**	**394,683.89**	**332,372.10**
Movements in working capital:				
Increase / (decrease) in trade payables	9,320.61	2,779.44	1.64	(1,949.99)
Increase / (decrease) in provisions	(341.31)	(14,583.27)	(1,769.88)	(5,331.98)
Increase / (decrease) in provision for service tax- contested	-	-	-	-
Increase / (decrease) in other liabilities	91,380.72	102,355.85	77,407.54	34,540.63
Decrease / (increase) in trade receivables	(516.28)	141.63	(710.62)	(108.19)
(Increase) / decrease in investments	5,269.53	(19,556.66)	169,905.15	(60,048.58)
Decrease / (increase) in loans and advances	(1,638,281.29)	(531,272.48)	(1,110,148.15)	(1,256,486.65)

Annexure III

Statement of Reformatted Consolidated Cash Flow Statements

(Rs. in lacs)

Particulars	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Decrease/(increase) in bank deposits (having original maturity of more than three months)(net)	83,431.62	(181,009.46)	(25,816.52)	53,175.48
Decrease / (increase) in other assets	(928.59)	(1,389.04)	979.31	1,845.47
Cash generated from operations	**(913,662.90)**	**(199,654.82)**	**(495,467.64)**	**(901,991.71)**
Direct taxes paid (net of refunds)	(87,675.30)	(68,070.26)	(55,183.14)	(59,277.72)
Net cash flow/(used) in operating activities (A)	**(1,001,338.20)**	**(267,725.08)**	**(550,650.78)**	**(961,269.43)**
B. Cash flows from investing activities				
Purchase of fixed assets including intangible assets	(6,642.78)	(1,787.32)	(3,721.83)	(4,343.19)
Proceeds from sale of PPE	72.92	46.93	72.94	64.52
Proceeds of non-current investments	-	1653.36	-	-
Purchase of non-current investments	(699.87)	(62.81)	-	-
On account of sale of investment in subsidiary	15,637.60	-	-	-
Investment in bank deposits (having original maturity of more than three months)	299.89	-	-	-
Net cash flow/(used) in investing activities (B)	**8,667.76**	**(149.84)**	**(3,648.89)**	**(4,278.67)**
C. Cash flows from financing activities				
Proceeds from issuance of equity share capital	-	-	-	-
Securities premium on issue of equity capital	-	-	-	-
Amount received from institutional borrowing	4,860,576.59	2,798,406.98	2,109,331.46	2,393,115.61
Amount received from senior secured notes	116,000.00	135,000.00	-	-
Amount received from Public issue of non-convertible debentures	-	-	-	197,484.71
Increase / (decrease) in Retail borrowings	(55,709.16)	16,377.50	97,664.77	165,612.77
Amount redeemed for Public issue of non-convertible debentures and subordinated debts	(192,374.07)	(150,105.01)	(41,795.50)	(34,306.30)
Repayment of institutional borrowing	(3,709,250.77)	(2,470,721.02)	(1,855,651.85)	(1,915,501.98)
Public issue expenses for non-convertible debentures paid	-	-	-	(1,255.33)
Dividend paid	(24,957.10)	(22,688.27)	(22,688.27)	(18,150.62)
Tax on dividend	(5,080.68)	(4,618.80)	(4,618.80)	(3,356.86)
Net cash from financing activities (C)	**989,204.81**	**301,651.38**	**282,241.81**	**783,642.00**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(3,465.63)**	**33,776.46**	**(272,057.86)**	**(181,906.10)**
Add: Adjustment on disposal of subsidiary	**(477.80)**	**-**	**-**	**-**
Cash and cash equivalents at the beginning of the year	**114,323.66**	**80,547.20**	**352,605.06**	**534,511.16**
Cash and cash equivalents at the end of the year	**110,380.23**	**114,323.66**	**80,547.20**	**352,605.06**

Annexure III

Statement of Reformatted Consolidated Cash Flow Statements

(Rs. in lacs)

Components of cash and cash equivalents	As at March 31,			
	2018	**2017**	**2016**	**2015**
Cash and cash equivalents at the end of the year				
i) Cash on hand	7,996.25	7,910.29	10,124.16	10,990.89
ii) Cheques on hand	2,542.76	3,175.11	4,698.24	7,576.72
iii) Call Money (CBLO)	-	-	-	-
iv) Balances with scheduled banks in:				
Current accounts	92,946.60	102,155.05	59,765.26	166,700.86
Unclaimed dividend accounts $	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	166,515.00
Total cash and cash equivalents (Refer Annexure IV Note 16)	**110,380.23**	**114,323.66**	**80,547.20**	**352,605.06**

The accompanying statement of consolidated significant accounting policies and notes to financial statements are integral part of this statement.

Notes:

1) The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS)-3, 'Cash Flow Statement'.
2) All figures in brackets indicate outflow.

$ 3) These balances are not available for use by the Company.

As per our report of even date

For **Haribhakti & Co. LLP**	For **Pijush Gupta & Co.**	For and on behalf of the Board of Directors of
Chartered Accountants	Chartered Accountants	**Shriram Transport Finance Company Limited**
ICAI Firm Registration No. 103523W/W100048	ICAI Firm Registration No. 309015E	

Sumant Sakhardande	**Sangeeta Gupta**	**Umesh Revankar**	**Parag Sharma**
Partner	Partner	Managing Director & CEO	Executive Director & CFO
Membership No. 034828	Membership No. 064225	DIN: 00141189	
			Vivek M. Achwal
			Company Secretary
Mumbai	Mumbai	Mumbai	Mumbai
Date:	Date:	Date:	Date:

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 1 - Share capital	As at March 31,			
	2018	**2017**	**2016**	**2015**
Authorised				
Equity share capital	64,700.00	64,700.00	64,700.00	39,700.00
Preference share capital	95,000.00	95,000.00	95,000.00	20,000.00
	159,700.00	**159,700.00**	**159,700.00**	**59,700.00**
Number of equity Shares of Rs.10/- each	647,000,000	647,000,000	647,000,000	397,000,000
Number of preference Shares of Rs.100/- each	95,000,000	95,000,000	95,000,000	20,000,000
Issued share capital				
Equity share capital	22,693.69	22,693.69	22,693.69	22,693.69
Number of equity shares of Rs.10/- each	226,936,877	226,936,877	226,936,877	226,936,877
Subscribed share capital				
Equity share capital	22,693.07	22,693.07	22,693.07	22,693.07
Number of equity shares of Rs.10/- each	226,930,736	226,930,736	226,930,736	226,930,736
Paid up (fully paid up)				
Equity share capital	22,688.27	22,688.27	22,688.27	22,688.27
Number of equity shares of Rs. 10/- each	226,882,736	226,882,736	226,882,736	226,882,736
Add : Share forfeiture				
48,000 equity shares of Rs.10/- each (Rs 5/- each paid up forfeited)	2.40	2.40	2.40	2.40
	22,690.67	**22,690.67**	**22,690.67**	**22,690.67**

a. Reconciliation of Number of equity shares outstanding at the beginning and at end of reporting period.	As at March 31,			
	2018	**2017**	**2016**	**2015**
Number of shares outstanding at the beginning of the year	226,882,736	226,882,736	226,882,736	226,882,736
Issued during the period - Employee stock option scheme [Refer Annexure VI Note 4]	-	-	-	-
Number of shares outstanding at the end of the year	**226,882,736**	**226,882,736**	**226,882,736**	**226,882,736**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

b. Reconciliation of the equity share capital outstanding at the beginning and at end of reporting period.	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Shares outstanding at the beginning of the year	22,688.27	22,688.27	22,688.27	22,688.27
Issued during the period - Employee stock option scheme [Refer Annexure VI Note 4]	-	-	-	-
Share capital outstanding at the end of the year	**22,688.27**	**22,688.27**	**22,688.27**	**22,688.27**

c. 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.

Dividend details

Particulars	**For the year ended March 31,**			
	2018	**2017**	**2016**	**2015**
The amount of per equity share dividend recognized as distributions to equity shareholders Rs.	11.00	10.00	10.00	10.00
Amount of interim dividend paid per equity share Rs.	5.00	4.00	4.00	4.00
Amount of final dividend proposed/paid per equity share Rs.	6.00	6.00	6.00	6.00

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

d. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer Annexure VI Note 4

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

Particulars	**As at March 31,**			
	2018	**2017**	**2016**	**2015**
Equity shares allotted as fully paid-up pursuant to amalgamation for consideration other than cash	Nil	Nil	Nil	Nil

In addition, the company has issued total 18,800 equity shares (March 31, 2017: 582,168, March 31 2016 : 722,068, March 31 2015 : 1,364,918) respectively 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.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

	As at March 31,			
Name of the Shareholder	**2018**	**2017**	**2016**	**2015**
Equity shares of Rs. 10/- each				
Shriram Capital Limited				
Number of Shares	59,173,023	59,173,023	59,103,162	59,103,162
% holding in the class	26.08%	26.08%	26.05%	26.05%
Piramal Enterprises Limited				
Number of Shares	22,600,000	22,600,000	22,600,000	22,600,000
% holding in the class	9.96%	9.96%	9.96%	9.96%

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

g. Proposed dividends on equity shares:

(Rs. in lacs)

	As at March 31,			
Particulars	**2018**	**2017**	**2016**	**2015**
The Board proposed dividend on equity shares				
Proposed dividend on equity shares for the year	13,612.96	13,612.96	13,612.96	13,612.96
Tax on proposed dividend	2,798.18	2,771.28	2,771.28	2,721.78
Total	**16,411.14**	**16,384.24**	**16,384.24**	**16,334.74**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note 2 - Reserves and surplus	As at March 31,			
	2018	**2017**	**2016**	**2015**
Capital reserve	2,761.83	2,761.83	2,761.83	2,761.83
Add: On account of sale of subsidiary [Refer Annexure VI Note 15]	1,338.87	-	-	-
Closing balance	4,100.70	2,761.83	2,761.83	2,761.83
Capital redemption reserve	5,388.35	5,388.35	5,388.35	5,388.35
Securities premium account				
Opening Balance	175,481.06	175,481.06	175,481.06	175,481.06
Add: Addition on ESOPs exercised	-	-	-	-
Add: Transferred from stock options outstanding	-	-	-	-
Closing balance	175,481.06	175,481.06	175,481.06	175,481.06
Debenture redemption reserve				
Opening Balance	62,889.61	78,834.65	62,791.26	41,335.44
Add: Transfer from surplus in the statement of profit and loss on account of fresh creation	9,206.55	23,710.34	31,310.86	31,389.47
Less: Transfer to General reserve on account of redemption	(50,437.31)	-	-	-
Less: Transfer to statement of profit and loss on account of redemption	-	(39,655.38)	(15,267.47)	(9,933.65)
Closing balance	21,658.85	62,889.61	78,834.65	62,791.26
Stock option outstanding				
Employee stock option outstanding	-	31.14	31.14	114.75
Less : Deferred employee compensation outstanding	-	-	(4.28)	(49.19)
Closing balance	-	31.14	26.86	65.56
General reserve				
Opening Balance	115,253.63	102,653.63	90,653.63	78,153.63
Add: Transfer from surplus in the statement of profit and loss	15,700.00	12,600.00	12,000.00	12,500.00
Add: Transfer from debenture redemption reserve	50,437.31	-	-	-
Closing balance	181,390.94	115,253.63	102,653.63	90,653.63
Other reserves - Statutory reserve pursuant to Section 45-IC of The RBI Act, 1934				
Opening Balance	234,055.44	208,855.44	184,855.44	159,855.44
Add: Transfer from surplus in the statement of profit and loss	31,400.00	25,200.00	24,000.00	25,000.00
Closing balance	**265,455.44**	**234,055.44**	**208,855.44**	**184,855.44**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note 2 - Reserves and surplus (contd.)	As at March 31,			
	2018	2017	2016	2015
Surplus in statement of profit and loss				
Opening Balance	514,641.46	420,855.84	381,893.98	365,341.05
Depreciation charged off from retained profit as per Schedule II to The Companies Act, 2013	-	-	-	(163.95)
Deferred Tax expenses on above	-	-	-	52.81
Add: Profit for the current year	157,340.17	126,563.41	118,361.82	102,844.45
Add: Gain on disposal of share in subsidiary	(1,665.43)	-	-	-
Less: Appropriations				
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(31,400.00)	(25,200.00)	(24,000.00)	(25,000.00)
Transfer to Capital reserve	(1,338.87)	-	-	-
Transfer to general reserve	(15,700.00)	(12,600.00)	(12,000.00)	(12,500.00)
Transfer to debenture redemption reserve	(9,206.55)	15,945.04	(16,043.39)	(21,455.82)
Interim dividend	(11,344.14)	(9,075.31)	(9,075.31)	(9,075.31)
Tax on interim dividend	(2,309.40)	(1,847.52)	(1,897.02)	(1,814.51)
Proposed final dividend	-	-	(13,612.96)	(13,612.96)
Final dividend	(13,612.96)	-	-	-
Tax on proposed dividend	-	-	(2,771.28)	(2,721.78)
Tax on dividend	(2,771.28)	-	-	-
Total appropriations	**(87,683.20)**	**(32,777.79)**	**(79,399.96)**	**(86,180.38)**
Net surplus statement of profit and loss	**582,633.00**	**514,641.46**	**420,855.84**	**381,893.98**
Total	**1,236,108.34**	**1,110,502.52**	**994,857.66**	**903,891.11**

(Rs. in lacs)

Note- 3 - Long-term borrowings - non-current portion	As at March 31,			
	2018	2017	2016	2015
Subordinated debts (unsecured)				
- Bonds	65,342.30	112,389.15	120,513.64	124,201.17
- Debentures	302,379.00	198,820.00	209,673.76	227,103.29
Redeemable non-convertible debentures				
Secured	1,920,152.15	1,420,223.18	1,057,917.41	1,419,090.97
Less: Unamortised discount	(73.22)	-	(0.08)	(27.92)
	1,920,078.93	1,420,223.18	1,057,917.33	1,419,063.05

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 3 - Long-term borrowings - non-current portion (contd.)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Senior secured notes	251,000.00	135,000.00	-	-
Term loans from banks				
Unsecured	-	-	10,000.00	10,000.00
Secured	776,228.02	823,545.81	938,402.76	965,952.38
Deposits (unsecured)				
- From public	520,871.35	517,231.40	574,663.98	464,915.65
- From corporates	8,585.41	4,048.57	7,398.34	5,158.22
Term loans from financial institutions / corporates				
Secured	192,750.00	158,333.33	108,000.00	68,900.00
Loans and advances from related parties [Refer Annexure VI Note 7]				
Subordinated debts (unsecured) - Bonds				
from Associate	144.29	-	-	-
from Relative of key management personnel	-	0.80	0.80	0.80
from Enterprises having significant influence over the Company	208.53	262.80	287.67	213.22
Subordinated debts (unsecured) - Debentures				
from Relative of key management personnel	-	-	-	0.30
from Enterprises having significant influence over the Company	-	-	23.47	26.72
Redeemable non-convertible debentures (Secured)				
from Key management personnel	-	-	-	3.00
from Relative of key management personnel	-	1.70	2.20	11.89
from Enterprises having significant influence over the Company	-	-	-	5.00
Deposits from public (Unsecured)				
from Relative of key management personnel	4.30	4.51	4.79	3.61
	4,037,592.13	**3,369,861.25**	**3,026,888.74**	**3,285,558.30**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Long-term borrowings - current maturities	As at March 31,			
	2018	2017	2016	2015
Subordinated debts (unsecured)				
- Bonds	46,957.00	8,042.52	3,508.89	5,523.82
- Debentures	39,341.00	28,353.76	17,929.53	60,577.00
Redeemable non-convertible debentures				
Secured	513,410.88	414,542.93	554,685.49	399,866.53
Less: Unamortised discount	(44.98)	(0.08)	(27.67)	(117.73)
	513,365.90	414,542.85	554,657.82	399,748.80
Unsecured	-	-	-	2,150.00
Less: Unamortised discount	-	-	-	-
	-	-	-	2,150.00
Term loans from banks				
Unsecured	-	10,000.00	12,000.00	10,000.00
Secured	568,985.47	595,885.87	755,728.36	506,868.17
Deposits (unsecured)				
- From public	268,239.35	317,590.65	176,863.90	63,781.99
- From corporates	12,294.07	8,541.10	20,763.57	2,150.40
Term loans from financial institutions / corporates				
Secured	77,333.33	59,666.67	77,566.67	37,800.00
Loans and advances from related parties [Refer Annexure VI Note 7]				
Subordinated debts (unsecured) - Bonds				
from Associate	102.62	-	-	-
from Relative of key management personnel	0.80	-	-	-
from Enterprises having significant influence over the Company	54.27	24.87	25.55	28.09
Subordinated debts (unsecured) - Debentures				
from Relative of key management personnel	-	-	0.30	-
from Enterprises having significant influence over the Company	-	23.47	3.25	-
Redeemable non-convertible debentures (Secured)				
from key management personnel	-	-	3.00	-
from Relative of key management personnel	1.10	0.50	9.75	2.44
from Enterprises having significant influence over the Company	-	-	5.00	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Long-term borrowings - current maturities (contd.)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Deposits from public (Unsecured) from Relative of key management personnel	2.83	1.96	2.09	-
	1,526,677.74	**1,442,674.22**	**1,619,067.68**	**1,088,630.71**
Amount disclosed under the head other current liabilities [Refer Annexure IV Note 7]	**(1,526,677.74)**	**(1,442,674.22)**	**(1,619,067.68)**	**(1,088,630.71)**

A) Subordinated debt –unsecured

I. Subordinated debt -unsecured – Bonds

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

Terms of repayment as on March 31, 2018

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	**>=10% <12% €**	**>=12% <14%**	**Total**
24-36 months €	-	34,263.46	-	**34,263.46**
12-24 months €	-	31,431.66	-	**31,431.66**
Total	**-**	**65,695.12**	**-**	**65,695.12**
Current maturity				
Upto 12 months €	5.40	47,109.29	-	**47,114.69**

€ includes Rs. 510.51 lacs issued to related parties.

Terms of repayment as on March 31, 2017

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	**>=10% <12% €**	**>=12% <14%**	**Total**
36-48 months €	-	34,238.00	-	**34,238.00**
24-36 months €	-	31,365.52	-	**31,365.52**
12-24 months €	5.40	47,043.83	-	**47,049.23**
Total	**5.40**	**112,647.35**	**-**	**112,652.75**
Current maturity				
Upto 12 months €	1,479.73	6,587.66	-	**8,067.39**

€ includes Rs. 449.08 lacs issued to related parties.

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10% €	>=10% <12% €	>=12% <14%	Total
48-60 months €	-	34,247.99	-	**34,247.99**
36-48 months €	-	31,421.52	-	**31,421.52**
24-36 months €	5.40	47,058.41	-	**47,063.81**
12-24 months €	1,479.73	6,589.06	-	**8,068.79**
Total	**1,485.13**	**119,316.98**	**-**	**120,802.11**
Current maturity				
Upto 12 months €	46.99	3,487.45	-	**3,534.44**

€ includes Rs. 392.66 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10% €	>=10% <12% €	>=12% <14%	Total
Over 60 months €	-	34,263.46	-	**34,263.46**
48-60 months €	-	31,431.66	-	**31,431.66**
36-48 months €	5.40	47,109.29	-	**47,114.69**
24-36 months €	1,481.88	6,589.06	-	**8,070.94**
12-24 months €	46.99	3,487.45	-	**3,534.44**
Total	**1,534.27**	**122,880.92**	**-**	**124,415.19**
Current maturity				
Upto 12 months €	-	5,551.41	0.50	**5,551.91**

€ includes Rs. 242.11 lacs issued to related parties.

(Rs. in lacs)

Subordinated debts (unsecured) - Bonds (Non-current)	As at March 31,			
	2018	2017	2016	2015
Privately placed	65,695.12	112,652.75	120,802.11	124,415.19
Total Subordinated debts (unsecured) - Bonds	**65,695.12**	**112,652.75**	**120,802.11**	**124,415.19**
Less: issued to related parties	352.82	263.60	288.47	214.02
Issued to other than related parties	**65,342.30**	**112,389.15**	**120,513.64**	**124,201.17**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Subordinated debts (unsecured) - Bonds (Current maturity)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Privately placed	47,114.69	8,067.39	3,534.44	5,551.91
Total Subordinated debts (unsecured) - Bonds	**47,114.69**	**8,067.39**	**3,534.44**	**5,551.91**
Less: issued to related parties	157.69	24.87	25.55	28.09
Issued to other than related parties	**46,957.00**	**8,042.52**	**3,508.89**	**5,523.82**

II. Subordinated debt -unsecured – Debentures

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

Terms of repayment as on March 31, 2018

Long term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2017

Long term borrowing **(Rs. in lacs)**

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

Current maturity

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

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
48-60 months	-	7,300.00	-	**7,300.00**
36-48 months	-	6,469.00	-	**6,469.00**
24-36 months	-	-	4,541.00	**4,541.00**
Total	**-**	**13,769.00**	**4,541.00**	**18,310.00**
Current maturity				
Upto 12 months	-	5,000.00	-	**5,000.00**

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
Over 60 months	-	7,300.00	-	**7,300.00**
48-60 months	-	6,469.00	-	**6,469.00**
36-48 months	-	-	4,541.00	**4,541.00**
12-24 months	-	5,000.00	-	**5,000.00**
Total	**-**	**18,769.00**	**4,541.00**	**23,310.00**
Current maturity				
Upto 12 months	-	25,577.00	**-**	**25,577.00**

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

Terms of repayment as on March 31, 2018

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
Over 60 months	160,400.00	41,470.00	-	**201,870.00**
48-60 months	-	29,740.00	-	**29,740.00**
36-48 months	-	-	5,000.00	**5,000.00**
24-36 months	-	45,000.00	-	**45,000.00**
12-24 months	-	7,000.00	-	**7,000.00**
Total	**160,400.00**	**123,210.00**	**5,000.00**	**288,610.00**
Current maturity				
Upto 12 months	2,500.00	25,630.00	6,670.00	**34,800.00**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2017

Long term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

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

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest			
	<10%	>=10% <12%	>=12% <14%	Total
Over 60 months	-	115,710.00	5,000.00	**120,710.00**
48-60 months	-	7,000.00	-	**7,000.00**
36-48 months	2,500.00	25,630.00	6,670.00	**34,800.00**
24-36 months	-	25,500.00	-	**25,500.00**
12-24 months	-	5,000.00	2,500.00	**7,500.00**
Total	**2,500.00**	**178,840.00**	**14,170.00**	**195,510.00**
Current maturity				
Upto 12 months	-	35,000.00	-	**35,000.00**

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Long term borrowing

(Rs. in lacs)

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 €	As at March 31, 2015 €	Redeemable at par on
Option -IV	10.41%	-	-	91.00	91.00	June 1, 2017
	10.81%	-	-	-	1,687.00	March 1, 2017
	11.25%	-	-	-	3,746.08	December 1, 2016
Option -V	10.25%	-	-	110.30	110.30	June 1, 2017
	10.75%	-	-	204.32	204.32	June 1, 2017
	11.00%	-	-	2,471.61	2,471.61	June 1, 2017
Total		**-**	**-**	**2,877.23**	**8,310.31**	

€ includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 23.47 lacs, and March 31, 2015: Rs. 27.02 lacs) issued to related parties.

Current maturity

(Rs. in lacs)

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 €	As at March 31, 2015	Redeemable at par on
Option -IV	10.40%	-	91.00	-	-	June 1, 2017
	10.81%	-	-	1,687.00	-	March 1, 2017
	11.25%	-	-	3,746.08	-	December 1, 2016
Option -V	10.25%	-	110.30	-	-	June 1, 2017
	10.75%	-	204.32	-	-	June 1, 2017
	11.00%	-	2,471.61	-	-	June 1, 2017
Total		**0.00**	**2,877.23**	**5,433.08**	**-**	

€ includes Rs. Nil (March 31, 2017: Rs. 23.47 lacs, March 31, 2016: Rs. 3.55 lacs, and March 31, 2015: Rs. Nil) issued to related parties.

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Subordinated debts (unsecured) - Debentures (Non-current portion)	As at March 31,			
	2018	**2017**	**2016**	**2015**
Privately placed (i+ii)	302,379.00	198,820.00	206,820.00	218,820.00
Public issue (iii)	-	-	2,877.23	8,310.31
Total Subordinated debts (unsecured) - Debentures	**302,379.00**	**198,820.00**	**209,697.23**	**227,130.31**
Less: issued to related parties	-	-	23.47	27.02
Issued to other than related parties	**302,379.00**	**198,820.00**	**209,673.76**	**227,103.29**

(Rs. in lacs)

	As at March 31,			
Subordinated debts (unsecured) - Debentures (Current maturity)	**2018**	**2017**	**2016**	**2015**
Privately placed (i+ii)	39,341.00	25,500.00	12,500.00	60,577.00
Public issue (iii)	-	2,877.23	5,433.08	-
Total Subordinated debts (unsecured) - Debentures	**39,341.00**	**28,377.23**	**17,933.08**	**60,577.00**
Less: issued to related parties	-	23.47	3.55	-
Issued to other than related parties	**39,341.00**	**28,353.76**	**17,929.53**	**60,577.00**

B) Non-convertible debenture –secured

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

Terms of repayment as on March 31, 2018

Long term borrowing

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

Current maturity **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	**>= 10% < 12%**	**>= 12% < 14%**	**>= 14% < 16%**	**Total ***
upto 12 months	-	1,965.08	-	-	**1,965.08**

Terms of repayment as on March 31, 2017

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	**>= 10% < 12%**	**>= 12% < 14%**	**>= 14% < 16%**	**Total ***
12-24 months	-	1,965.83	-	-	**1,965.83**
Total	**-**	**1,965.83**	**-**	**-**	**1,965.83**
Current maturity					
upto 12 months	-	9,277.07	939.52	-	**10,216.59**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	>= 10% < 12% €	>= 12% < 14%	>= 14% < 16%	Total *
24-36 months	-	1,965.83	-	-	**1,965.83**
12-24 months	-	9,278.37	939.52	-	**10,217.89**
Total	**-**	**11,244.20**	**939.52**	**-**	**12,183.72**
Current maturity					
Upto 12 months €	1.84	47,004.19	719.40	0.88	**47,726.31**

€ includes Rs. 1.84 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest				
	< 10%	>= 10% < 12% €	>= 12% < 14%	>= 14% < 16%	Total *
36-48 months	-	1,967.83	-	-	**1,967.83**
24-36 months	-	9,279.12	939.52	-	**10,218.64**
12-24 months €	1.84	47,141.27	719.40	0.88	**47,863.39**
Total	**1.84**	**58,388.22**	**1,658.92**	**0.88**	**60,049.86**
Current maturity					
Upto 12 months €	2,576.83	136,882.22	-	792.60	**140,251.65**

€ includes Rs. 4.22 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.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Terms of repayment as on March 31, 2018
Long term borrowing (gross of unamortised discount on debenture of Rs. 73.22 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the balance sheet)	Rate of interest				
	< 10%*^¥	**>= 10% < 12% ^**	**>= 12% < 14%**	**>= 14% < 16%**	**Total**
over 60 months	96,710.00	136,720.00	-	-	**233,430.00**
48-60 months	150,650.00	-	-	-	**150,650.00**
36-48 months^	437,290.00	13,000.00	-	-	**450,290.00**
24-36 months^¥	210,500.00	102,500.00	-	-	**313,000.00**
12-24 months*^¥	701,000.00	-	-	-	**701,000.00**
Total	**1,596,150.00**	**252,220.00**	**-**	**-**	**1,848,370.00**

* 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**	

Current maturity (gross of unamortised discount on debenture of Rs.44.98 lacs) **(Rs. in lacs)**

Redeemable at par/premium (from the date of the balance sheet)	Rate of interest				
	< 10%¥^	**>= 10% < 12%^**	**>= 12% < 14%**	**>= 14% < 16%**	**Total**
upto 12 months ¥^	438,700.00	37,800.00			**476,500.00**

^NCD amounting to Rs. 197,000.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

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

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/call option date
1	8.06%	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**	

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2017

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

(Rs. in lacs)

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

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

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

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

(Rs. in lacs)

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

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

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

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

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

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

(Rs. in lacs)

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

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2016

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

(Rs. in lacs)

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

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

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

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

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

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

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

(Rs. in lacs)

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

Terms of repayment as on March 31, 2015

Long term borrowing (gross of unamortised discount on debenture of Rs. 27.92 lacs)

(Rs. in lacs)

Redeemable at par/premium (from the date of the balance sheet)	Rate of interest				Total
	< 10%^	>= 10% < 12% *^¥	>= 12% < 14%^	>= 14% < 16%	
over 60 months	139,460.00	239,220.00	-	-	**378,680.00**
48-60 months	17,000.00	168,500.00	-	-	**185,500.00**
36-48 months^	16,400.00	27,400.00	-	-	**43,800.00**
24-36 months^	31,400.00	97,000.00	500.00	-	**128,900.00**
12-24 months*^¥	131,500.00	135,805.00	-	-	**267,305.00**
Total	**335,760.00**	**667,925.00**	**500.00**	**-**	**1,004,185.00**

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

^NCD amounting to Rs. 43,300.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

(Rs. in lacs)

Sr No	Rate of interest	Amount	Put/call option date
1	10.60%	625.00	August 12, 2016
Total		**625.00**	

Current maturity (gross of unamortised discount on debenture of Rs. 117.73 lacs) **(Rs. in lacs)**

Redeemable at par/premium (from the date of the balance sheet)	Rate of interest				
	< 10%¥	**>= 10% < 12%^¥**	**>= 12% < 14%**	**>= 14% < 16%**	**Total**
upto 12 months^¥	54,500.00	75,100.00	-	-	**129,600.00**

^NCD amounting to Rs. 2,450.00 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	9.90%	20,000.00	July 20, 2015
2	10.95%	30,000.00	September 25, 2015
3	9.35%	20,000.00	June 22, 2015
Total		**70,000.00**	

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

Terms of repayment as on March 31, 2018

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

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

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

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

Terms of repayment as on March 31, 2017

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

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

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

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

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

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

Terms of repayment as on March 31, 2016
Long term borrowing (gross of unamortised discount on debenture of Rs. Nil)

(Rs. in lacs)

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

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

Current maturity (gross of unamortised discount on debenture of Rs. Nil.)
Outstanding as at March 31, 2016 : Rs. Nil.

Terms of repayment as on March 31, 2015
Long term borrowing (gross of unamortised discount on debenture of Rs. Nil)

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	Total
24-36 months*	-	1,200.00	-	-	**1,200.00**
Total	**-**	**1,200.00**	**-**	**-**	**1,200.00**

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

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

(Rs. in lacs)

Redeemable at par/premium (from the date of the Balance Sheet)	Rate of interest				
	< 10%	>= 10% < 12%*	>= 12% < 14%	>= 14% < 16%	Total
Upto 12 months*	-	1,000.00	-	-	**1,000.00**

*Partly paid to the extent of Rs. 1,000,000/-

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Option –II	9.50%	-	-	278.58	-	June 1, 2017	June 1, 2015
	10.00%	-	-	453.23	-	June 1, 2017	June 1, 2015
	10.25%	-	-	3,157.85	-	June 1, 2017	June 1, 2015
	10.50%	-	-	571.77	-	June 1, 2017	June 1, 2015
Total		**-**	**-**	**4,461.43**	**-**		

Current maturity

Terms of repayment **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Option -I	9.00%	-	-	-	1,424.68	June 1, 2015	-
	9.50%	-	-	-	3,918.31	June 1, 2015	-
	9.75%	-	-	-	1,160.23	June 1, 2015	-
	10.00%	-	-	-	210.37	June 1, 2015	-
Option –II	9.50%	-	278.58	-	897.03	June 1, 2017	June 2, 2015
	10.00%	-	453.23	-	785.25	June 1, 2017	June 2, 2015
	10.25%	-	3,190.88	-	3,799.51	June 1, 2017	June 2, 2015
	10.50%	-	538.74	-	672.17	June 1, 2017	June 2, 2015
Option –III	9.75%	-	-	-	807.77	June 1, 2015	-
	10.25%	-	-	-	782.70	June 1, 2015	-
	10.50%	-	-	-	1,779.74	June 1, 2015	-
	10.75%	-	-	-	359.56	June 1, 2015	-
Total		**-**	**4,461.43**	**-**	**16,597.32**		

Notes forming part of reformatted consolidated statement of assets and liabilities

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 1-June-2013 and Rs. 9,109.04 lacs were paid on 05-July-2013 in compliance with the terms of issue.

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

As per the terms of the issue Rs. 4,461.43 lacs were redeemed on June 1, 2017.

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

Terms of repayment

Long term borrowing

Outstanding as at March 31, 2018 : Rs. Nil, March 31, 2017 : Rs. Nil, March 31, 2016 : Rs. Nil, March 31, 2015 : Rs. Nil

Current maturity **(Rs. in lacs)**

Option Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Option -I	11.60% *	-	-	52,241.36	53,467.20	July 11, 2016	July 12, 2015
	11.35%	-	-	23,254.35	24,304.40	July 11, 2016	July 12, 2015
	11.10%	-	-	7,264.68	7,324.64	July 11, 2016	July 12, 2015
Total		**-**	**-**	**82,760.39**	**85,096.24**		

* includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 0.06 lacs, and March 31, 2015: Rs. 0.06 lacs)

Nature of Security

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

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

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

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

The Company has bought back non-convertible debentures of Rs. 28.73 lacs on 28-October-2014 .

The Company has redeemed non-convertible debenture of Rs 14,874.96 lacs on 11-July-2014 as per the terms of the issue.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series –II*	11.40% *	-	-	13,382.08	13,349.04	August 9, 2017	-
	10.50%	-	-	12,812.18	12,845.22	August 9, 2017	-
Series –IV*	11.40% *	-	-	6,288.04	6,251.50	August 9, 2017	-
	10.50%	-	-	139.09	175.63	August 9, 2017	-
Total		-	-	**32,621.39**	**32,621.39**		

* includes Rs. Nil (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 0.50 lacs and March 31, 2015: Rs. 0.50 lacs)

Current maturity **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series -I	11.15%	-	-	-	8,572.90	August 9, 2015	-
	10.25%	-	-	-	14,871.99	August 9, 2015	-
Series –II	11.40%	-	13,393.84	-		August 9, 2017	-
	10.50%	-	12,800.42	-		August 9, 2017	-
Series –III	11.15%	-	-	-	3,731.19	August 9, 2015	-
	10.25%	-	-	-	147.68	August 9, 2015	-
Series –IV	11.40%	-	6,329.07	-		August 9, 2017	-
	10.50%	-	98.06	-		August 9, 2017	-
Total		-	**32,621.39**	**-**	**27,323.76**		

* includes Rs. Nil (March 31, 2017: Rs. 0.50 lacs, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil) 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 28-October-2014 .

As per the terms of the issue Rs. 27,323.76 lacs were redeemed on August 7, 2015 and Rs. 32,621.39 lacs were redeemed on August 9, 2017.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017*	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series -I*	10.90% *	-	-	-	12,850.81	August 1, 2016	-
	9.65%	-	-	-	13,542.26	August 1, 2016	-
Series –II*	11.15% *	-	-	11,558.97	11,561.58	July 31, 2017	-
	9.80%	-	-	3,381.06	3,378.46	July 31, 2017	-
	11.15%	-	11,549.21	11,558.97	11,561.58	July 31, 2018	-
	9.80%	-	3,390.83	3,381.07	3,378.46	July 31, 2018	-
Series –III	10.63%	-	5,812.11	5,822.11	5,801.02	July 31, 2018	-
	9.40%	-	84.91	74.91	96.00	July 31, 2018	-
Series –IV*	10.90% *	-	-	-	6,044.39	August 1, 2016	-
	9.65%	-	-	-	72.64	August 1, 2016	-
Series –V	11.15%	-	-	2,597.72	2,631.70	July 31, 2017	-
	9.80%	-	-	43.63	9.66	July 31, 2017	-
	11.15%	-	2,619.12	2,597.72	2,631.70	July 31, 2018	-
	9.80%	-	22.23	43.64	9.64	July 31, 2018	-
Total		-	**23,478.41**	**41,059.80**	**73,569.90**		

* includes Rs. Nil (March 31, 2017: Rs. 1.20 lacs, March 31, 2016: Rs. 1.20 lacs and March 31, 2015: Rs. 10.75 lacs) issued to related parties.

Current maturity

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017*	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series -I*	10.90%*	-	-	12,819.78	-	August 1, 2016	-
	9.65%	-	-	13,573.29	-	August 1, 2016	-
Series –II*	11.15%	-	11,549.21	-	-	July 31, 2017	-
	9.80%	-	3,390.83	-	-	July 31, 2017	-
	11.15%	11,565.05	-	-	-	July 31, 2018	-
	9.80%	3,374.99	-	-	-	July 31, 2018	-
Series –III	10.63%	5,823.40	-	-	-	July 31, 2018	-
	9.40%	73.62	-	-	-	July 31, 2018	-
Series –IV *	10.90% *	-	-	6,067.30	-	August 1, 2016	-
	9.65%	-	-	49.73	-	August 1, 2016	-
Series –V	11.15%	-	2,619.12	-	-	July 31, 2017	-
	9.80%	-	22.23	-	-	July 31, 2017	-
	11.15%	2,634.62	-	-	-	July 31, 2018	-
	9.80%	6.74	-	-	-	July 31, 2018	-
Total		**23,478.41**	**17,581.39**	**32,510.10**	**-**		

* includes Rs. 0.60 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 9.55 lacs and March 31, 2015: Rs. Nil) issued to related parties.

Notes forming part of reformatted consolidated statement of assets and liabilities

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 28-October-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.

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

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017*	As at March 31, 2016*	As at March 31, 2015*	Redeemable at par on	Put and Call option
Series -I*	11.25% *	-	-	-	7,745.00	October 24, 2016	-
	10.75%	-	-	-	19,390.84	October 24, 2016	-
Series –II *	11.50% *	-	3,165.95	3,165.18	3,167.15	October 24, 2018	-
	10.75%	-	7,487.57	7,488.34	7,486.37	October 24, 2018	-
Series –III	11.75%	4,695.64	4,695.64	4,703.56	4,710.54	October 24, 2020	-
	10.75%	3,061.91	3,061.91	3,053.99	3,047.01	October 24, 2020	-
Series –IV	11.25%	-	-	-	2,250.99	October 24, 2016	-
	10.75%	-	-	-	14.61	October 24, 2016	-
Series –V	11.50%	-	806.75	806.60	809.92	October 24, 2018	-
	10.75%	-	8.22	8.37	5.05	October 24, 2018	-
Series –VI	11.75%	1,347.84	1,347.84	1,349.17	1,348.34	October 24, 2020	-
	10.75%	24.68	24.68	23.35	24.18	October 24, 2020	-
Total		**9,130.07**	**20,598.56**	**20,598.56**	**50,000.00**		

* includes Rs. Nil (March 31, 2017: Rs. 0.50 lacs, March 31, 2016: Rs. 0.50 lacs and March 31, 2015: Rs. 1.80 lacs) issued to related parties .

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Current maturity

Series detail	Rate of interest	As at March 31, 2018 *	As at March 31, 2017	As at March 31, 2016*	As at March 31, 2015	Redeemable at par on	Put and Call option
Series - I *	11.25% *	-	-	7,749.14	-	October 24, 2016	-
	10.75% *	-	-	19,386.70	-	October 24, 2016	-
Series - II *	11.50% *	3,181.74	-	-	-	October 24, 2018	-
	10.75%	7,471.78	-	-	-	October 24, 2018	-
Series –IV	11.25%	-	-	2,250.16	-	October 24, 2016	-
	10.75%	-	-	15.44	-	October 24, 2016	-
Series –V	11.50%	802.55	-	-	-	October 24, 2018	-
	10.75%	12.42	-	-	-	October 24, 2018	-
Total		**11,468.49**	**-**	**29,401.44**	**-**		

* includes Rs. 0.50 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. 6.3 lacs, and March 31, 2015: Rs. Nil) 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.

Notes forming part of reformatted consolidated statement of assets and liabilities

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

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series I	9.85%	-	-	111,397.42	111,578.53	July 15, 2017	-
	11.00%	-	-	6,980.86	6,571.96	July 15, 2017	-
	11.25%	-	-	7,514.40	7,742.19	July 15, 2017	-
Series II	10.00%	33,141.05	33,150.36	33,235.44	33,145.30	July 15, 2019	-
	11.25%	3,463.73	3,328.32	3,175.43	3,138.76	July 15, 2019	-
	11.50%	1,806.25	1,932.35	2,000.16	2,126.97	July 15, 2019	-
Series III	10.15%	5,343.24	5,333.34	5,334.05	5,588.00	July 15, 2021	-
	11.50%	6,085.86	5,834.06	5,765.62	5,327.02	July 15, 2021	-
	11.75%	2,177.77	2,439.47	2,507.20	2,691.85	July 15, 2021	-
Series IV	9.57%	20.33	31.42	45.42	51.76	July 15, 2019	-
	10.71%	1,706.96	1,619.62	1,512.84	1,427.85	July 15, 2019	-
	10.94%	1,056.35	1,132.60	1,225.38	1,304.03	July 15, 2019	-
Series V	9.71%	9.39	3.45	2.51	2.17	July 15, 2021	-
	10.94%	2,528.16	2,422.77	2,158.80	2,090.82	July 15, 2021	-
	11.17%	981.11	1,092.44	1,357.35	1,425.67	July 15, 2021	-
Series VI	9.85%	-	-	5,007.91	5,018.55	July 15, 2017	-
	11.00%	-	-	2,899.34	2,803.29	July 15, 2017	-
	11.25%	-	-	1,032.70	1,118.11	July 15, 2017	-
Series VII	10.00%	14.72	2.71	6.05	4.55	July 15, 2019	-
	11.25%	1,083.14	1,067.94	1,048.43	1,023.08	July 15, 2019	-
	11.50%	422.37	449.58	465.75	492.60	July 15, 2019	-
Series VIII	10.15%	31.86	25.25	33.57	33.17	July 15, 2021	-
	11.50%	2,025.80	1,971.58	1,947.07	1,893.46	July 15, 2021	-
	11.75%	753.99	814.82	831.01	885.02	July 15, 2021	-
Total		**62,652.08**	**62,652.08**	**197,484.71**	**197,484.71**		

Current maturity

Series detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	Redeemable at par on	Put and Call option
Series I	9.85%	-	111,396.77	-	-	July 15, 2017	-
	11.00%	-	7,215.46	-	-	July 15, 2017	-
	11.25%	-	7,280.45	-	-	July 15, 2017	-
Series - VI	9.85%	-	5,506.59	-	-	July 15, 2019	-
	11.00%	-	2,466.85	-	-	July 15, 2019	-
	11.25%	-	966.51	-	-	July 15, 2019	-
Total		**-**	**134,832.63**	**-**	**-**		

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

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.

(Rs. in lacs)

Total non-convertible debentures-secured (Non-current)	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
Privately placed (i+ii+iii)	1,848,370.00	1,313,495.83	761,693.72	1,065,434.86
Public issue (iv+v+vi+vii+viii+ix)	71,782.15	106,729.05	296,225.89	353,676.00
Total non-convertible debentures	**1,920,152.15**	**1,420,224.88**	**1,057,919.61**	**1,419,110.86**
Less: issued to related parties	-	1.70	2.20	19.89
Net	**1,920,152.15**	**1,420,223.18**	**1,057,917.41**	**1,419,090.97**

(Rs. in lacs)

Total non-convertible debentures-secured (Current maturity)	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
Privately placed (i+ii+iii)	478,465.08	225,046.59	410,031.31	270,851.65
Public issue (iv+v+vi+vii+viii+ix)	34,946.90	189,496.84	144,671.93	129,017.32
Total non-convertible debentures	**513,411.98**	**414,543.43**	**554,703.24**	**399,868.97**
Less: issued to related parties	1.10	0.50	17.75	2.44
Net	**513,410.88**	**414,542.93**	**554,685.49**	**399,866.53**

Notes forming part of reformatted consolidated statement of assets and liabilities

C) Redeemable non-convertible debentures- unsecured

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

Terms of repayment as on March 31, 2018
Long term borrowing
Outstanding as at March 31, 2018 : Rs. Nil.

Current maturity
Outstanding as at March 31, 2018 : Rs. Nil.

Terms of repayment as on March 31, 2017
Long term borrowing
Outstanding as at March 31, 2017 : Rs. Nil.

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

Terms of repayment as on March 31, 2016
Long term borrowing
Outstanding as at March 31, 2016 : Rs. Nil.

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

Terms of repayment as on March 31, 2015
Long term borrowing
Outstanding as at March 31, 2015 : Rs. Nil.

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

(Rs. in lacs)

Redeemable at par (from the date of the Balance Sheet)	**Rate of interest**		
	<10%^	**>=10% <12%^**	**Total**
upto 12 months^	-	2,150.00	**2,150.00**
Total	**-**	**2,150.00**	**2,150.00**

^NCDs amounting to Rs. 2,150.00 lacs issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

Notes forming part of reformatted consolidated statement of assets and liabilities

D) Senior secured notes

Senior secured notes of Rs. 10,000,000/- each
Terms of repayment
Long-term borrowing

(Rs. in lacs)

Detail	Rate of interest	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	Redeemable at par on
Senior secured notes	8.10%	84,000.00	-	-	June 8, 2023
Senior secured notes	7.90%	32,000.00	-	-	March 12, 2021
Senior secured notes	8.25%	135,000.00	135,000.00	-	February 18, 2020
Total		**251,000.00**	**135,000.00**	**-**	

Outstanding as at March 31, 2015 : Rs. Nil.

During the year, 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 borrowing 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.

Current maturity
Outstanding as at March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 : Rs. Nil.

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

Notes forming part of reformatted consolidated statement of assets and liabilities

E) Term loan from bank- unsecured

As at March 31, 2018
Terms of repayment
Outstanding as at March 31, 2018 : Rs. Nil.

As at March 31, 2017
Terms of repayment **(Rs. in lacs)**

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

As at March 31, 2016
Terms of repayment **(Rs. in lacs)**

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

As at March 31, 2015
Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
48-60 months	14.00%	Bullet		
24-36 months	14.00%	Bullet	10,000.00	-
upto 12 months	10.00%	Bullet	-	10,000.00
Total			**10,000.00**	**10,000.00**

Notes forming part of reformatted consolidated statement of assets and liabilities

F) Term loans from banks –secured

As at March 31, 2018
Terms of repayment
Long term borrowing **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	8.10% to 8.75%	20 instalments of quarterly frequency	234,784.70	62,800.00
36-48 months	8.30% to 9.20%	12 to 20 instalments of quarterly and specific frequency	207,203.07	72,958.33
24-36 months	7.85% to 9.70%	10 to 36 instalments of monthly and quarterly frequency	199,066.90	120,750.00
12-24 months	8.15% to 9.60%	1 to 36 instalments of bullet, monthly, quarterly and specific frequency	135,173.35	95,386.90
upto 12 months	2.59% to 9.70%	1 to 48 instalments of bullet, monthly, quarterly, half-yearly, yearly and specific frequency	-	217,090.24
Total			**776,228.02**	**568,985.47**

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, 2017
Terms of repayment
Long term borrowing **(Rs. in lacs)**

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

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

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

Notes forming part of reformatted consolidated statement of assets and liabilities

As at March 31, 2016

Terms of repayment

Long term borrowing **(Rs. in lacs)**

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

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

Nature of security

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

As at March 31, 2015

Terms of repayment

Long term borrowing **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion #	Current maturities #
48-60 months	10.35% to 10.75%	16 to 20 installments of quarterly frequency	207,061.63	49,812.50
36-48 months	10.10% to 11.75%	1 to 48 installments of monthly, quarterly and half-yearly frequency	331,103.92	98,625.00
24-36 months	10.25% to 11.75%	1 to 48 installments of monthly, quarterly, half-yearly, yearly and specific frequency	216,488.60	127,668.67
12-24 months	9.85% to 11.75%	1 to 60 installments of bullet, monthly, quarterly, half-yearly and specific frequency	211,298.23	147,614.29
upto 12 months (* refer security details)	9.00% to 12.25%	1 to 60 installments of monthly, quarterly, half-yearly and yearly frequency	-	83,147.71
Total			**965,952.38**	**506,868.17**

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

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Nature of security	As at March 31, 2015
a) * includes secured by hypothecation of vehicles for own use	0.44
b) Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed / current assets relating to hypothecation loans	1,472,820.11
Total	**1,472,820.55**

G) Deposits from public- unsecured - [Refer Annexure VI Note 6]

Terms of repayment as on March 31, 2018

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		
	< 10% €	**>= 10% < 12%**	**Total**
48-60 months €	88,915.77	-	**88,915.77**
36-48 months €	72,392.40	-	**72,392.40**
24-36 months €	189,453.98	-	**189,453.98**
12-24 months €	146,601.21	23,512.29	**170,113.50**
Total	**497,363.36**	**23,512.29**	**520,875.65**
Current maturity			
Upto 12 months €	**255,478.75**	**12,763.43**	**268,242.18**

€ includes Rs. 7.13 lacs issued to related parties.

Terms of repayment as on March 31, 2017

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		
	< 10% €	**>= 10% < 12% €**	**Total**
48-60 months €	65,550.35	-	**65,550.35**
36-48 months €	58,806.65	-	**58,806.65**
24-36 months €	133,919.38	23,689.74	**157,609.12**
12-24 months €	222,523.88	12,745.91	**235,269.79**
Total	**480,800.26**	**36,435.65**	**517,235.91**
Current maturity			
Upto 12 months €	**64,474.49**	**253,118.12**	**317,592.61**

€ includes Rs. 6.47 lacs issued to related parties.

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2016

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		
	< 10% €	>= 10% < 12% €	Total
48-60 months	36,763.33	-	**36,763.33**
36-48 months	8,220.08	24,012.53	**32,232.61**
24-36 months €	204,554.94	12,815.20	**217,370.14**
12-24 months €	31,918.55	256,384.14	**288,302.69**
Total	**281,456.90**	**293,211.87**	**574,668.77**
Current maturity			
Upto 12 months	**43,245.42**	**133,620.57**	**176,865.99**

€ includes Rs. 6.88 lacs issued to related parties.

Terms of repayment as on March 31, 2015

Long term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		
	< 10%	>= 10% < 12% €	Total
48-60 months	5,133.39	23,983.59	**29,116.98**
36-48 months	305.36	12,897.04	**13,202.40**
24-36 months €	18,701.02	258,685.82	**277,386.84**
12-24 months €	9,718.23	135,494.81	**145,213.04**
Total	**33,858.00**	**431,061.26**	**464,919.26**
Current maturity			
Upto 12 months	**36,678.28**	**27,103.71**	**63,781.99**

€ includes Rs. 3.61 lacs issued to related parties.

(Rs.in lacs)

Deposits from public-unsecured (Non -current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from public-unsecured	520,875.65	517,235.91	574,668.77	464,919.26
Less: issued to related parties	4.30	4.51	4.79	3.61
Net	**520,871.35**	**517,231.40**	**574,663.98**	**464,915.65**

(Rs.in lacs)

Deposit from public-Unsecured (Current maturity)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Fixed deposits	268,242.18	317,592.61	176,865.99	63,781.99
Less: issued to related parties	2.83	1.96	2.09	-
Net	**268,239.35**	**317,590.65**	**176,863.90**	**63,781.99**

Notes forming part of reformatted consolidated statement of assets and liabilities

H) Deposits from corporates – unsecured

Terms of repayment as on March 31, 2018

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	502.61	-	**502.61**
36-48 months	447.40	-	**447.40**
24-36 months	3,504.41	-	**3,504.41**
12-24 months	4,101.99	29.00	**4,130.99**
Total	**8,556.41**	**29.00**	**8,585.41**
Current maturity			
Upto 12 months	**12,229.73**	**64.34**	**12,294.07**

Terms of repayment as on March 31, 2017

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	386.75	-	**386.75**
36-48 months	430.00	-	**430.00**
24-36 months	491.45	29.00	**520.45**
12-24 months	2,649.67	61.70	**2,711.37**
Total	**3,957.87**	**90.70**	**4,048.57**
Current maturity			
Upto 12 months	**5,133.16**	**3,407.94**	**8,541.10**

Terms of repayment as on March 31, 2016

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	383.00	-	**383.00**
36-48 months	4.00	33.80	**37.80**
24-36 months	2,295.62	61.70	**2,357.32**
12-24 months	1,192.27	3,427.95	**4,620.21**
Total	**3,874.89**	**3,523.45**	**7,398.34**
Current maturity			
Upto 12 months	**20,065.64**	**697.93**	**20,763.57**

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2015

Long-term borrowing **(Rs. in lacs)**

Redeemable at par (from the date of the Balance Sheet)	Rate of interest		Total
	< 10%	>= 10% < 12%	
48-60 months	3.00	33.80	**36.80**
36-48 months	-	61.70	**61.70**
24-36 months	687.00	3,488.65	**4,175.65**
12-24 months	156.14	727.93	**884.07**
Total	**846.14**	**4,312.08**	**5,158.22**
Current maturity			
Upto 12 months	**1,033.40**	**1,117.00**	**2,150.40**

(Rs.in lacs)

Deposits from corporates – unsecured - (Non -current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Deposits from corporates - unsecured	8,585.41	4,048.57	7,398.34	5,158.22
Less: issued to related parties	-	-	-	-
Net	**8,585.41**	**4,048.57**	**7,398.34**	**5,158.22**

(Rs.in lacs)

Deposits from corporates - unsecured- (Current)	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Deposits from corporates - unsecured	12,294.07	8,541.10	20,763.57	2,150.40
Less: issued to related parties	-	-	-	-
Net	**12,294.07**	**8,541.10**	**20,763.57**	**2,150.40**

I) Term loan from financial institution/corporates –secured

As at March 31, 2018

Long term borrowing

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
36-48 months	8.25% to 8.85%	11 to 20 installments of quarterly and specific frequency	111,250.00	47,000.00
24-36 months	8.75% to 9.25%	1 to 20 installments of bullet and quarterly frequency	77,000.00	16,000.00
12-24 months	9.25%	20 installments of quarterly frequency	4,500.00	6,000.00
upto 12 months	10.50%	6 installments of half-yearly frequency	-	8,333.33
Total			**192,750.00**	**77,333.33**

Notes forming part of reformatted consolidated statement of assets and liabilities

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, 2017
Long term borrowing
Terms of repayment **(Rs. in lacs)**

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

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

As at March 31, 2016
Long term borrowing
Terms of repayment **(Rs. in lacs)**

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

Notes forming part of reformatted consolidated statement of assets and liabilities

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, 2015
Long term borrowing
Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	Non-current portion	Current maturities
48-60 months	10.00%	20 installments of quarterly frequency	22,500.00	6,000.00
24-36 months	10.00%	20 installments of specific frequency	17,500.00	10,000.00
12-24 months	10.00%	1 to 12 installments of bullet and specific frequency	28,900.00	16,800.00
upto 12 months	10.00%	11 installments of specific frequency	-	5,000.00
Total			**68,900.00**	**37,800.00**

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

Total long term borrowings - non-current portion **(Rs. in lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings	3,140,056.95	2,537,104.02	2,104,322.29	2,453,935.32
Unsecured borrowings	897,535.18	832,757.23	922,566.45	831,622.98
Total long term borrowings - non current portion	**4,037,592.13**	**3,369,861.25**	**3,026,888.74**	**3,285,558.30**

Total long term borrowings - current maturities **(Rs. in lacs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings	1,159,685.80	1,070,095.89	1,387,970.60	944,419.41
Unsecured borrowings	366,991.94	372,578.33	231,097.08	144,211.30
Total long term borrowings - current maturities	**1,526,677.74**	**1,442,674.22**	**1,619,067.68**	**1,088,630.71**

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 4 - Other Long term liabilities	As at March 31,			
	2018	2017	2016	2015
Interest accrued but not due on loans	63,679.45	66,114.90	69,417.78	57,257.61
Unrealised gain on securitisation@	80,867.52	49,131.34	30,657.73	24,387.06
Payable on account of securitisation/assignment	3,240.75	8,674.69	775.29	19,151.36
Payable on account of forward contracts	-	752.68	-	-
Retention and others	15,471.86	15,065.25	16,271.38	15,517.51
Other liabilities	55.84	776.38	1752.07	1,967.17
	163,315.42	**140,515.24**	**118,874.25**	**118,280.71**

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

(Rs. in lacs)

Note- 5 - Long term provisions	As at March 31,			
	2018	2017	2016	2015
For others				
For non-performing assets	519,957.80	374,944.43	272,654.14	179,756.30
For diminution in fair value of restructured loans	4,566.77	-	-	-
For contingent provision on standard assets	19,930.36	14,449.40	11,617.54	7,442.11
	544,454.93	**389,393.83**	**284,271.68**	**187,198.41**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 6 - Short term borrowings	As at March 31,			
	2018	**2017**	**2016**	**2015**
Secured				
Term loan from banks	232,384.55	157,346.93	102,625.00	236,344.91
Redeemable non-convertible debentures	5,000.00	75,000.00	25,000.00	-
Term Loan From Financial institutions / corporates	10,000.00	-	-	-
Loans repayable on demand - secured				
Cash credit	68,206.70	247,076.82	201,419.38	26,918.00
Working capital demand loan from banks	-	-	-	12,500.00
Unsecured				
Inter corporate deposits from associate [Refer Annexure VI Note 15]	2,835.00	-	-	-
Term loans from banks (unsecured)	-	16,000.00	4,000.00	12,000.00
Term loan from financial institutions	-	-	-	7,500.00
Commercial papers from other than banks	455,500.00	-	-	-
Less: Unamortised discount	(6,280.29)	-	-	-
	449,219.71	-	-	-
	767,645.96	**495,423.75**	**333,044.38**	**295,262.91**

A) Non-convertible debenture (NCD) –secured

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

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

Redeemable at par (from the date of the Balance Sheet)	**Rate of interest**		
	<=10% *	**>=10% <12%¥**	**Total**
	Amount	**Amount**	**Amount**
Upto 12 months *	5,000.00	-	**5,000.00**

* Includes 1 NCD of Rs. 5,000.00 lacs partly paid to the extent of Rs. 50,000/-

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	8.10%	5,000.00	May 30, 2018
Total		**5,000.00**	

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Terms of repayment as on March 31, 2017

(Rs. in lacs)

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

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

(Rs. in lacs)

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

Terms of repayment as on March 31, 2016

(Rs. in lacs)

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

Terms of repayment as on March 31, 2015

Outstanding as at March 31, 2015 : Rs. Nil.

Nature of Security

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

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

Notes forming part of reformatted consolidated statement of assets and liabilities

B) Term loans from bank –secured

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
upto 12 months	3.16% to 9.07%	1 to 16 installments of bullet, quarterly and half yearly frequency	232,384.55
Total			**232,384.55**

Terms of repayment **(Rs. in lacs)**

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

Terms of repayment **(Rs. in lacs)**

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

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2015
upto 12 months	9.75% to 11.00%	1 to 20 installments of bullet and quarterly frequency	236,344.91
Total			**236,344.91**

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 institution/Corporates –secured

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
Upto 12 months	8.75%	Bullet	10,000.00
Total			**10,000.00**

Outstanding as at March 31, 2017, March 31, 2016 and March 31, 2015 : Rs. Nil.

Notes forming part of reformatted consolidated statement of assets and liabilities

D) Cash credit from bank

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Rate of interest	8.10% to 11.65%	8.60% to 11.95%	9.55% to 12.55%	9.90% to 12.25%
Secured by hypothecation of specific assets covered under hypothecation loan agreements	68,206.70	247,076.82	201,419.38	26,918.00
Total	**68,206.70**	**247,076.82**	**201,419.38**	**26,918.00**

E) Working capital demand loan from banks (secured)

(Rs. in lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured by hypothecation of specific assets covered under hypothecation loan agreements	-	-	-	12,500.00
Total	**-**	**-**	**-**	**12,500.00**

F) Commercial paper from other than banks (net of unamortised discount)

(Rs. in lacs)

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2018
Upto 12 months	7.86 % to 8.12 %	Bullet	449,219.71
Total			**449,219.71**

Note

The amount of commercial paper is disclosed at net value. The amount of unamortised discount on commercial paper is Rs. 6,280.29 lacs.

Outstanding as at March 31, 2017, March 31, 2016 and March 31, 2015 : Rs. Nil.

G) Inter corporate deposits from associate

(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	2,835.00
Total			**2,835.00**

Outstanding as at March 31, 2017, March 31, 2016 and March 31, 2015 : Rs. Nil.

Notes forming part of reformatted consolidated statement of assets and liabilities

H) Term loans from bank –unsecured

Terms of repayment

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

Terms of repayment **(Rs. in lacs)**

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

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2016
upto 12 months	9.60%	Bullet	4,000.00
Total			**4,000.00**

Terms of repayment **(Rs. in lacs)**

Tenure (from the date of the Balance Sheet)	Rate of interest	Repayment details	As at March 31, 2015 #
upto 12 months	10.00%	Bullet	12,000.00
Total			**12,000.00**

Loan is classified in time buckets based on option date.

(Rs. in lacs)

Total short-term borrowings	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Secured borrowings (A+B+C+E+F+G)	315,591.25	479,423.75	329,044.38	275,762.91
Unsecured borrowings(D+H)	452,054.71	16,000.00	4,000.00	19,500.00
Total short-term borrowings (A+B+C+E+F+G+D+H)	**767,645.96**	**495,423.75**	**333,044.38**	**295,262.91**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 7 - Other current liabilities	As at March 31,			
	2018	**2017**	**2016**	**2015**
Creditors other than Micro and small enterprises				
- for fixed assets	-	0.86	1.82	3.68
Current maturities of long term debts [Refer Annexure IV Note 3]	1,526,677.74	1,442,674.22	1,619,067.68	1,088,630.71
Interest accrued but not due on loans	154,433.75	141,528.24	106,312.92	103,004.74
Investor Education and Protection Fund shall be credited by the following amounts (as and when due) #				
- Unclaimed dividend	1,310.11	1,083.21	923.26	821.59
- Unclaimed matured deposits and interest accrued thereon	20,737.92	15,530.53	6,553.91	3,718.52
- Unclaimed matured debentures and interest accrued thereon	3,539.22	5,755.28	9,327.74	5,566.28
- Unclaimed matured subordinate debts and interest accrued thereon	1,928.31	1,140.75	2,028.85	1,855.92
Temporary credit balance in bank accounts	10,550.58	8,137.03	4,097.72	3,436.05
Statutory dues payable	4,291.65	3,736.39	3,227.83	2,613.32
Unrealised gain on Securitisation*	112,828.97	88432.02	66307.82	50,009.19
Payable on account of securitisation/assignment	146,243.68	121,897.70	76,014.26	59,638.56
Insurance premium payable	2,029.92	3,277.16	1,997.07	1,013.31
Advance from customers	3,040.06	3,262.35	2,036.21	1,045.29
Payable to Dealers	3,820.36	1,601.93	-	242.36
Income received in advance	1,167.57	678.44	422.62	-
Payable on account of forward contracts	1,681.39	553.49	-	-
Creditors for capital expenditure	925.53	117.45	198.89	274.85
Retention and others	9,171.25	11,606.30	9,623.46	5,682.31
Other liabilities (including Bonus payable)	7,253.79	7,391.13	46,022.46	19,432.83
	2,011,631.80	**1,858,404.48**	**1,954,164.52**	**1,346,989.51**

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

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

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 8 - Short term provisions	As at March 31,			
	2018	**2017**	**2016**	**2015**
For employee benefits				
For gratuity [Refer Annexure VI Note 2]	-	65.49	228.26	37.52
For leave encashment and availment	2,322.00	2,106.75	2,161.46	1,859.85
For others				
For standard assets provision for restructured loans	64.94	-	-	-
For contingent provision on standard assets	9,353.83	6,858.03	6,015.51	5,200.46
Service tax- contested	8,793.99	8,793.99	8,793.99	8,793.99
For value added tax	1,112.59	1,092.88	1,096.15	988.00
For income tax [net of advance tax Rs. 4,47,970.42 lacs (March 31, 2017: Rs. 362,038.61 lacs, March 31, 2016: Rs. 293,968.34 laces and March 31, 2015: Rs. 225,492.60 lacs)]	21,541.16	21,692.80	17,059.83	7,889.06
Proposed dividend	-	-	13,612.96	13,612.96
Corporate dividend tax	-	-	2,771.28	2,721.78
	43,188.51	**40,609.94**	**51,739.44**	**41,103.62**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Note- 9 - Fixed assets

(Rs in lacs)

Particulars	Property, plant and equipment (at cost)								Intangible Assets		
	Land - freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total Tangible fixed assets	Trade marks	Computer software	Total Intangible assets
Gross Block											
As at April 01, 2014	**4,460.79**	**641.75**	**8,943.21**	**304.33**	**2,380.43**	**81.79**	**8,201.58**	**25,013.88**	**4.64**	**1,380.67**	**1,385.31**
Additions		28.04	1,386.26	566.15	525.52	24.64	1,924.26	**4,454.87**	-	68.23	**68.23**
Deletions	-	-	322.84	71.37	133.04	5.69	616.45	**1,149.39**	-	-	**-**
Adjustment *	-	-	(1,556.36)	1,556.36	-	-	-	**-**	-	-	**-**
As at March 31, 2015	**4,460.79**	**669.79**	**8,450.27**	**2,355.47**	**2,772.91**	**100.74**	**9,509.39**	**28,319.36**	**4.64**	**1,448.90**	**1,453.54**
Additions	**-**	1.14	1,108.56	413.71	403.69	38.26	1,582.45	**3,547.81**	-	106.92	**106.92**
Deletions	**-**	2.13	496.40	47.15	76.04	16.30	300.25	**938.27**	-	-	**-**
Adjustment *	**-**	-	(25.61)	25.61	-	-	-	**-**	-	-	**-**
As at March 31, 2016	**4,460.79**	**668.80**	**9,036.82**	**2,747.64**	**3,100.56**	**122.70**	**10,791.59**	**30,928.90**	**4.64**	**1,555.82**	**1,560.46**
Additions	13.30	**-**	610.07	200.80	271.72	6.32	557.94	**1,660.15**	-	110.61	**110.61**
Deletions	-	**-**	404.92	53.85	54.09	1.39	312.73	**826.98**	-	-	**-**
Adjustment *	-	**-**	0.87	-	0.81	-	(1.68)	**-**	-	-	**-**
As at March 31, 2017	**4,474.09**	**668.80**	**9,242.84**	**2,894.59**	**3,319.00**	**127.63**	**11,035.12**	**31,762.07**	**4.64**	**1,666.43**	**1,671.07**
Additions	-	0.76	2,334.84	760.51	768.60	-	3,420.84	**7,285.55**	-	103.46	**103.46**
Deletions	-	3.21	639.79	56.23	40.74	5.04	275.99	**1,021.00**	-	-	**-**
Adjustment	-	-	-	0.17	-	-	(0.17)	**-**	-	-	**-**
Transferred from investment property	-	110.84	-	-	-	-	-	**110.84**	-	-	**-**
Transferred to investment property	-	(187.35)	-	-	-	-	-	**(187.35)**	-	-	**-**
On account of sale of investment in Subsidiary	(4,458.67)	(258.83)	(428.67)	(68.38)	(136.36)	(3.64)	(364.30)	**(5,718.85)**	(4.64)	(189.30)	**(193.94)**
As at March 31, 2018	**15.42**	**331.01**	**10,509.22**	**3,530.66**	**3,910.50**	**118.95**	**13,815.50**	**32,231.26**	**-**	**1,580.59**	**1,580.59**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Note- 9 - Fixed assets

(Rs in lacs)

	Property, plant and equipment (at cost)								Intangible Assets		
	Land - freehold	**Buildings**	**Plant and equipment**	**Office equipment**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvement**	**Total Tangible fixed assets**	**Trade marks**	**Computer software**	**Total Intangible assets**
Depreciation											
As at April 01, 2014	**-**	**95.18**	**3,862.95**	**155.28**	**1,377.90**	**70.40**	**4,185.60**	**9,747.31**	**1.66**	**1,167.13**	**1,168.79**
Charge from Retained Earnings	**-**	**-**	**56.09**	**107.85**	**-**	**-**	**-**	**163.94**			**-**
Charge for the year	-	11.22	1,831.84	433.17	401.52	3.65	1,496.40	**4,177.80**	0.46	135.00	**135.46**
Deletions	-	-	276.40	62.08	108.29	5.41	593.95	**1,046.13**	-	-	**-**
Adjustment *	-	-	(320.95)	320.95	-	-	-	**-**	-	-	**-**
As at March 31, 2015	**-**	**106.40**	**5,153.53**	**955.17**	**1,671.13**	**68.64**	**5,088.05**	**13,042.92**	**2.12**	**1,302.13**	**1,304.25**
Charge for the year	-	12.73	1,351.59	428.35	184.80	5.95	1,679.72	**3,663.14**	0.46	97.32	**97.78**
Deletions	-	2.13	442.43	39.63	58.60	13.24	273.94	**829.97**	-	-	**-**
Adjustment *	-	-	(8.64)	8.64	-	-	-	**-**	-	-	**-**
As at March 31, 2016	**-**	**117.00**	**6,054.05**	**1,352.53**	**1,797.33**	**61.35**	**6,493.83**	**15,876.09**	**2.58**	**1,399.45**	**1,402.03**
Charge for the year	-	11.39	1,046.62	475.56	208.76	8.00	1,642.07	**3,392.40**	0.47	92.24	**92.71**
Deletions	-	-	369.64	42.98	45.67	1.32	293.26	**752.87**	-	-	**-**
Adjustment *	-	-	0.28	0.36	0.71	-	(1.35)	**-**	-	-	**-**
As at March 31, 2017	**-**	**128.39**	**6,731.31**	**1,785.47**	**1,961.13**	**68.03**	**7,841.29**	**18,515.62**	**3.05**	**1,491.69**	**1,494.74**
Charge for the year	-	9.49	1,094.05	518.38	239.61	7.92	1,718.80	**3,588.25**	0.39	91.33	**91.72**
Deletions	-	1.00	578.12	45.66	34.24	4.79	252.89	**916.70**	-	-	**-**
Adjustment*	-	-	-	0.17	-	-	(0.17)	**-**	-	-	**-**
Transferred from investment property	-	14.37	-	-	-	-	-	**14.37**	-	-	**-**
Transferred to investment property	-	(68.36)	-	-	-	-	-	**(68.36)**	-	-	**-**
On account of sale of investment in Subsidiary	-	(20.08)	(311.57)	(42.22)	(83.31)	(3.45)	(263.05)	**(723.68)**	(3.44)	(176.21)	**(179.65)**
As at March 31, 2018	**-**	**62.81**	**6,935.67**	**2,216.14**	**2,083.19**	**67.71**	**9,043.98**	**20,409.50**	**-**	**1,406.81**	**1,406.81**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

Note- 9 - Fixed assets

(Rs in lacs)

	Property, plant and equipment (at cost)								Intangible Assets		
	Land - freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total Tangible fixed assets	Trade marks	Computer software	Total Intangible assets
Net Block											
As at March 31, 2015	**4,460.79**	**563.39**	**3,296.74**	**1,400.30**	**1,101.78**	**32.10**	**4,421.34**	**15,276.44**	**2.52**	**146.77**	**149.29**
As at March 31, 2016	**4,460.79**	**551.80**	**2,982.77**	**1,395.11**	**1,303.23**	**61.35**	**4,297.76**	**15,052.81**	**2.06**	**156.37**	**158.43**
As at March 31, 2017	**4,474.09**	**540.41**	**2,511.53**	**1,109.12**	**1,357.87**	**59.60**	**3,193.83**	**13,246.45**	**1.59**	**174.74**	**176.33**
As at March 31, 2018	**15.42**	**268.20**	**3,573.55**	**1,314.52**	**1,827.31**	**51.24**	**4,771.52**	**11,821.76**	**(0.00)**	**173.78**	**173.78**

*** Adjustment is on account of regrouping of fixed assets**

(Rs. in lacs)

Depreciation and amortisation	**Year ended**			
Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
on tangible assets	3,588.25	3,392.40	3,663.14	4,177.80
on intangible assets	91.72	92.71	97.78	135.46
on investment property (Refer Annexure IV Note 10)	3.46	2.24	2.24	2.23
Total	**3,683.43**	**3,487.35**	**3,763.16**	**4,315.49**

Net Block **(Rs. in lacs)**

Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
on tangible assets	11,821.76	13,246.45	15,052.81	15,276.44
on intangible assets	173.78	176.33	158.43	149.29
Total	**11,995.54**	**13,422.78**	**15,211.24**	**15,425.73**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	Investment property (at cost less accumulated depreciation)									
	Investment property given on operating lease [including cost of land - Rs. 69.75 lacs (March 31, 2017: Rs. 69.75 lacs, March 31, 2016: Rs. 69.75 laces and March 31, 2015: Rs. 69.75 lacs)]			288.17		211.66		211.66	-	211.66
	Less: accumulated depreciation			78.35		20.91		18.67	-	16.43
	Net Block			**209.82**		**190.75**		**192.99**		**195.23**
	Non trade (valued at cost unless stated otherwise):									
A.	**Shares : Fully paid up**									
	a) Unquoted- equity shares Investment in Associate Company [Refer Annexure VI Note 15]									
	Shriram Automall India Limited									
	Cost of investment (including Rs. 1,338.87 lacs of Capital Reserve arising on consolidation)	10	13,369,565	2,675.83	-	-	-	-	-	-
	Add: - Share of post acquisition profit of associate			228.52	-	-	-	-	-	-
				2,904.35	-	-	-	-	-	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Investment in other companies									
State Industrial Investment Corporation of Maharashtra Limited	10	50,000.00	40.00	50,000.00	40.00	50,000.00	40.00	50,000.00	40.00
Credential Finance Limited [At cost less provision for other than temporary diminution in value of Rs. 25 Lacs (March 31, 2017: Rs. 25 Lacs, March 31, 2016: Rs. 25 Laces and March 31, 2015: Rs. 25 Lacs)	10	25,000.00	-	25,000.00	-	25,000.00	-	25,000.00	-
The Zoroastrian Co-operative Bank Limited	25	100.00	0.03	100.00	0.03	100.00	0.03	100.00	0.03
Freight Commerce Solutions Private Limited [At cost less provision for other than temporary diminution in value of Rs. 700.24 lacs (March 31, 2017: Rs. 0.37 Lacs, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil)]	10	66,984.00		3,705.00	-	3,705.00	0.37	3,705.00	0.37

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	Shriram Seva Sankalp Foundation	10	18,000.00	1.80	18,000.00	1.80	18,000.00	1.80	18,000.00	1.80
B.	**Government securities** [Refer Annexure VI note 6]									
	Quoted:									
	6.13% GOI Loan 2028	100	176,000.00	177.05	176,000.00	177.16	176,000.00	177.26	176,000.00	177.36
	6.35% GOI Loan 2020	100	2,500,000.00	2,465.09	2,500,000.00	2,445.24	2,500,000.00	2,425.39	2,500,000.00	2,405.49
	6.49% GOI Loan 2015	100	-	-	-	-	-	-	-	-
	6.90% GOI Loan 2019	100	5,000,000.00	4,949.88	5,000,000.00	4,910.87	5,000,000.00	4,871.87	5,000,000.00	4,832.76
	7.02% GOI Loan 2016	100	-	-	-	-	-	-	400,000.00	398.27
	7.73% GOI Loan 2034	100	9,500,000.00	10,101.34	9,500,000.00	10,137.28	-	-	-	-
	7.80% GOI Loan 2020	100	2,500,000.00	2,498.39	2,500,000.00	2,497.62	2,500,000.00	2,496.84	2,500,000.00	2,496.07
	7.88% GOI Loan 2030	100	28,700,000.00	28,724.63	28,700,000.00	28,726.69	22,200,000.00	22,111.98	-	-
	8.13% GOI Loan 2022	100	2,500,000.00	2,501.22	2,500,000.00	2,501.49	2,500,000.00	2,501.76	2,500,000.00	2,502.04
	8.20% GOI Loan 2025		8,000,000.00	8,080.74	8,000,000.00	8,091.51	8,000,000.00	8,102.29	-	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
8.24% GOI Loan 2027	100	500,000.00	498.12	500,000.00	497.91	500,000.00	497.70	500,000.00	497.49
8.26% GOI Loan 2027	100	-	-	-	-	-	-	-	-
8.26% GOI Loan 2027	100	7,500,000.00	7,405.27	7,500,000.00	7,395.14	7,500,000.00	7,385.00	7,500,000.00	7,374.83
8.97% GOI Loan 2030	100	2,500,000.00	2,627.97	2,500,000.00	2,638.05	2,500,000.00	2,648.14	2,500,000.00	2,658.25
8.33% GOI Loan 2026	100	7,500,000.00	7,493.06	7,500,000.00	7,492.22	7,500,000.00	7,491.38	2,500,000.00	2,345.07
8.28% GOI loan 2027	100	15,000,000.00	14,456.53	15,000,000.00	14,399.22	15,000,000.00	14,341.91	7,500,000.00	7,019.13
8.15% GOI Loan 2026	100	10,000,000.00	10,066.67	10,000,000.00	10,074.37	10,000,000.00	10,082.07	-	-
8.28% GOI Loan 2027	100	-	-	-	-	-	-	7,500,000.00	7,265.31
8.83% GOI Loan 2023	100	10,000,000.00	10,050.98	10,000,000.00	10,059.99	10,000,000.00	10,069.00	10,000,000.00	10,078.04
7.16% GOI Loan 2023	100	12,500,000.00	12,102.45	12,500,000.00	12,025.10	12,500,000.00	11,947.76	12,500,000.00	11,917.43
8.33% GOI Loan 2026	100							5,000,000.00	5,145.47
8.60% GOI Loan 2028	100	7,500,000.00	7,897.67	7,500,000.00	7,936.73	7,500,000.00	7,975.80	7,500,000.00	8,220.41
8.24% GOI Loan 2033	100	3,500,000.00	3,875.39	3,500,000.00	3,933.06	-	-	-	-
7.61% GOI Loan 2030		5,000,000.00	5,126.26	5,000,000.00	5,276.20	-	-	-	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
C.	**Unquoted -investment in subordinate debts**									
	Yes Bank Limited	1,000,000	500.00	5,000.00	500.00	5,000.00	500.00	5,000.00	500.00	5,000.00
	Shriram City Union Finance Limited	1,000	-	-	7,259.00	78.88	2,920.00	34.18	-	-
D.	**Unquoted - investment in venture capital fund**									
	ICICI Investment Management Company Limited	10,000	5,519	65.09	5,519	65.09	16,556.38	1,655.64	16,556.38	1,655.64

	Note- 10 - Non-current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
E.	**Unquoted: Investment in mutual fund**									
	Shriram Equity & Debt Opportunities Fund Direct - Growth	10.00	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00	2,000,000	200.00
				149,519.80		**146,792.40**		**122,251.16**		**82,426.49**
	Cost of acquisition of Quoted investments			141,098.71		141,215.85		115,126.15		75,533.42
	Market value of Quoted investments			143,242.80		147,662.58		117,783.14		78,023.63
	Cost of acquisition of Unquoted investments			8,936.51		5,411.17		6,957.39		6,722.84
	Aggregate Provision for diminution in value of investments			725.24		25.37		25.00		25.00

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note-11 Deferred tax assets (net)	As at March 31,			
	2018	2017	2016	2015
Deferred tax asset				
Impact of difference between written down value of PPE as per books of accounts and the Income Tax Act, 1961	2,046.74	1,780.45	1,454.68	1,122.49
Disallowance under section 43B of the Income Tax Act, 1961	4,470.31	4,003.58	4,073.62	3,767.79
Provision for credit loss on securitisation	25,460.81	23,017.97	19,497.03	17,509.87
Provision for upgraded restructured assets	22.69	-	-	-
Contingent provision for standard assets	10,233.06	7,374.07	6,102.45	4,081.61
Others	678.35	376.82	335.26	305.10
Gross deferred tax assets (A)	**42,911.96**	**36,552.89**	**31,463.04**	**26,786.86**
Deferred tax liability				
Public Issue expenses for Non-convertible debentures	9.54	204.09	575.90	1,008.53
Others	5.85	-	-	-
Gross deferred tax liability (B)	**15.39**	**204.09**	**575.90**	**1,008.53**
Net deferred tax assets (A-B)	**42,896.57**	**36,348.80**	**30,887.14**	**25,778.33**

(Rs in lacs)

Note- 12 - Long term loans and advances	As at March 31,			
	2018	2017	2016	2015
Unsecured, considered good				
Capital advances	234.71	172.86	237.74	246.60
Security deposits	3,349.08	2,525.44	3,047.08	2,842.25
Secured, considered good				
Hypothecation loans	4,902,611.18	4,067,633.77	3,800,745.73	2,888,862.86
Retained interest on securitisation	47,930.94	36,677.33	28,365.13	24,011.94
Other loans	147.39	153.27	280.89	48,625.79
Securtisation Deferred Consideration Receivable*	80,867.52	49,131.34	30,657.73	24,387.06

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 12 - Long term loans and advances	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Unsecured loans	27,178.63	18,934.21	38,122.56	8,730.59
Advance - hypothecation loans	-	-	-	1,119.60
Other loans and advances -unsecured, considered good				
Advances recoverable in cash or in kind or for value to be received	206.40	487.59	4,198.69	2,753.55
Taxes paid under protest	6,385.31	5,985.73	3,282.74	2,691.62
Prepaid expenses	274.66	110.77	100.00	77.96
Advance income tax [net of provision for income tax Rs. 235,687.55 lacs (March 31, 2017: Rs. 236,191.09 lacs, March 31, 2016: Rs. 236,191.09 lacs and March 31, 2015: Rs. 249,131.37 lacs)]	8,405.89	8,547.34	8,547.34	9,868.27
Doubtful				
Secured hypothecation loans	712,943.35	513,127.72	367,627.98	225,869.97
Other loans	-	-	-	-
Unsecured loan	24,452.48	27,413.04	19,199.82	10,692.98
Advances recoverable in cash or in kind or for value to be received	191.84	274.39	196.04	36.03
Security deposits	51.65	28.43	-	-
	5,815,231.03	**4,731,203.23**	**4,301,326.73**	**3,248,125.45**

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

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 13 -Other non-current assets	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Fixed deposits with Banks (Refer Annexure IV Note 16)	-	-	0.25	290.80
Margin money deposit with banks (Refer Annexure IV Note 16)	253.22	7,150.08	340.03	6,727.97
Interest accrued on investments	-	3.39	1.23	-
Interest accrued on fixed deposits with banks	17.81	73.44	40.98	58.14
Public issue expenses for non convertible debentures	-	27.29	589.71	1,664.06
Issue expenses for equity shares	-	264.03	416.81	569.59
	271.03	**7,518.23**	**1,389.01**	**9,310.56**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 14 - Current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
1 Current portion of long term investments (valued at cost unless otherwise mentioned)									
a) Quoted: Government securities [Refer Annexure VI note 6]									
6.49% GOI Loan 2015 This security is redeemable on June 8, 2015 at par	100.00	-	-	-	-	-	-	500,000	499.32
7.02% GOI Loan 2016	100.00	-	-	-	-	400,000	399.52	-	-
b) Unquoted: Investment in subordinated debt									
Shriram City Union Finance Limited	1,000.00	-	-	265	4.28	100	1.00	-	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

	Note- 14 - Current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
			Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
2	**Current investments (At lower of cost and fair value)**									
	a) Quoted- Investments in non-convertible debentures									
	Dewan Housing Fin Corp Ltd	1,000.00	-	-	5,000	5,220.97	-	-	-	-
	a) Unquoted- Investments in certificate of deposits in banks									
	Andhra Bank		-	-	-	-	-	-	10,000	9,817.48
	Bank of Maharashtra		-	-	-	-	-	-	25,000	24,562.73
	Corporation Bank		-	-	-	-	-	-	30,000	29,386.23
	Jammu & Kashmir Bank		-	-	-	-	-	-	25,000	24,540.55
	Oriental Bank of Commerce		-	-	-	-	-	-	35,000	34,422.50
	Punjab & Sindh Bank		-	-	-	-	-	-	30,000	29,416.65
	State Bank of Bikaner & Jaipur		-	-	-	-	-	-	25,000	24,496.16
	Syndicate Bank		-	-	-	-	-	-	25,000	24,568.65
	UCO Bank		-	-	-	-	-	-	20,000	19,581.86

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs. in lacs)

Note- 14 - Current investments	Face value (Rs.)	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Unquoted:									
Investment in mutual fund									
Kotak Liquid Scheme Plan A - Direct Plan - Growth	10.00	-	-	-	-	325,651	10,000.00	-	-
Axis Liquid Fund - Direct Growth (sold during the year 2016-17)	1,000.00	-	-	-	-	77,414	1,298.67	-	-
Total			**-**		**5,225.25**		**11,699.19**		**221,292.13**
Cost of acquisition of Quoted investments			-		5,220.97		399.52		499.32
Market value of Quoted investments			-		5,314.19		399.53		498.04
Cost of acquisition of Unquoted investments			-		4.28		11,299.67		220,792.81
Aggregate Provision for diminution in value of investments			-		-		-		-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note 15 -Trade receivables	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	-	-
Others	-	867.85	1009.48	298.86
	-	**867.85**	**1,009.48**	**298.86**

(Rs in lacs)

Note- 16 - Cash and bank balances	As at March 31,			
	2018	**2017**	**2016**	**2015**
Balances with scheduled banks in:				
Current accounts	92,946.60	102,155.05	59,765.26	166,700.86
Unpaid dividend accounts	1,310.11	1,083.21	923.26	821.59
Deposits with original maturity of less than three months	5,584.51	-	5,036.28	166,515.00
Cheques on hand	2,542.76	3,175.11	4,698.24	7,576.72
Cash on hand	7,996.25	7,910.29	10,124.16	10,990.89
Call Money (CBLO)	-	-	-	-
Other bank balances				
Deposits with original maturity for more than 12 months @	9.02	300.25	10.63	300.02
Deposits with original maturity for more than 3 months but less than 12 months	37,410.11	152,520.31	30,296.87	6,588.28
Margin money deposit #	216,204.78	184,537.01	126,040.61	123,643.29
	364,004.14	**451,681.23**	**236,895.31**	**483,136.65**

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 16 - Cash and bank balances	As at March 31,			
	2018	**2017**	**2016**	**2015**
Less: Non-current portion of other bank balances (Refer Annexure IV Note 13)	**253.22**	**7,150.08**	**340.28**	**7,018.77**
	363,750.92	**444,531.15**	**236,555.03**	**476,117.88**
@ Includes deposits pledged with VAT authorities.	-	0.71	0.71	1.64
# Includes deposits pledged with Banks as margin for credit enhancement	212,778.18	182,678.72	124,055.99	115,097.11
# Includes deposits pledged with Banks as margin for guarantees	2,860.16	1,275.92	1,527.60	8,106.35
# Includes deposits pledged as lien against loans taken and to VAT Authorities	566.44	582.38	457.02	439.84

(Rs in lacs)

Note- 17 - Short term loans and advances#	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Security deposits	752.69	1,250.23	794.25	722.56
Secured, considered good				
Hypothecation loans	2,172,080.30	1,829,435.86	1,847,547.58	1,947,908.15
Retained interest on securitisation	36,192.47	36,520.69	37,830.80	33,466.27
Other loans	260.04	434.22	78.89	16,503.67
Securtisation deferred consideration receivable*	112,828.97	88,432.02	66,307.82	50,009.19
Unsecured, considered good				
Unsecured loans^	125,037.46	87,635.98	111,822.99	73,807.56
Debtors on securitisation	-	-	-	-
Advance - hypothecation loans	2,580.81	1,519.09	2,410.94	-
Advance recoverable from associate company [Refer Annexure VI note 15]	12.31	-	-	-

Annexure IV

Notes forming part of reformatted consolidated statement of assets and liabilities

(Rs in lacs)

Note- 17 - Short term loans and advances#	As at March 31,			
	2018	**2017**	**2016**	**2015**
Other loans and advances - unsecured, considered good				
Other receivables	1,292.06	411.42	334.90	290.77
Advances recoverable in cash or in kind or for value to be received	2,548.19	2,258.58	4,721.65	3,857.01
Taxes paid under protest	-	-	257.22	-
Service tax credit (input) receivable	-	4,378.16	2,858.91	3,261.89
Goods & service tax credit (input) receivable	4,637.59	-	-	-
Prepaid expenses	544.21	476.11	559.85	502.41
	2,458,767.10	**2,052,752.36**	**2,075,525.80**	**2,130,329.48**
^ Advance given to the Company in which a director is interested	Nil	Nil	0.60	Nil

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

 # Includes current maturities of long term loans and advances

(Rs in lacs)

Note- 18 - Other current assets	As at March 31,			
	2018	**2017**	**2016**	**2015**
Unsecured, considered good				
Interest accrued on investments	2,518.43	2,348.09	2,031.82	1,578.11
Interest accrued on fixed deposits with banks	3,433.83	2,843.62	1,799.29	3,221.27
Plan asset – gratuity [Refer Annexure VI Note 2]	193.17	-	6.17	1.29
Public issue expenses for non-convertible debentures	27.29	562.42	1,074.35	1,303.09
Issue expenses for equity shares	-	152.78	152.77	152.77
	6,172.72	**5,906.91**	**5,064.40**	**6,256.53**

Annexure V

Notes forming part of reformatted consolidated statement of profit and loss

(Rs in lacs)

Note- 19 - Revenue from operations	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Interest income on:-				
- loan portfolio and related charges	1,070,138.86	958,396.40	923,123.19	773,833.99
- direct assignment	1,899.81	10,950.06	15,470.00	21,132.89
- securitisation including interest on pass through certificates*	114,597.73	84,370.04	53,224.28	55,827.62
- Margin money on securitisation/ assignments	11,623.09	9,377.02	8,466.80	10,971.17
- deposits with banks	931.87	913.50	2,288.03	1,728.06
- long- term investments	11,938.48	10,883.60	8,095.82	4,675.73
- current investments	96.82	17.44	321.37	867.55
- loan to employees				
Other financial services				
- Income from commission services- life insurance	522.80	913.39	1,557.83	667.20
- Income from commission services- general insurance	3,959.11	3,541.31	3,261.41	3,233.41
- Income from commission services- others	2,884.48	2,124.44	1,371.18	1,513.51
- Reversal of provision for credit loss on securitization	-	-	-	2,148.31
- Income from Portfolio Management Services	-	-	-	1.68
- Bad debt recovery	1,205.09	618.00	870.08	594.08
- Profit on sale of current investments (net)	398.55	831.95	11,028.08	34,050.05
- Profit on sale of long term investments (net)	-	0.11	-	-
Facilitation fees	7,520.12	7,334.20	6,780.73	6,452.13
	1,227,716.81	**1,090,271.46**	**1,035,858.80**	**917,697.38**

* Includes Rs. Nil (March 31, 2017: Rs. 571.71 lacs, March 31, 2016: Rs. 2,832.11 lacs and March 31, 2015: Rs. 7,033.92 lacs) of income on pass through certificates where distribution tax has been deducted by the trustees as per section 115TA of Income Tax Act.

Annexure V

Notes forming part of reformatted consolidated statement of profit and loss

(Rs in lacs)

Note- 20 - Other income	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Income from operating lease	20.90	7.20	7.12	10.14
Dividend on long- term Investments	-	-	-	0.25
Dividend on current Investments	-	-	-	2.19
Miscellaneous income	422.07	168.41	331.08	251.71
Interest on tax refund	5,796.67	-	-	-
	6,239.64	**175.61**	**338.20**	**264.29**

(Rs in lacs)

Note- 21 - Employee benefits expense	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Salaries, other allowances and bonus	67,930.17	52,891.94	56,981.59	45,083.79
Gratuity expenses [Refer Annexure VI Note 2]	683.62	660.57	704.30	725.50
Contribution to provident and other funds	4,619.00	3,403.36	3,465.73	2,986.91
Expense on Employee Stock Option Scheme	-	-	-	55.33
Staff welfare expenses	1,434.53	1,337.44	1,197.61	1,550.83
	74,667.32	**58,293.31**	**62,349.23**	**50,402.36**

Annexure V

Notes forming part of reformatted consolidated statement of profit and loss

(Rs in lacs)

Note- 22 - Finance cost	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Interest expense				
Debentures	194,815.64	176,235.11	179,322.04	177,916.28
Senior secured notes *	12,194.74	1,908.70	-	-
Subordinated debts	40,120.36	40,430.12	43,647.53	50,057.08
Public deposits	79,931.01	85,193.73	69,459.62	41,326.09
Corporate deposits	346.53	506.21	506.62	277.90
Loans from banks	151,496.30	175,042.28	185,256.81	166,626.43
Loans from institutions and others	23,153.25	17,684.32	15,248.50	11,626.42
Commercial paper	15,064.11	7,691.49	866.28	1,315.63
Income tax	6,070.75	-	-	-
Other borrowing costs				
Professional charges - resource mobilisation	7,790.48	7,672.05	3,709.84	9,557.88
Processing charges on loans	629.23	338.95	604.99	910.17
Brokerage	4,826.34	4,792.93	5,867.05	6,088.93
Amortisation of NCD Public issue expenses	562.42	1,074.35	1,303.09	1,761.70
	537,001.16	**518,570.24**	**505,792.37**	**467,464.51**

*Interest expense on Senior secured notes includes withholding tax of Rs. 525.63 lacs (March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil)

Annexure V

Notes forming part of reformatted consolidated statement of profit and loss

(Rs in lacs)

Note- 23 - Provisions & Write offs	For the year ended March 31,			
	2018	2017	2016	2015
Provision for non performing assets [Refer Annexure VI Note 14]	145,092.18	106,479.02	90,446.24	60,954.86
Provision for diminution in fair value of assets for restructured loans	4,566.77	-	-	-
Provision for restructured performing assets	64.94	-	-	-
Contingent provision for standard assets [Refer Annexure VI Note 14]	7,976.76	3,674.37	4,990.48	2,766.27
Provision for credit loss on securitisation	6,351.21	10,173.79	4,821.98	-
Provision for diminution in value of investments*	699.87	0.37	-	-
Bad debts written off	147,459.59	124,104.50	110,420.78	97,501.26
	312,211.32	**244,432.05**	**210,679.48**	**161,222.39**

(Rs in lacs)

Note- 24 - Other Expenses	For the year ended March 31,			
	2018	2017	2016	2015
Rent	9,776.27	8,910.43	8,346.60	7,750.80
Lease Rent for Parking Yards	263.25	345.01	323.07	182.89
Electricity expenses	1,755.88	1,547.26	1,440.13	1,257.77
DSA Commission	-	-	-	51.10
Repairs & maintenance				
- Plant & machinery	0.36	14.59	37.74	-
- Buildings		-	-	24.25
- Others	5,002.68	4,888.88	5,035.24	4,450.10
Rates & taxes	228.57	173.05	126.06	50.93
Printing & stationery	1,701.38	967.54	1,485.84	1,543.70
Travelling & conveyance	13,250.46	11,916.92	13,191.95	12,152.07
Advertisement	86.80	47.20	156.72	328.57
Registration and Filing Fees	-	-	-	2.69
Brokerage	-	-	-	2.25
Business Promotion	4,045.56	3,679.83	5,972.77	8,816.10
Outsourcing expenses	3,622.16	4,067.03	3,428.12	2,602.43
Buyer / Seller Facilitation fees expenses	690.02	757.70	789.80	819.58
Royalty	13,617.91	11,030.10	10,096.80	6,249.24

Annexure V

Notes forming part of reformatted consolidated statement of profit and loss

(Rs in lacs)

Note- 24 - Other Expenses	For the year ended March 31,			
	2018	**2017**	**2016**	**2015**
Directors' sitting fees	50.35	57.36	42.56	13.81
Insurance	237.43	129.45	89.09	59.25
Communication expenses	4,912.03	4,427.25	4,680.83	4,472.86
Payment to auditor [Refer Annexure VI Note 11]				
As Auditor:				
- Audit fees	92.93	163.22	163.55	160.40
- Tax audit fees	11.21	12.68	11.15	10.93
- Out of pocket	0.91	8.86	8.39	8.46
In any other manner:				-
- Certification	3.27	15.04	52.02	3.09
Bank charges	4,265.42	3,324.70	2,981.59	3,106.81
Professional charges on securitization	2,490.51	2,391.89	2,162.18	3,170.41
Legal & professional charges	4,485.08	3,154.18	3,519.14	3,762.89
Loss on sale of fixed assets (net)	31.38	27.18	35.36	38.74
Issue expenses for equity shares	416.81	152.78	152.78	152.78
Data center management service	-	-	-	146.53
Security Charges	41.71	135.32	78.97	18.77
Service charges paid	4,130.13	5,162.04	5,016.04	4,528.64
CSR expenses [Refer Annexure VI Note 13]	1,881.50	1,194.65	1,863.73	691.82
Miscellaneous expenses	4,984.09	3,157.00	3,396.71	2,970.71
	82,076.06	**71,859.14**	**74,684.92**	**69,601.37**

For the Financial year 2017-18

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 financial statements have been prepared under the historical cost convention on an accrual basis in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, and the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements of the Company comply with the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The assets and liabilities have been classified as current and non-current based on a twelve month operating cycle. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. These financial statements are presented in Indian rupees and rounded off to nearest lacs unless otherwise stated.

2 Basis of consolidation

(i) The financial statements of the subsidiary/associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2018 and are prepared based on the accounting policies consistent with those used by the Company.

(ii) The financial statements of the Group have been prepared in accordance with the AS 21- 'Consolidated Financial Statements' notified under the provision of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India.

(iii) The consolidated financial statements have been prepared on the following basis:

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 as 'Capital Reserve' and shown under the head 'Reserves and Surplus', 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 Reformatted Consolidated 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 Accounting Standard 23 on "Accounting for investment in associates in Consolidated Financial Statements" (AS 23).

(iv) The subsidiary/associate company considered in the consolidated financial statements are as below (refer note 15):

Name of the subsidiary/associate company	Country of incorporation	Share of ownership interest as at March 31, 2018	Share of ownership interest as at March 31, 2017
Shriram Automall India Limited (SAMIL) (Subsidiary upto February 6, 2018, Associate w.e.f. February 07, 2018 #)	India	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 under equity method after February 7, 2018.

2.1	**Significant accounting policies**
(a)	**Use of estimates**
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.
(b)	**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. 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. The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain/loss arising from derecognition of an item of PPE is included in the Statement of Profit and Loss. The gain or loss arising from the derecognition of an item of PPE would be the difference between the net disposal proceeds, if any, and the carrying amount of the item. The residual value, useful life and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if required.
(c)	**Depreciation**
	Depreciation on cost of PPE is provided on straight line method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold Improvements 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.
(d)	**Intangible assets and amortisation**
	Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. 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. Intangible assets are amortised on a straight line basis over the estimated useful economic life.

Particulars	**Useful life**
Computer software	3 years
Trade marks	10 years

	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. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. 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.
(e)	**Impairment of assets**
	The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
	After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

	A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. The reversal of impairment is recognised in Statement of Profit and Loss, unless the same is carried at revalued amount and treated as revaluation reserve.
(f)	**Investments**
	On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as 'current investments'. All other investments are classified as 'long term investments'. 'Long term investments' are carried at acquisition /amortised cost. A provision is made for diminution other than temporary on an individual basis. 'Current Investments' are carried at the lower of cost or fair value on an individual basis. Profit or loss on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and the carrying value of the investment. Any premium or discount on acquisition is amortised over the remaining maturity of the security on constant yield to maturity basis. Such amortisation of premium/discount is adjusted against interest income from investments. The book value of the investment is reduced to the extent of amount amortised during the relevant accounting year. Investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life as prescribed as per the Schedule II of the Companies Act, 2013.
(g)	**Loans**
	Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, up to the Balance Sheet date as reduced by the amounts received and loans securitised
(h)	**Securitisation/direct assignment**
	The Company enters into arrangements for sale of loan receivables through direct assignment/securitisation. The said assets are derecognised upon transfer of significant risks and rewards to the purchaser and on meeting the true sale criteria.
(i)	**Provisioning/write off of assets**
	The Company assesses all loans and receivables for their recoverability and makes provision for Non-performing assets (NPA)/restructured assets as considered necessary based on past experience, emerging trends and estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Direction") as and when amended. NPA loans where underlying asset has been repossessed are provided in full. Provision on standard assets is made as per RBI Master Direction. Delinquencies on assets securitised/assigned are provided for based on management estimates.
(j)	**Foreign currency transactions**
	- Initial recognition Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. *- Conversion*
	Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost. *- Exchange Differences*

	Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. - *Forward contracts* The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.
(k)	**Revenue/income recognition**
	Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. ***Income from financing activities*** - Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis. - Income recognised and remaining unrealised after installments become overdue for 90 days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised. - Additional finance charges/additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly. - Income from application and processing fees, including recovery of documentation charges are recognised upfront at the inception of the contract. - Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment. ***Income from securitisation*** - Interest spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV' /agreements. - Loss (if any)/expenditure in relation to securitisation/direct assignment is recognised upfront. ***Income from investments*** - Interest income on fixed deposits/margin money, call money (Collateralised borrowing and lending obligation), certificate of deposits, pass through certificates, subordinated debts, non-convertible debentures, government securities, inter-corporate deposits and treasury bills are recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long-term investments is recognised on a time proportion basis over the tenure of the securities. - Dividend income on investments is recognised as income when right to receive payment is established by the date of Balance Sheet. - Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption. ***Income from any other activities*** - Income from services are recognised as per the terms of the contract on accrual basis. - Income from guarantee commission is recognised on a time proportion basis taking into account the amount outstanding and the commission rate applicable.

(l)	**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** *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. *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. The Company fully contributes all ascertained liabilities to The Trustees - Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The Company recognises the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise. **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 entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.
(m)	**Leases**
	Where the Company is the lessee:
	Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

	Where the Company is the lessor:
	Assets given on operating leases are included in Investment property. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation incurred in earning rental income are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.
(n)	**Taxation**
	Income-tax expense comprises current tax, deferred tax charge or credit and minimum alternate tax (MAT). **Current tax** Current income-tax is measured at the amount expected to be paid to the tax authorities after considering tax allowances, deductions and exemptions determined in accordance with Income Tax Act, 1961 and the prevailing tax laws. The tax rate and laws used to compute the amount are those which are enacted at the reporting date. **Minimum alternate tax** Minimum alternate tax (MAT) obligation in accordance with the tax laws, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal tax during the specified period. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably, and reviewed at each reporting date. **Deferred tax** Deferred tax liability or asset is recognised for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognised only if there is a virtual certainty of realisation of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.
(o)	**Segment reporting policies**
	Identification of segments: The Group's operating businesses are organised and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate. **Unallocated items:** Unallocated items include income, expenses, assets and liabilities which are not allocated to any reportable business segment. **Segment policies:** The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.
(p)	**Provisions and contingencies**
	A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates

	A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
(q)	**Earnings per share**
	Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are calculated after adjusting effects of potential equity shares (PES). PES are those shares which will convert into equity shares at a later stage. Profit/loss is adjusted by the expenses incurred on such PES. Adjusted profit/loss is divided by the weighted average number of ordinary plus potential equity shares.
(r)	**Borrowing cost**
	Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs to the extent related/attributable to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalised along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss in the period they occur.
(s)	**Cash and cash equivalents**
	Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.
(t)	**Employee stock compensation costs**
	In accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.
(u)	**Debenture issue expenses**
	Public issue expenses, other than the brokerage, incurred on issue of debentures are charged off on a straight-line basis over the weighted average tenor of underlying debentures. The brokerage incurred on issue of debentures is treated as expenditure in the year in which it is incurred. Expenses incurred for private placement of debentures, are charged to Statement of Profit and Loss in the year in which they are incurred.

Significant accounting policies upto March 31, 2017:

1		**Basis of preparation**
		For the financial year ended March 31, 2017, 2016 and 2015, the consolidated financial statements relates to M/s. Shriram Transport Finance Company Limited (the Company) and its subsidiary company. The Company and its subsidiary company constitute the Group. The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, and the Companies (Accounting Standards) Amendment Rules, 2016 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year except for the change in accounting policy explained below. The complete financial statements have been prepared along with all disclosures.
2		**Basis of consolidation**
	(i)	The financial statements of the subsidiary company and associate used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31 and are prepared based on the accounting policies consistent with those used by the Company.
	(ii)	The financial statements of the Group have been prepared in accordance with the AS 21- 'Consolidated Financial Statements' notified under the provision of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles in India.
	(iii)	The consolidated financial statements have been prepared on the following basis :
	1	The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realised.
	2	The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the date on which the investments in the subsidiary companies are made, is recognised as "Goodwill" being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Company, it is recognised as "Capital Reserve" and shown under the head "Reserve and Surplus", in the consolidated financial statements.
	3	The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
	4	Minority interest, if any, in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the dates of investments as stated above.

(iv) The following subsidiary company is considered in the consolidated financial statements:

Sr. No.	Name of the subsidiary company	Country of incorporation	Share of ownership interest as at		
			March 31, 2017	March 31, 2016	March 31, 2015
1	Shriram Automall India Limited (SAMIL) (w.e.f. February 11, 2010)	India	100%	100%	100%
2	Shriram Equipment Finance Company Limited (Subsidiary w.e.f. December 15, 2009 till March 31, 2015) (amalgamated w.e.f. April 01, 2015)	India	-	-	100%

As the amount involved in transactions with Shriram Insurance Broking Company Limited are not material, the financial effects have not been considered in the financial statements for FY 2015.

2.1 Significant accounting policies

(a) Change in accounting policy

Accounting for proposed dividend

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

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

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

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

(c) Use of estimates

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

(d)	Fixed assets, depreciation/amortisation and impairment

Property, plant and equipment for the year ended March 31, 2017/Tangible fixed assets upto the year ended March 31, 2016

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

Depreciation on property, plant and equipment for the year ended March 31, 2017 /Tangible fixed assets upto the year ended March 31, 2016

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

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

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

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

Intangible assets

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

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

Particulars	Rates (SLM)
Computer software	33.33%
Trade marks	10.00%

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

Impairment of fixed assets

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

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

(e) Investments

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

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

(f) Provisioning/Write-off of assets

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

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

		Pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 150 days to 120 days and increased provision on standard assets from 0.30% to 0.35%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard asset, provisions and write-offs for and year ended March 31, 2017 would have been lower by Rs. 36,867.13 lacs, income from operations for the same period would have been higher by Rs. 1,769.38 lacs and profit before tax for the same period would have been higher by Rs. 38,636.51 lacs (net of tax Rs. 25,265.19 lacs).
(g)		**Loans**
		Loans are stated at the amount advanced including finance charges accrued and expenses recoverable, up to the Balance Sheet date as reduced by the amounts received and loans securitised.
(h)		**Leases**
		Where the Company is the lessor Assets given on operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss. **Where the Company is the lessee** Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.
(i)		**Foreign currency translation**
		Initial recognition Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. **Conversion** Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined. **Exchange differences** All exchange differences are dealt with including differences arising on translation settlement of monetary items in the Statement of Profit and Loss. **Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability** The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.
(j)		**Revenue recognition**
		Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. i. Income from financing activities is recognised on the basis of internal rate of return on time proportion basis. All other charges relating to financing activities are recognised on accrual basis. ii. Subvention income is recognised as income over the tenor of the loan agreements. For the agreements foreclosed/transferred through assignment, balance of subvention income is recognised as income at the time of such foreclosure/transfer through assignment.

	iii.	Income recognised and remaining unrealised after installments become overdue for following days or more in case of secured/unsecured loans are reversed and are accounted as income when these are actually realised. **For the year ended March 31, 2017**: 120 days or more **For the year ended March 31, 2016**: Five months or more **For the year ended March 31, 2015**: Six months or more
	iv.	Additional finance charges/additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.
	v.	Income apportioned on securitisation/direct assignment of loan receivables arising under premium structure is recognised over the tenure of securities issued by SPV/agreements. Interest spread under par structure of securitisation/direct assignment of loan receivables is recognised on realisation over the tenure of the 'securities issued by SPV' /agreements. Loss, if any/expenditure for securitisation/direct assignment is recognised upfront.
	vi.	Interest income on fixed deposits/margin money, call money (Collaterised borrowing and lending obligation), certificate of deposits, pass through certificates, subordinated debts, non-convertible debentures, government securities, inter-corporate deposits and treasury bills is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Discount, if any, on government and other securities acquired as long-term investments is recognised on a time proportion basis over the tenure of the securities.
	vii.	Dividend is recognised as income when right to receive payment is established by the date of Balance Sheet.
	viii.	Profit/loss on the sale of investments is computed on the basis of weighted average cost of investments and recognised at the time of actual sale/redemption.
	ix.	Income from services (for eg. facilitation fees) is recognised as per the terms of contracts on accrual basis.
	x.	Income from operating lease is recognised as rentals, as accrued on straight line basis over the period of the lease.
(k)		**Retirement and other employee benefits**
		Provident fund Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future provident fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. **Gratuity** The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet Date using the Projected Unit Credit Method. The Group fully contributes all ascertained liabilities to The Trustees- Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies. The group recognises the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

	Leave encashment
	Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the Projected Unit Credit Method at the reporting date. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.
	The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.
(l)	**Income tax**
	Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The un-recognised deferred tax assets are re-assessed by the Group at each Balance Sheet date and are recognised to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying cost of the deferred tax assets are reviewed at each Balance Sheet date. The Group writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
	Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for credit available in respect of MAT under the Income tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT credit entitlement". The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.
(m)	**Segment reporting policies**
	Identification of segments: The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate. **Unallocated items:** Unallocated items include income, expenses, assets and liabilities which are not allocated to any reportable business segment.

	Segment policies : The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group as a whole.
(n)	**Earnings per share**
	Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.
	For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.
(o)	**Provisions**
	A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
(p)	**Cash and cash equivalents**
	Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand, cheques on hand, remittances in transit and short term investments with an original maturity of three months or less.
(q)	**Equity shares and debentures issue expenses**
	Expenses incurred on issue of equity shares are charged to Statement of Profit and Loss on a straight line basis over a period of 10 years. Public issue expenses, other than the brokerage, incurred on issue of debentures are charged off on a straight line basis over the weighted average tenor of underlying debentures. The brokerage incurred on issue of debentures is treated as expenditure in the year in which it is incurred. Expenses incurred for private placement of debentures, are charged to Statement of Profit and Loss in the year in which they are incurred.
(r)	**Borrowing costs**
	Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary and other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred.
(s)	**Employee stock compensation costs**
	In accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.
(t)	**Contingent liabilities**
	A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

1. Earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit after tax as per statement of profit and loss (Rs. in lacs) **(A)**	155,674.74	126,563.41	118,361.82	102,844.45
Weighted average number of equity shares for calculating Basic EPS (in lacs) **(B)**	2,268.83	2,268.83	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	2,268.83	2,268.83
Basic earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) **(A) / (B)**	68.61	55.78	52.17	45.33
Diluted earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) **(A) / (C)**	68.61	55.78	52.17	45.33

2. Gratuity and other post-employment benefit plans:

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

The group has funded amounts [Rs. In lacs] as given in below table :-

FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15
520.46	267.54	235.39	372.43

As required by revised AS 15 'Employee Benefits' issued under Companies (Accounts) Rules, 2014, as amended, the following disclosures have been made:

Statement of Profit and Loss

Net employee benefit expense (recognized in statement of Profit and Loss)

(Rs. in Lacs)

Particulars	Gratuity			
	For the year March 31, 2018	For the year March 31, 2017	For the year March 31, 2016	For the year March 31, 2015
Current service cost	407.94	400.28	387.34	352.87
Interest cost on benefit obligation	254.70	275.93	215.29	199.16
Expected return on plan assets	(252.26)	(239.10)	(213.46)	(180.42)
Net actuarial (gain) / loss recognised in the year/period	198.17	185.64	328.71	(30.84)
Past service cost	46.89	Nil	Nil	Nil
Net benefit expense*	**655.44**	**622.74**	**717.88**	**340.77**
Actual return on plan assets	329.11	264.50	256.62	239.79

Gratuity expenses as appearing in 'Employee Benefit Expenses' and as appearing above have following reconciliation items.

(Rs. in Lacs)

Particulars	Gratuity			
	For the year March 31, 2018	For the year March 31, 2017	For the year March 31, 2016	For the year March 31, 2015
Gratuity expenses as per Employee benefit expense	683.62	660.57	704.30	725.50
Benefit obligation	(15.49)	(37.65)	Nil	Nil
Short provision for relieved employee	Nil	(0.17)	Nil	Nil
Gratuity transferred from other company	Nil	Nil	13.60	Nil
Net benefit expense as above	**655.44**	**622.74**	**717.88**	**340.77**

Gratuity expenses as per note 21 of Statement of Reformatted Consolidated Profit and Loss is net off benefit obligation of Rs. 15.49 lacs (March 31, 2017 - Rs. 37.65 lacs) on account of gratuity transferred from other company and short provision of relieved employees of Rs. Nil (March 31, 2017: Rs. 0.17 lacs).

Gratuity expense as per Note 21 of Statement of Reformatted Consolidated Profit and Loss for the year ended March 31, 2015 includes gratuity paid to trust on account of relieved employees Rs. 362.91 lacs, gratuity provision on account of relieved employees Rs. 13.29 lacs and gratuity transferred to/from other companies Rs. 8.53 lacs.

Balance sheet

Benefit asset/(liability)

(Rs. in Lacs)

Particulars	Gratuity			
	For the year March 31, 2018	**For the year March 31, 2017**	**For the year March 31, 2016**	**For the year March 31, 2015**
Present value of defined benefit obligation	4,130.32	3,761.17	3,683.62	2,709.10
Fair value of plan assets	4,323.49	3,705.99	3,178.01	2,685.99
Surplus/(Deficit)	193.17	(55.20)	(505.61)	(23.11)
Less: Unrecognised past service cost	Nil	Nil	Nil	Nil
Plan asset / (liability)*	**193.17**	**(55.20)**	**(505.61)**	**(23.11)**

*Gratuity liability for the year ended March 31, 2017 disclosed under Annexure IV Note 5 Long term provisions, Note 8 Short term provisions and Note 18 Other current assets. is after netting off amount paid to trust on account of relieved/transferred employees Rs. 10.29 lacs (March 31, 2016: Rs. 271.76 lacs) lacs and gratuity transferred to other company Rs. Nil (March 31, 2016: Rs. 11.76 lacs).

Gratuity liability for the year ended March 31, 2015 disclosed under Annexure IV Note 8 Short term provisions includes gratuity provision on account of relieved employees Rs. 13.29 lacs and Rs. 0.16 lacs fund with insurance company.

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

(Rs. in Lacs)

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Opening defined benefit obligation	3,761.16	3,683.62	2,709.10	2,128.54
Interest cost	254.70	275.93	215.29	199.16
Current service cost	407.94	400.28	387.34	352.87
Past Service Cost - Vested benefit incurred during the period	46.89	Nil	Nil	Nil
Liability transferred in/acquisitions	15.49	Nil	Nil	Nil
Benefits paid	(397.44)	(809.70)	Nil	Nil
On account of sale of Subsidiary	(233.44)	Nil	Nil	Nil
Actuarial (gains) / losses on obligation	275.02	211.04	371.89	28.53
Closing defined benefit obligation	**4,130.32**	**3,761.16**	**3,683.62**	**2,709.10**

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

(Rs. in Lacs)

Particulars	Gratuity			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Opening fair value of plan assets	3,705.99	3,178.01	2,685.99	2,073.77
Expected return	252.26	239.10	213.46	180.42
Contributions by employer	897.89	1,073.17	235.39	372.43
Benefits paid	(397.44)	(809.70)	Nil	Nil
On account of sale of Subsidiary	(212.06)	Nil	Nil	Nil
Actuarial gains /(losses)	76.85	25.40	43.17	59.37
Closing fair value of plan assets	**4,323.49**	**3,705.99**	**3,178.01**	**2,685.99**

For the year ended March 31, 2018
The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is Rs. 278.80 lacs (March 31, 2017: Rs. 489.47 lacs).
For the year ended March 31, 2017
The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is Rs. 489.47 lacs (March 31, 2016: Rs. 936.09 lacs).
For the year ended March 31, 2016
The Group expects to contribute Rs.936.09 lacs to gratuity in the next year.
For the year ended March 31, 2015
The Group expects to contribute Rs. 410.45 lacs to gratuity in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
	%	%	%	%
Investments with insurer	100	100	100	100

The principal assumptions used in determining gratuity obligations for the Group's plan are shown below:

Particulars	Gratuity			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Discount Rate	7.80%	7.22%	7.80%	7.95%
Expected rate of return on assets	7.80%	7.22%	7.80%	7.95%
Increase in compensation cost	5.00%	5.00%	5.00%	5.00%
Employee Turnover*	7.50% and 20.00%	7.50% and 20.00%	7.50% and 20.00%	5% and 15%

The estimates of future salary increases, considered in actuarial valuation, are on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
*7.5% (upto March 31, 2015: 5%) in case of employees with service period of more than 5 years and 20% (upto March 31 2015: 15%) for all other employees.

Amounts for the Current and previous three years are as follows:

(Rs. in Lacs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined benefit obligation	**4,130.32**	**3,761.16**	**3,683.62**	**2,709.10**
Plan assets	4,323.49	3,705.99	3,178.01	2,685.99
Surplus / (deficit)	**193.17**	**(55.20)**	**(505.61)**	**(23.11)**
Experience adjustments on plan liabilities	454.92	49.00	200.11	(271.95)
Experience adjustments on plan assets	76.85	25.40	43.17	59.37

3. Segments

The Group has two reportable segment viz. providing finance to commercial vehicles, other loans (financing activities) and facilitating the buyers/sellers to sell their vehicles (facilitation service division) which have been identified in line with the Accounting Standard 17 on Segment Reporting, taking into the account organisational structure as well as differential risk and return of these segments. Each of the above activity is restricted to a common single geographical segment. Hence, no disclosure on geographic segment is warranted.

Year ended March 31, 2018 [Refer Annexure VI Note 15] **(Rs. in lacs)**

Particulars	**Financing activities**	**Facilitation service division #**	**Total**
Segment revenue	12,20,165.70	7,774.19	**12,27,939.89**
Less: Inter segment revenue	-	223.08	**223.08**
Total revenue	12,20,165.70	7,551.11	**12,27,716.81**
Segment results	2,16,528.33	1,549.08	**2,18,077.41**
Less: Interest on unallocated reconciling items			**0.39**
Add: Unallocated items [includes exceptional item of Rs. 12,309.12 lacs]			**18,549.26**
Profit before tax			**2,36,626.28**
Less: Income taxes			**81,180.06**
Profit after tax			**1,55,446.22**
Add: Share of profit of associate			**228.52**
Profit after taxes and share of profit of associate			**1,55,674.74**
Other information:			
Segment assets	87,97,302.25	-	**87,97,302.25**
Unallocated corporate assets			**51,302.46**
Total assets			**88,48,604.71**
Segment liabilities	75,68,264.04	-	**75,68,264.04**
Unallocated corporate liabilities			**21,541.16**
Total liabilities			**75,89,805.20**
Capital expenditure	7,340.83	48.18	**7,389.01**
Depreciation and amortisation	3,613.40	70.03	**3,683.43**
Other non-cash expenditure	3,14,200.34	31.29	**3,14,231.63**

Facilitation service division represented by the subsidiary company, in which the controlling stake has been sold off during the year ended, hence not consolidated. Consequently assets and liabilities are disclosed as Nil as on March 31, 2018.

Year ended March 31, 2017 **(Rs. in lacs)**

Particulars	**Financing activities**	**Facilitation service division**	**Total**
Segment revenue	10,82,874.44	7,637.72	**10,90,512.16**
Less Inter segment revenue	-	240.70	**240.70**
Total revenue	10,82,874.44	7,397.02	**10,90,271.46**
Segment results	1,93,058.38	575.00	**1,93,633.38**
Less: Interest on unallocated reconciling items			**4.01**
Add: Unallocated items			**175.61**
Profit before tax			**1,93,804.98**
Less: Income taxes			**67,241.57**
Profit after tax			**1,26,563.41**
Add: Share of profit of associate			**-**
Profit after taxes and share of profit of associate			**1,26,563.41**

(Rs. in lacs)

Particulars	Financing activities	Facilitation service division #	Total
Other information:			
Segment assets	73,96,671.65	3,000.17	**73,99,671.82**
Unallocated corporate assets			**44,896.14**
Total assets			**744,4,567.96**
Segment liabilities	62,85,744.33	3,937.64	**62,89,681.97**
Unallocated corporate liabilities			**21,692.80**
Total liabilities			**63,11,374.77**
Capital expenditure	1,733.61	37.15	**1,770.76**
Depreciation and amortisation	3,390.78	96.57	**3,487.35**
Other non cash expenditure	2,46,689.42	630.18	**2,47,319.60**

Year ended March 31, 2016 **(Rs. in lacs)**

Particulars	Financing activities	Facilitation service division	Total
Segment revenue	1,029,306.36	6,890.64	**1,036,197.00**
Segment results (Profit before tax and after interest on financing segment)	178,497.99	434.99	**178,932.98**
Less: Unallocated reconciling items	-	5.14	**5.14**
Net profit before tax			**1,78,927.84**
Less: Income Taxes			**60,566.02**
Net profit after tax			**1,18,361.82**
Add: Share of profit of associate			**-**
Net profit after taxes and share of profit of associate			**1,18,361.82**
Other information:			
Segment assets	6,751,778.70	7,899.87	**6,759,678.57**
Unallocated corporate assets	39,176.16	258.32	39,434.48
Total assets	**6,790,954.86**	**8,158.19**	**6,799,113.05**
Segment liabilities	5,763,918.76	2,819.76	**5,766,738.52**
Unallocated corporate liabilities	16,918.04	141.79	**17,059.83**
Total Liabilities	**5,780,836.80**	**2,961.55**	**5,783,798.35**
Capital expenditure	3,589.97	64.76	**3,654.73**
Depreciation	3,630.61	132.55	**3,763.16**
Other non cash expenditure	2,13,858.26	196.31	**2,14,054.57**

Year ended March 31, 2015

Particulars	Financing activities	Facilitation Service division	Total
Segment revenue	911,446.33	6,515.34	**917,961.67**
Segment results (Profit before tax and after interest on financing segment)	164,620.71	350.12	**164,970.83**
Less: Unallocated reconciling items	-	15.28	**15.28**
Net profit before tax			**164,955.55**
Less: Income Taxes			**62,111.10**
Net profit after tax			**102,844.45**
Add: Share of profit of associate			**-**
Net profit after taxes and share of profit of associate			**102,844.45**
Other information:			
Segment assets	6,173,653.10	6,061.74	**6,179,714.84**
Unallocated corporate assets	35,504.46	142.14	**35,646.60**
Total assets	**6,209,157.56**	**6,203.88**	**6,215,361.44**
Segment liabilities	5,277,531.46	3,359.14	**5,280,890.60**
Unallocated corporate liabilities	7,747.27	141.79	**7,889.06**
Total Liabilities	**5,285,278.73**	**3,500.93**	**5,288,779.66**
Capital expenditure	4,398.56	124.54	**4,523.10**
Depreciation	4,108.61	206.88	**4,315.49**
Other non-cash expenditure	165,966.55	48.86	**166,015.41**

4. **Employee Stock Option Plan**

Employee Stock Option Plan-STFC		
	Series III	**Series VI**
Date of grant	09-Oct-06	13-May-09
Date of Board/committee Approval	06-Sep-06	13-May-09
Date of Shareholder's approval	13-Oct-05	13-Oct-05
Number of options granted	9,10,000	50,000
Method of Settlement (Cash/Equity)	Equity	Equity
Graded vesting period		
After 1 year of grant date	10% of options granted	10% of options granted
After 2 years of grant date	20% of options granted	20% of options granted
After 3 years of grant date	30% of options granted	30% of options granted
After 4 years of grant date	40% of options granted	40% of options granted
Exercisable period	10 years from vesting date	10 years from vesting date
Vesting Conditions	On achievement of predetermined targets.	

The Series wise details have been summarized below:

	2014	2014
	Series III	Series VI
	Number of Shares	Number of Shares
Outstanding at the beginning of the period (Number of Shares)	4,000	14,800
Add: Granted during the period (Number of Shares)	-	0
Less: Forfeited during the period (Number of Shares)	-	0
Less: Exercised during the period (Number of Shares)	4,000	14,800
Less: Expired during the period (Number of Shares)	-	-
Outstanding at the end of the period (Number of Shares)	-	-
Exercisable at the end of the period (Number of Shares)	-	-
Weighted average remaining contractual life (in years)	-	-
Weighted average fair value of options granted	74.85	201.45
Weighted Average Exercise Price(Rs.)	35.00	35.00

Stock Option Granted

Series III :
The weighted average fair value of stock options granted was Rs. 74.85. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2006	2007	2008	2009
Weighted average share price (Rs.)	111.25	111.25	111.25	111.25
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	31.85	31.85	31.85	31.85
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	3.00	3.00	3.00	3.00
Average risk-free interest rate (%)	6.96	7.10	7.26	7.40
Expected dividend rate (%)	2.52	2.52	2.52	2.52

Series VI :
The weighted average fair value of stock options granted was Rs. 201.45. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

	2009	2010	2011	2012
Weighted average share price (Rs.)	245.25	245.25	245.25	245.25
Exercise Price (Rs.)	35.00	35.00	35.00	35.00
Expected Volatility (%)	64.80	64.80	64.80	64.80
Historical Volatility (%)	NA	NA	NA	NA
Life of the options granted (Vesting and exercise period) in years	1.50	2.50	3.50	4.50
Expected dividends per annum (Rs.)	5.00	5.00	5.00	5.00
Average risk-free interest rate (%)	4.03	4.68	5.20	5.64
Expected dividend rate (%)	1.96	1.96	1.96	1.96

Employee Stock Option Plan-SAMIL & SEFCL		
	Series I(SAMIL)	**Series I(SEFCL)**
Date of grant	28-Jan-2014	28-Jan-2014
Date of Board/committee Approval	06-May-2013	28-Jan-2014
Date of Shareholder's approval	11-Nov-2013	11-Nov-2013
Number of options granted	1,00,000	1,70,000
Method of Settlement (Cash/Equity)	Equity	Equity
Graded vesting period		
After 1 year of grant date	20% of options granted	20% of options granted
After 2 years of grant date	30% of options granted	30% of options granted
After 3 years of grant date	50% of options granted	50% of options granted
Exercisable period	10 years from vesting date	10 years from vesting date
Vesting Conditions	On achievement of pre-determined targets	On achievement of pre-determined targets

Shriram Automall (India) Limited

	2017	**2016**	**2015**
	Series I(SAMIL)	**Series I(SAMIL)**	**Series I(SAMIL)**
	Number of Shares	**Number of Shares**	**Number of Shares**
Outstanding at the beginning of the period (Number of Shares)	1,00,000	1,00,000	1,00,000
Add: Granted during the period (Number of Shares)	-	-	-
Less: Forfeited during the period (Number of Shares)	-	-	-
Less: Exercised during the period (Number of Shares)	-	-	-
Less: Expired during the period (Number of Shares)	-	-	-
Outstanding at the end of the period (Number of Shares)	1,00,000	1,00,000	- 1,00,000
Exercisable at the end of the period (Number of Shares)	-	-	-
Weighted average remaining contractual life (in years)	3.84	4.84	5.84
Weighted average fair value of options granted	27.40	27.40	27.40

Shriram Equipment Finance Company Limited

	2015	2014
	Series I(SEFCL)	Series I(SEFCL)
	Number of Shares	Number of Shares
Outstanding at the beginning of the period (Number of Shares)	1,70,000	
Add: Granted during the period (Number of Shares)	-	1,70,000
Less: Forfeited during the period (Number of Shares)	-	-
Less: Exercised during the period (Number of Shares)	-	-
Less: Expired during the period (Number of Shares)	-	-
Outstanding at the end of the period (Number of Shares)	1,70,000	1,70,000
Exercisable at the end of the period (Number of Shares)	1,70,000	1,70,000
Weighted average remaining contractual life (in years)	5.87	6.87
Weighted average fair value of options granted	7.78	51.29

Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position:

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total compensation cost pertaining to employee share-based payment plan (entirely equity settled)	4.28	9.07	55.33
Liability for employee stock options outstanding as at year end	31.14	31.14	114.75
Deferred compensation cost	-	4.28	49.19

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit as reported (Rs. in lacs)	1,55,674.74	1,26,563.41	1,18,361.82	1,02,844.45
Add: Employee stock compensation under intrinsic value method (Rs. in lacs)	-	4.28	9.07	55.33
Less: Employee stock compensation under fair value method (Rs. in lacs)	-	3.81	8.08	19.39
Proforma profit (Rs. in lacs)	1,55,674.74	1,26,563.88	1,18,362.81	1,02,880.39
Earnings per share				
Basic (Rs.)				
- As reported	68.61	55.78	52.17	45.33
- Proforma	68.61	55.78	52.17	45.33
Diluted (Rs.)				
- As reported	68.61	55.78	52.17	45.33
- Proforma	68.61	55.78	52.17	45.33
Nominal Value	Rs. 10.00	Rs. 10.00	Rs. 10.00	Rs. 10.00

5. Leases

Assets taken on lease

The Group has taken various office premises, furniture and fixtures, computers and plant and machinery under operating lease. The lease payments are recognized in the statement of profit & loss. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements. There are no sub leases.

(Rs. in Lacs)

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
The lease payments recognized in the statement of profit & loss	9776.27	8,910.43	8,346.60	7750.80
Period of non-cancellable operating lease agreements	11 to 180 months	11 to 180 months	11 to 180 months	6 to 144 months

The future minimum lease payments in respect of non-cancellable operating lease as at the balance sheet date are summarized below :

(Rs in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31,2015
Minimum Lease Payments:				
Not later than one year	3105.81	2,482.34	3,222.16	2,102.27
Later than one year but not later than five years	9835.17	5,300.09	6,570.19	4,053.62
Later than five years	3372.07	2,280.51	3,331.56	1,838.92

In case of assets given on 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. 20.90 lacs (March 31, 2017: Rs. 7.20 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.

The future minimum lease payments in respect of non-cancellable operating lease as at the Balance Sheet date are summarised below :

(Rs. in lacs)

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Minimum lease payments:		
Not later than one year	14.66	-
Later than one year but not later than five years	64.12	-
Later than five years	8.43	-

6. In accordance with the Reserve Bank of India circular no.RBI/2006-07/ 225 DNBS (PD) C.C No. 87/03.02.004/2006-07 dated January 4, 2007, the Company has created a floating charge on the statutory liquid assets comprising of investment in Government Securities in favour of trustees representing the public deposit holders of the Company.

(Rs. in Lacs)

Circular Reference	**Master Direction – NBFC Acceptance of Public Deposits (Reserve Bank) Directions, 2016 Dated August 25, 2016**		**RBI/2006-07/ 225 DNBS (PD) C.C No. 87/03.02.004/2006-07 dated January 4, 2007**	
Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**
The amount for which floating charge was created	140,376.00	140,376.00	116,276.00	76,576.00

7. Related Parties Disclosure

				(Rs. in Lacs)	
	Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
	Related party where control exists	Nil	Nil	Nil	Nil
	Other related parties				
	Enterprises having significant influence over the company	Shriram Capital Limited Shriram Ownership Trust Shriram Financial Ventures (Chennai) Private Limited Piramal Enterprises Limited			
	Enterprises over which Key Management personnel has significant influence	Nil	Nil	Nil	Shriram Seva Sankalp Foundation (from March 13, 2015
	Associates	Shriram Automall India Limited (SAMIL) (from February 07, 2018)	Nil	Nil	Nil

Related parties as per AS 18 with whom transactions have taken place during the year	
Key Management Personnel	Mr. Umesh Revankar, Managing Director & CEO (till April 29, 2016 and from October 26, 2016 onwards)
	Mr. Jasmit Singh Gujral, Managing Director & CEO (from April 30, 2016 to October 25, 2016)
Relatives of Key Management Personnel	Mrs. Suchita U. Revankar (spouse of Managing Director)
	Master Shirish U. Revankar (son of Managing Director)
	Mr. Shreyas U. Revankar (son of Managing Director)
	Mrs. Geeta G. Revankar (mother of Managing Director)
	Mr. Anil G. Revankar (brother of Managing Director)

(Rs. In lacs)

Particulars	Enterprises having significant influence over the company			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Payments/Expenses				
Royalty paid to Shriram Ownership Trust @	12,500.42	10,241.75	9,417.28	5,889.27
Data Sourcing Fees paid to Shriram Ownership Trust	-	-	-	-
Service charges paid to Shriram Capital Limited @	3,800.00	4,790.76	4,676.69	4,265.06
Service charges paid to Shriram Ownership Trust @	-	-	-	-
Equity dividend paid Ω				
- Shriram Capital Limited	6,509.03	5,910.32	5,910.32	4,728.25
- Piramal Enterprises Limited	2,486.00	2,260.00	2,260.00	-
Non-convertible debenture matured Ω				
- Shriram Capital Limited	-	5.00	-	-
Subordinated debt matured Ω				
- Shriram Capital Limited	48.34	28.80	28.09	-
Interest on subordinated debt				
- Shriram Capital Limited	39.52	42.51	42.16	12.03
Interest on non-convertible debenture				
- Shriram Capital Limited	-	0.30	0.54	0.54
Rent paid @				
- Shriram Capital Limited	99.63	328.71	202.47	89.80
Other administrative expenses @				
- Shriram Capital Limited	85.78	182.96	94.57	31.89
Refund of security deposit	100.41	-	-	-
Purchase of Fixed asset	568.34	-	-	-
Reimbursement of Petty cash	8.90	-	-	-
Receipts/Income				
Recovery of common sharing expenses				
- Shriram Capital Limited	1.42	2.39	-	-
Recovery of rent and electricity				
- Shriram Capital Limited	31.54	30.16	26.03	13.44

(Rs. in lacs)

Particulars	Enterprises having significant influence over the company			
	March 31, 2018	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**
Balance outstanding at the year end				
Share capital				
- Shriram Capital Limited	5,917.30	5,917.30	5,910.32	5,910.32
- Piramal Enterprises Limited	2,260.00	2,260.00	2,260.00	-
Non-convertible debenture				
- Shriram Capital Limited	-	-	5.00	5.00
Rent receivable from Shriram Capital Limited	2.71	2.68	2.17	4.12
Rent payable to Shriram Capital Limited	-	-	42.14	-
Outstanding expenses				
- Shriram Capital Limited	1,026.23	1,404.60	283.42	13.69
- Shriram Ownership Trust	3,724.70	2,229.63	1,184.10	294.88
Subordinated debt				
- Shriram Capital Limited	262.80	311.14	339.94	268.03
Interest payable on subordinated debt				
- Shriram Capital Limited	91.71	79.11	65.57	25.24
Expenses recoverable from Shriram Capital Limited	0.12	0.10	-	-

(Rs. In lacs)

Particulars	Associate			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Interest on subordinated debt				
- Shriram Automall India Limited	5.23	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Interest on non-convertible debenture	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Rent paid @				
- Shriram Automall India Limited	85.28	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Business mobilisation expenses paid to Shriram Automall India Limited@	78.98	-	-	-
Other administrative expenses @				
- Shriram Automall India Limited	7.45	-	-	-
Interest paid on inter-corporate deposit	35.35	-	-	-
Inter-corporate deposit repaid to Shriram Automall India Limited	360.00	-	-	-
Receipts/Income				
Recovery of common sharing expenses				
- Shriram Automall India Limited	6.02	-	-	-
Recovery of rent and electricity				
- Shriram Automall India Limited	36.38	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-
Recovery of other administrative expenses				
- Shriram Automall India Limited	17.80	-	-	-
Unsecured loan and advances repaid by µ				
- Shriram Automall India Limited	14.93	-	-	-
Balance outstanding at the year end				
Investment in equity shares				
- Shriram Automall India Limited	1,336.96	-	-	-
Unsecured loan and advances recoverable				
- Shriram Automall India Limited	12.31	-	-	-
Subordinated debt				
- Shriram Automall India Limited	246.91	-	-	-
Interest payable on subordinated debt				
- Shriram Automall India Limited	39.67	-	-	-
Inter-corporate deposit received	2,835.00	-	-	-
Interest payable on inter-corporate deposit	50.28	-	-	-

(Rs. In lacs)

Particulars	Key management personnel			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Payments/Expenses				
Employee benefits for key management personnel				
- Mr. Umesh Revankar	59.26	40.51	52.45	48.15
- Mr. Jasmit Singh Gujral	-	46.85	-	-
Equity dividend paid Ω	-	-	3.57	2.95
- Mr. Umesh Revankar	-	0.03	0.39	0.35
Balance outstanding at the year end				
Share capital	-	-	1.85	1.85
Non-convertible debenture	-	-	3.00	3.00
Interest payable on non-convertible debenture	-	-	0.96	0.57

(Rs. In lacs)

Particulars	Relative of Key Management Personnel			
	March-18	March-17	March-16	March-15
Payments/Expenses				
Equity Dividend Paid Ω	0.02	0.01	0.01	-
Non-convertible Debenture Matured Ω	1.10	1.89	2.38	1.39
Fixed Deposit Matured Ω	1.96	0.74	-	-
Subordinated Debt Matured Ω	-	0.30	-	-
Interest on Fixed Deposit	5.15	0.19	0.54	0.32
Interest on Subordinate Debt	0.13	0.07	0.16	0.14
Interest on Non-convertible Debenture	0.19	0.32	1.59	1.76
Receipts/Income				
Non-convertible Debenture µ	-	-	-	-
Fixed Deposit µ	2.62	1.68	3.27	1.52
Subordinate Debts µ	-	-	-	-
Balance Outstanding at the year end				
Share Capital	0.02	0.02	0.02	-
Non-convertible Debenture	1.10	2.56	11.95	14.33
Interest payable on Non-convertible Debenture	0.12	0.15	0.92	1.31
Fixed Deposit	7.56	6.47	6.88	3.61
Interest payable on Fixed Deposit	1.13	0.91	1.00	0.44
Subordinated debt	0.80	0.80	1.10	1.10
Interest payable on subordinated debt	0.46	0.34	0.48	0.32

Ω Denotes payments

µ Denotes receipts

@ Income /expenses are presented excluding service tax/Goods and services tax

8. Contingent Liabilities not provided for

(Rs. in Lacs)

		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
a.	In respect of Income tax demands where the Company has filed appeal various authorities	7,516.72	15,105.47	14,285.88	17,494.75
b	VAT demand where the company has filed appeal before various authorities	12,775.93	11,112.10	8,019.55	4,944.18
c.	Demand in respect of Service tax including interest	31,131.75	12,882.57	12,833.93	12,833.93
d.	Guarantees and Counter Guarantees given for securitisation/insurance/lease	221,391.36	1,63,921.07	1,53,509.05	120,098.42

Future cash outflows in respect of (a), (b), (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, interest as per assessment orders, etc.
The company has received show-cause notice demanding service tax on services rendered towards provision of collection of receivables and liquidity facilities in respect of securitization/direct assignments for the period 2008-09 to 2014-15, the same contested by the company. 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.

(Rs. in Lacs)

	Commitments not provided for	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
a.	Estimated amount of contracts remaining to be executed on capital account #	598.44	492.24	424.36	543.03
b.	Uncalled amount in investment in ICICI Investment Management Company Limited	-	747.02	809.83	809.83
c	Commitments related to loans sanctioned but undrawn	12,485.78	846.72	1,056.07	847.46

includes proportionate share in Contingent Liabilities and commitments of associate as of March 31, 2018.

9. Disclosures Relating to Securitisation

The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below.

(Rs. in Lacs)

Sr. No.	Particulars	As at March 31,			
		2018	**2017**	**2016**	**2015**
1	No of SPVs sponsored by the NBFC for securitisation transactions* (in No.)	68	51	35	44
2	Total amount of securitised assets as per books of the SPVs sponsored	1,557,117.75	1,288,049.92	964,926.71	916,559.38
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	-	-	282.25
	Others	-	-	-	-
	b) On - Balance Sheet exposures				
	First loss	158,790.60	114,952.94	93,086.83	97,512.02
	Others	83,360.85	68,213.22	47,721.45	44,761.53
4	Amount of exposures to securitisation transactions other than MRR				
	a) Off – Balance sheet exposures				
	i) Exposure to own securitisations				
	First Loss	-	-	-	-
	Loss	124,085.10	71,921.05	76,122.94	100,438.85
	ii) Exposure to third party securitisations				
	First Loss				
	others				
	b) On- Balance Sheet exposures				
	i) Exposure to own securitisation				
	First Loss	-	-	-	376.37
	others	53,987.58	67,725.77	30,969.18	17,208.72
	ii) Exposure to third party securitisation				
	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,			
		2018	**2017**	**2016**	**2015**
1	No. of transactions assigned by the Company	24	24	25	16
2	Total amount outstanding	6,193.18	41,424.24	166,539.92	116,735.73
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	762.56	4,984.80	18,474.88	12,716.68
4	Amount of exposures to assigned transaction other than MRR				
	a) Off – Balance sheet exposures				
	i) Exposure to own securitisations				
	First Loss	-	-	407.00	1,359.00
	Loss	-	-	271.00	3,083.00
	ii) Exposure to third party securitisations				
	First Loss				
	others				
	b) On- Balance Sheet exposures				
	i) Exposure to own securitisations				
	First Loss	-	-	-	-
	others	-	-	-	-
	ii) Exposure to third party securitisations				
	First Loss	-	-	-	-
	others	-	-	-	-

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,			
		2018	2017	2016	2015
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	-	-	-	-

10 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, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
The principal amount remaining unpaid to supplier as at the end of the year	-	-	-	-
The interest due thereon remaining unpaid to supplier as 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 appointment 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	-	-	-	-

11 In addition to the auditors' remuneration shown in operating and 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 securities.

(Rs. in lacs)

	Particulars	For the year ended March 31,			
		2018	2017	2016	2015
	Type of security	**Senior secured notes**	**Senior secured notes**	**-**	**Public issue of NCD**
	Presentation under	**Professional charges resource mobilisation Note**	**Professional charges resource mobilisation Note**	**-**	**Other assets Note**
	Total Expenses incurred	26.16	126.37	-	60.61
	Out of pocket expenses included in above	-	2.45	-	1.06

(Rs. in Lacs)

12	**Expenditure in foreign currency (accrual basis)**				
	Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
	Computer Software	-	-	14.24	-
	Resource Mobilisation	1,721.21	1,351.05	27.18	-
	Membership fees	0.16	0.17	0.10	0.16
	Advertisement	-	-	20.20	-
	Listing fees	12.24	16.77	-	-
	Rating fees	-	-	-	-
	Computer charges	-	-	-	1.94
	Total	**1,733.61**	**1,367.99**	**61.72**	**2.10**

13 Details of CSR Expenses **(Rs in Lacs)**

	Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
a)	**Gross Amount required to be spent by the Group during the year**	3,699.14	3,654.40	3,815.28	4,059.92
b)	**Amount Spent during the year**				
	- On purposes other than construction/acquisition of any asset				
	Paid in cash	1,881.50	1,194.65	1,863.73	691.82
	Yet to be paid				
	Total	1,881.50	1,194.65	1,863.73	691.82

14.	During the year pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 120 days to 90 days and increased contingent provision on standard assets from 0.35% to 0.40% and applied the revised norms in the last quarter of the year. Had the Company continued to use the earlier policy of classification of NPA and contingent provision on standard assets, provisions and write offs for the year ended March 31, 2018 would have been lower by Rs. 72,156.19 lacs, revenue from operations for the same period would have been higher by Rs. 2,717.25 lacs and profit before tax for the same period would have been higher by Rs. 74,873.44 lacs (net of tax Rs. 48,961.24 lacs).

15.	During the year ended March 31, 2018, the Company has 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 has ceased to be a subsidiary and has been treated as an associate of the Company from February 7, 2018 for purpose of the consolidated financial statement. Profit arising on the sale of SAMIL shares amounting to Rs 12,309.12 lacs has been disclosed as Exceptional Items in the Statement of Reformatted Consolidated Profit and Loss.

16. Movement in provisions

(Rs. in lacs)

Particular	As at March 31, 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

(Rs. in lacs)

Particular	As at March 31, 2016	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2017
Provision for service tax-contested	8,793.99	-	-	8,793.99
Provision for value added tax-contested	1,096.15	137.92	141.19	1,092.88

(Rs. in lacs)

Particular	As at March 31, 2015	Additional provision made during the year	Utilisation/reversal during the year	As at March 31, 2016
Provision for service tax-contested	8,793.99	-	-	8,793.99
Provision for value added tax- contested	988.00	108.15	-	1,096.15

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.

17. Details of Net Assets taken over and transfer to Capital reserve is as under:

Pursuant to the scheme of amalgamation ('the Scheme') of erstwhile Shriram Equipment Finance Company Limited (SEFCL) with the Company under Sections 391 to 394 of the Companies Act, 1956 sanctioned by Hon'ble High Court of Madras on March 31, 2016 entire business and all assets and liabilities of Shriram Equipment Finance Company Limited were transferred and vested in the Company effective from April 1, 2015. Accordingly the Scheme has been given effect to in these financial statements.

SEFCL was non-banking finance Company 'NBFC' engaged in business of equipment financing.

The amalgamation has been accounted for under the "Pooling of Interest" method as prescribed by the Accounting Standard 14 "Accounting for Amalgamations" notified under the Companies (Accounts) Rules, 2014. Accordingly, the accounting treatment has been given as under:-

(i) The assets and liabilities as at April 1, 2015 were incorporated in the financial statement of the Company at its book value

(ii) Debit balance in the Statement of Profit and Loss of SEFCL as at April 1, 2015 amounting to Rs. 3,503.89 lacs was adjusted in "Surplus in Statement of Profit and Loss".

(iii) Credit balance in the Statutory Reserve pursuant to section 45-IC of the RBI Act, 1934 of SEFCL as at April 1, 2015 amounting to Rs. 4,655.65 lacs was adjusted in "Statutory Reserve pursuant to section 45- IC of the RBI Act, 1934".

(iv) SEFCL been wholly owned subsidiary, the entire share capital i.e. 10,000,000 Equity Shares of Rs.10/- each fully paid & 25,000,000 0.01% Preference Share of Rs. 100/- each in Shriram Equipment Finance Company Limited, held as investment by the Company stands cancelled.

18. The details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as provided in the Table below:-

(Rs. in lacs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	**10,000.79**	**234.17**	**10,234.96**
(+) Permitted receipts	**-**	35,535.26	**35,535.26**
(-) Permitted payments	**-**	1,813.40	**1,813.40**
(-) Amount deposited in Banks	10,000.79	32,341.19	**42,341.98**
Closing cash in hand as on 30.12.2016	**-**	**1,614.84**	**1,614.84**

In the ordinary course of business, loan borrowers and customers of the Group have directly deposited cash as part of their loan repayments/dues in the collection bank accounts of the Company with various banks, aggregating to Rs. 60,729.41 lacs during the period November 9, 2016 to December 30, 2016 the denomination wise details of which are currently not available with the Company and hence not included in the above table.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

19.	**Previous year's 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 and on behalf of the Board of Directors of
Shriram Transport Finance Company Limited

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

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

Sumant Sakhardande
Partner
Membership No. 034828

Sangeeta Gupta
Partner
Membership No. 064225

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Mumbai
Date:

Sr No	Particular	For the year ended March 31,			
		2018	2017	2016	2015
	Number of equity shares at the beginning of the year	226,882,736	226,882,736	226,882,736	226,882,736
	Number of equity Shares at the end of the year	226,882,736	226,882,736	226,882,736	226,882,736
	Weighted average number of shares Rs. 10/-each	226,882,736	226,882,736	226,882,736	226,882,736
	Dilutive effect on weighted average number of shares	-	-	-	-
	Net Profit after tax available for equity shares (Rs. in lacs)	155,674.74	126,563.41	118,361.82	102,844.45
	Shareholders Fund at the end of the year (Rs. in lacs)*	1,258,799.01	1,133,193.19	1,017,548.33	926,581.78
	Average Shareholders Fund during the year (Opening + Closing)/2 (Rs. in lacs)	1,195,996.10	1,075,370.76	972,065.06	888,799.74
A	Basic Earnings Per Share (EPS) Rs.	68.61	55.78	52.17	45.33
B	Dilutive Earnings Per Share (EPS) Rs.	68.61	55.78	52.17	45.33
	Return on Shareholders Fund (%)				
C	Considering Shareholders Fund at the end of the year	12.37%	11.17%	11.63%	11.10%
D	Considering Average Shareholders Fund during the year	13.02%	11.77%	12.18%	11.57%
E	Book value per Share Rs.	554.82	499.46	448.49	408.40
	Borrowings (Rs. in lacs)	6,331,915.83	5,307,959.22	4,979,000.80	4,669,451.92
F	Debt Equity Ratio	5.03	4.69	4.90	5.06

Shriram Transport Finance Company Limited
Consolidated Accounting Ratio as per IND AS **Annexure VII**
Accounting ratio

Sr No	Particular	For the year ended March 31, 2019
	Number of equity shares at the beginning of the year	226,882,736
	Number of equity Shares at the end of the year	226,882,736
	Weighted average number of shares Rs 10/-each	226,882,736
	Dilutive effect on weighted average number of shares	-
	Net Profit after tax available for equity shares (Rs in lacs)	257,567.83
	Equity at the end of the year (Rs in lacs)	1,596,275.90
	Average Equity during the year (Opening + Closing)/2 (Rs in lacs)	1,482,656.17
A	Basic Earnings Per Share (EPS) Rs	113.52
B	Dilutive Earnings Per Share (EPS) Rs	113.52
	Return on Equity (%)	
C	Considering Equity at the end of the year	16.14 %
D	Considering Average Equity during the year	17.37%
E	Book value per Share Rs	703.57
	Borrowings (Rs in lacs)	8,791,439.67
F	Debt Equity Ratio	5.51

Shriram Transport Finance Company Limited
Consolidated Accounting Ratio as per IND AS **Annexure VII**
Accounting ratio

Notes :

A	Basic Earning Per Share (EPS) Rs.	Net Profit available to Equity Shareholders / Weighted Average Number equity shares outstanding during the year
B	Dilutive Earning Per Share (EPS) Rs.	Net Profit available to Equity Shareholders / Weighted average number of diluted equity shares outstanding during the year
C	Return on Shareholders Fund considering shareholders Fund at the end of the year (%)	Net Profit After Tax / Shareholder's Fund/Equity at the end of the year
D	Return on shareholders fund working in average Statement fund during the year ()	Net Profit After Tax / Average Shareholder Fund/Equity during the year
E	Book value Per Share Rs	Shareholder's Fund /Equity at the end of the year / Number of equity shares outstanding at the end of the year
F	Debt Equity	Long term Borrowing +Short Term Borrowings+ Current maturities of Long Borrowings
	Debt Equity (IND AS)	Shareholders Fund / Debt Securities + Borrowings + Deposits + Subordinated liabilities / Equity

* Shareholder's fund = Share Capital + Reserve and surplus
* Equity = Equity Share capital + Other Equity

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

Shriram Transport Finance Company Limited
Consolidated Capitalisation Statement **Annexure VIII**

***Debt - equity ratio*:**
The debt equity ratio prior to this Issue is based on a total outstanding debt of Rs. 8,791,439.67 lacs and shareholder funds amounting to Rs. 1,596,275.90 lacs as on March 31, 2019. The debt equity ratio post the Issue (assuming subscription of Rs. 1,000,000.00 lacs) is 6.13 times, based on a total outstanding debt of Rs. 9,791,439.67 lacs and shareholders fund of Rs. 1,596,275.90 lacs as on March 31, 2019.

(Rs. in lacs)

Particulars	Prior to the Issue (A)	Proposed proceeds from the Issue* (B)	Post the Issue* (A+B)
Borrowing:			
Debt Securities	3,418,175.01	1,000,000.00	4,418,175.01
Borrowings	3,718,929.88	-	3,718,929.88
Deposits	1,034,146.68	-	1,034,146.68
Subordinated liabilities	620,188.10	-	620,188.10
Total Borrowings	**8,791,439.67**	**1,000,000.00**	**9,791,439.67**
Shareholders' Funds:			
Share capital	22,690.67	-	22,690.67
Other equity	1,573,585.23	-	1,573,585.23
Shareholders' Funds	**1,596,275.90**	**-**	**1,596,275.90**
Debt Equity Ratio	5.51		6.13

** The debt-equity ratio post the Issue is indicative and is on account of assumed inflow of Rs. 1,000,000 lacs from the Issue, as on March 31, 2019 and does not include contingent and off-balance sheet liabilities. The actual debt- equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.*

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

Umesh Revankar
Managing Director & CEO
DIN: 00141189

Parag Sharma
Executive Director & CFO

Vivek M. Achwal
Company Secretary

Mumbai
Date:

Mumbai
Date:

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

1. Details of borrowings of the Company, as on the latest quarter end, i.e. March 31, 2019

i) Details of secured loan facilities

Secured ** Term loans availed from banks

The aggregate amounts outstanding as on March 31, 2019 in relation to the secured term loans availed of by the Company from banks is Rs. 1,075,170.63 lacs on a standalone basis. None of the term loans availed of by the Company have been rescheduled. The details of the said borrowings are set out below:

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
1.	Abu Dhabi Commercial Bank	June 9, 2017	5,400.00	2,700.00	9-Jun-20	6 half yearly instalments.	2% of amount prepaid.
2.	Andhra Bank	September 29, 2016	25,000.00	10,066.85	29-Sep-20	15 quarterly instalments commencing after completion of moratorium of 1 quarter from the date of disbursement.	2% or the rate as specified by the bank calculated for the remaining period of the loan.
3.	Axis Bank	June 3, 2016	30,000.00	9,003.71	3-Dec-19	10 equal quarterly instalments commencing from 15th month from the date of disbursement	As per the terms acceptable to the bank.
4.	Bank of Baroda	March 26, 2015	30,000.00	5,992.93	26-Mar-20	Equal quarterly instalments	0.50%, where prepayment is being made prior to completion of 6 months and/or without giving prior notice of 15 days.
5.	Bank of Baroda	October 19, 2015	50,000.00	17,492.12	19-Oct-20	Equal quarterly instalments	As per the terms acceptable to the bank where prepayment is being made prior to completion of 6 months and/or without giving prior notice of 15 days.
6.	Bank of Baroda	December 29, 2017	60,000.00	44,795.56	29-Dec-22	20 quarterly instalments	As per the terms acceptable to the bank where prepayment is being made prior to completion of 6 months and/or without giving prior notice of 15 days.
7.	Bank of India	December 31, 2014	30,000.00	4,526.53	31-Dec-19	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
8.	Bank of India	September 30, 2015	30,000.00	9,032.68	30-Sep-20	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.
9.	Bank of India	September 30, 2016	50,000.00	24,995.33	30-Sep-21	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.
10.	Bank of India	March 30, 2017	50,000.00	30,001.15	31-Mar-22	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.
11.	Bank of India	September 22, 2017	20,000.00	13,995.77	22-Sep-22	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.
12.	Bank of India	June 4, 2018	40,000.00	33,998.65	30-Sep-23	20 equal quarterly instalments	As prescribed by the lender minimum of which being 2%.
13.	Bank of Maharashtra	December 31, 2014	50,000.00	7,499.19	31-Dec-19	20 equal quarterly instalments	Subject to consent of the bank
14.	Bank of Maharashtra	September 28, 2015	50,000.00	14,998.37	28-Sep-20	20 equal quarterly instalments	Subject to consent of the bank
15.	Barclays Bank	November 30, 2018	30,000.00	26,250.00	30-Nov-20	Equal quarterly instalments starting from the first drawdown and be repaid after expiry of 24 months from the date of disbursement.	Applicable but as per terms and conditions of the bank
16.	Citi Bank	January 28, 2019	35,630.00	35,648.82	28-Jan-20	Bullet Repayment	Subject to consent of the bank
17.	Dena Bank	March 30, 2015	25,000.00	4,961.26	30-Mar-20	20 quarterly instalments	Nil
18.	Dena Bank	December 31, 2015	20,000.00	6,998.45	31-Dec-20	20 quarterly instalments	Nil
19.	Dena Bank	March 18, 2016	50,000.00	20,147.99	18-Mar-21	20 quarterly instalments	Nil
20.	Deutsche Bank	November 14, 2017	5,000.00	4,992.40	14-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
21.	Deutsche Bank	November 15, 2017	5,000.00	4,992.12	15-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
22.	Deutsche Bank	November 16, 2017	5,000.00	4,992.12	16-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
23.	Deutsche Bank	November 17, 2017	5,000.00	4,992.12	17-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
24.	Deutsche Bank	November 20, 2017	5,000.00	5,037.37	20-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
25.	Deutsche Bank	November 21, 2017	5,000.00	4,999.67	21-Nov-19	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
26.	Deutsche Bank	February 16, 2018	5,000.00	5,036.75	16-Feb-20	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
27.	Deutsche Bank	February 20, 2018	5,000.00	5,002.63	20-Feb-20	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
28.	Deutsche Bank	February 22, 2018	5,000.00	5,002.02	22-Feb-20	Bullet Repayment	Bank shall be entitled to charge additional cost incurred by bank on account of prepayment.
29.	Doha Bank	August 14, 2018	4,400.00	3,666.67	1-Aug-21	12 equal quarterly instalments	Bank shall be entitled to levy breakage cost in the event prepayment is being made prior to completion of 12 months.
30.	Emirates NBD Bank PJSC	December 10, 2018	8,500.00	7,791.61	9-Dec-21	Equal quarterly instalments	In the event prepayment notice of minimum 7 days have not been provided, prepayment fee of minimum 2% p.a.
31.	Federal Bank	August 19, 2014	7,500.00	937.08	19-Aug-19	16 equal quarterly instalments commencing after completion of moratorium period of 24 months.	2% where prepayment is being made prior to due date.
32.	Federal Bank	December 30, 2016	3,500.00	875.17	30-Dec-19	36 equal monthly instalments	2% where prepayment is being made prior to due date.
33.	FirstRand Bank Limited	February 1, 2019	4,300.00	4,301.05	15-Apr-19	Bullet repayment	Subject to consent of the bank
34.	HDFC Bank	February 29, 2016	15,000.00	3,749.04	29-Feb-20	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
							bank or where the Company has requested for prepayment on interest reset date.
35.	HDFC Bank	March 28, 2016	10,000.00	2,501.84	28-Mar-20	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
36.	HDFC Bank	June 14, 2016	10,000.00	3,104.90	14-Jun-20	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
37.	HDFC Bank	August 31, 2016	25,000.00	9,358.18	31-Aug-20	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
38.	HDFC Bank	January 31, 2017	10,000.00	4,992.60	31-Jan-21	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
39.	HDFC Bank	February 28, 2017	10,000.00	4,997.40	28-Feb-21	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
40.	HDFC Bank	May 31, 2017	15,000.00	8,456.23	31-May-21	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.
41.	HDFC Bank	September 28, 2017	5,000.00	3,129.40	28-Sep-21	16 equal quarterly instalments	No prepayment penalty payable on exercise of call option by the bank or where the Company has requested for prepayment on interest reset date.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
42.	Hongkong and Shanghai Banking Corporation Limited	June 14, 2018	26,000.00	26,010.04	14-Jul-19	Bullet repayment on maturity after 13 months.	Prepayment subject to consent of the bank.
43.	Hongkong and Shanghai Banking Corporation Limited	September 25, 2018	15,000.00	15,003.86	25-Sep-19	Bullet Repayment	Prepayment subject to consent of the bank.
44.	Hongkong and Shanghai Banking Corporation Limited	December 28, 2018	20,000.00	20,005.26	27-Jan-20	Bullet Repayment	Prepayment subject to consent of the bank.
45.	ICICI Bank Limited	June 30, 2016	15,000.00	1,503.62	30-Jun-19	10 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being pursuant to refinancing
46.	ICICI Bank Limited	September 30, 2016	5,000.00	999.42	29-Sep-19	10 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being pursuant to refinancing
47.	ICICI Bank Limited	September 27, 2017	6,000.00	3,000.60	27-Sep-19	10 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being pursuant to refinancing
48.	IDFC Bank Limited	March 31, 2018	15,000.00	8,562.06	31-Mar-20	11 quarterly instalments after completion of moratorium of 6 months from the date of disbursement.	Nil
49.	Industrial Development Bank of India	September 30, 2016	30,000.00	18,742.18	30-Sep-21	16 equal quarterly instalments commencing after completion of moratorium of 1 year.	With prior approval and prepayment penalty of 1%.
50.	Indian Bank	November 30, 2016	50,000.00	27,505.55	30-Nov-21	20 equal quarterly instalments	Prepayment subject to consent of the bank.
51.	Indian Bank	November 14, 2017	30,000.00	22,515.12	14-Nov-22	20 equal quarterly instalments	Prepayment subject to consent of the bank.
52.	Indian Bank	March 29, 2019	30,000.00	29,891.00	29-Mar-24	20 equal quarterly instalments	2% p.a. in the event prepayment is being pursuant to refinancing.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
53.	Indian Overseas Bank	August 21, 2015	35,000.00	4,378.24	21-Aug-19	16 quarterly instalments	Prepayment charges as may be specified by the bank
54.	Karnataka Bank	June 12, 2014	12,500.00	627.92	11-Jun-19	20 equal quarterly instalments	2% p.a. in the event prepayment is being pursuant to refinancing.
55.	Karnataka Bank	June 23, 2016	15,000.00	11,345.44	23-Jun-21	12 equal quarterly instalments commencing after completion of moratorium period of 24 months.	2% p.a. in the event prepayment is being pursuant to refinancing.
56.	Karnataka Bank	March 21, 2017	10,000.00	6,001.52	21-Mar-22	20 equal quarterly instalments	2% p.a. in the event prepayment is being pursuant to refinancing.
57.	Kotak Mahindra Bank	December 31, 2016	5,000.00	1,250.20	31-Dec-19	36 monthly instalments	Subject to consent of the bank
58.	Kotak Mahindra Bank	July 31, 2017	6,000.00	2,666.91	31-Jul-20	36 monthly instalments	2% on outstanding amount.
59.	Kotak Mahindra Bank	December 8, 2017	8,500.00	4,949.49	8-Dec-20	36 monthly instalments	2% on Outstanding Amount
60.	Kotak Mahindra Bank	March 28, 2018	17,000.00	17,000.00	28-Apr-19	Bullet Repayment	2% on outstanding amount.
61.	Mizuho Bank Limited	July 30, 2018	30,000.00	30,000.00	30-Jul-19	Bullet Repayment	Subject to consent of the bank
62.	Oriental Bank of Commerce	December 31, 2014	25,000.00	3,746.10	31-Dec-19	20 quarterly instalments	Subject to consent of the bank.
63.	Oriental Bank of Commerce	September 16, 2015	32,500.00	9,744.90	16-Sep-20	20 quarterly instalments	2 % of outstanding balance
64.	Punjab and Sind Bank	September 29, 2014	10,000.00	999.55	29-Sep-19	20 equal quarterly instalments	1% p.a.
65.	Punjab and Sind Bank	December 31, 2015	20,000.00	6,998.06	31-Dec-20	20 equal quarterly instalments	Nil
66.	Punjab and Sind Bank	March 31, 2015	13,000.00	3,999.59	31-Mar-20	20 equal quarterly instalments	Nil
67.	Punjab and Sind Bank	March 28, 2016	30,000.00	11,995.47	28-Mar-21	20 equal quarterly instalments	Nil

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
68.	Punjab and Sind Bank	March 31, 2017	25,000.00	14,999.38	31-Mar-22	20 equal quarterly instalments	As may be stipulated and agreed by the bank
69.	Punjab and Sind Bank	September 28, 2017	24,000.00	16,797.32	28-Sep-22	20 equal quarterly instalments	Nil
70.	Punjab and Sind Bank	May 22, 2018	20,000.00	11,047.55	22-May-23	20 equal quarterly instalments	Nil
71.	Qatar National Bank	January 2, 2018	4,500.00	2,997.52	2-Jan-21	6 equal half yearly instalments	Prepayment in situation other than pursuant to exercise of call option/ put option shall attract prepayment penalty at such rate as may be determined by the bank.
72.	Ratnakar Bank	November 1, 2018	10,000.00	10,000.42	1-Aug-19	Bullet repayment at the end of 9 months.	unless otherwise specified by the bank, 2% on the amount being prepaid.
73.	Ratnakar Bank	November 5, 2018	7,500.00	7,465.35	5-Nov-19	Bullet repayment at the end of 1 year.	unless otherwise specified by the bank, 2% on the amount being prepaid.
74.	Ratnakar Bank	December 14, 2018	10,000.00	9,940.90	14-Dec-19	Bullet repayment at the end of 1 year.	unless otherwise specified by the bank, 2% on the amount being prepaid.
75.	Shinhan Bank	November 27, 2017	5,000.00	3,500.03	27-Nov-20	10 equal quarterly instalments commencing after completion of moratorium period of 6 months.	Nil
76.	State Bank of India	February 18, 2015	25,000.00	3,123.41	18-Aug-19	16 quarterly instalments commencing after completion of moratorium period of 6 months.	2%
77.	State Bank of India	March 31, 2015	10,000.00	1,249.27	30-Sep-19	16 quarterly instalments commencing after completion of moratorium period of 6 months.	2%
78.	State Bank of India	December 31, 2015	50,000.00	17,480.56	31-Dec-20	20 quarterly instalments	2%

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
79.	State Bank of India (earlier State Bank of Bikaner and Jaipur)	December 31, 2015	20,000.00	6,992.23	31-Dec-20	20 quarterly instalments	Nil
80.	State Bank of India (earlier State Bank of Hyderabad)	December 30, 2015	20,000.00	7,015.61	30-Dec-20	20 quarterly instalments	2%
81.	State Bank of India (earlier State Bank of Hyderabad)	December 31, 2014	7,500.00	1,123.87	31-Dec-19	20 quarterly instalments	2%
82.	State Bank of India (earlier State Bank of Patiala)	December 23, 2015	20,000.00	6,965.63	23-Dec-20	20 quarterly instalments	2% of amount being prepaid.
83.	State Bank of India (earlier State Bank of Travancore)	June 11, 2015	15,000.00	951.07	30-May-19	16 quarterly instalments	Subject to consent of the bank
84.	State Bank of India (earlier State Bank of Travancore)	March 31, 2016	15,000.00	6,002.27	31-Mar-21	20 quarterly instalments	Subject to consent of the bank
85.	Syndicate Bank	November 13, 2017	16,000.00	11,935.68	13-Nov-22	16 equal quarterly instalments	2% in the event prepayment is being made on or prior to expiry of 2.5 years from the date of disbursement and 1% in the upon expiry of the said period.
86.	Syndicate Bank	September 29, 2015	30,000.00	8,992.30	29-Sep-20	20 equal quarterly instalments	2% in the event prepayment is being made on or prior to expiry of 2.5 years from the date of disbursement and 1% in the upon expiry of the said period.
87.	Syndicate Bank	December 29, 2015	20,000.00	6,991.69	29-Dec-20	20 equal quarterly instalments	2% in the event prepayment is being made on or prior to expiry of 2.5 years from the date of disbursement and 1% in the upon expiry of the said period.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
88.	Syndicate Bank	September 15, 2016	50,000.00	25,106.83	15-Sep-21	20 equal quarterly instalments	In the event prepayment notice of minimum 7 days have not been provided, prepayment fee of 1 % p.a.
89.	Syndicate Bank	December 19, 2017	26,000.00	19,393.47	13-Nov-22	20 quarterly instalments	2% in the event prepayment is being made within 1 year from the date of disbursement.
90.	Syndicate Bank	December 29, 2017	8,000.00	5,967.40	13-Nov-22	20 Quarterly instalments	2% in the event prepayment is being made within 1 year from the date of disbursement.
91.	South Indian Bank	December 31, 2016	5,000.00	2,746.96	31-Dec-21	20 equal quarterly instalments	If prepayment is being made within 3 years of disbursement, penalty of 0.5% shall be payable on the amount being prepaid.
92.	Union Bank of India	March 27, 2017	50,000.00	29,994.39	27-Mar-22	20 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being made on a date other within 30 days of interest reset date or from funds obtained from refinancing.
93.	Union Bank of India	August 29, 2017	50,000.00	34,987.78	29-Aug-22	20 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being made on a date other within 30 days of interest reset date or from funds obtained from refinancing.
94.	Union Bank of India	January 29, 2018	50,000.00	39,991.60	29-Jan-23	20 equal quarterly instalments	Prepayment penalty of 1% shall be applicable in the event prepayment is being made on a date other within 30 days of interest reset date or from funds obtained from refinancing.
95.	United Bank of India	January 17, 2018	30,000.00	23,979.26	17-Jan-23	20 equal quarterly instalments	No prepayment penalty shall be payable in the event prepayment is being made with prior notice of 15 days and after completion of 6 months from the date of disbursement.
96.	Vijaya Bank	June 18, 2015	25,000.00	7,811.18	18-Jun-20	16 quarterly instalments commencing after an initial	Subject to consent of the bank.

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Repayment schedule	Pre-payment penalty/ if any
						moratorium of 12 months from the date of disbursement.	
97.	Vijaya Bank	December 29, 2017	20,000.00	13,313.82	29-Sep-21	15 quarterly instalments	Subject to consent of the bank.
98.	The Zoroastrian Cooperative Bank Limited	January 24, 2018	1,000.00	750.00	24-Jan-22	16 quarterly instalments	2% on outstanding balance of the loan.
99.	The Zoroastrian Cooperative Bank Limited	March 29, 2016	400.00	100.00	29-Mar-20	16 quarterly instalments	2% on outstanding balance of the loan.
	Total		**2,035,630.00**	**1,075,170.63**			

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

Secured ** Term Loans from institutions other than banks

The aggregate amounts outstanding as on March 31, 2019 in relation to the secured term loans availed of by the Company from the institutions other than banks is Rs.341,304.07 lacs on a standalone basis. None of the term loans availed of by the Company have been rescheduled. The details of the said borrowings are set out below:

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity date	Repayment schedule	Pre-payment penalty, if any
1.	Citicorp Finance India Limited	April 17, 2018	22,500.00	24,165.16	17-Apr-19	Bullet repayment	2% on outstanding Amount
2.	Citicorp Finance India Limited	June 19, 2018	20,000.00	20,004.41	19-Jun-19	Bullet repayment	2% on outstanding Amount
3.	JP Morgan Securities India Private Limited	March 28, 2018	50,000.00	50,032.36	26-Mar-21	Bullet repayment	Bank shall be entitled to charge break cost in the event of any prepayment.
4.	Micro Units Development Refinance Agency Limited.	October 17, 2017	25,000.00	18,741.68	10-Oct-22	20 equal quarterly instalments	No prepayment penalty in the event prepayment is being made after completion of 1 year from the last day of disbursement
5.	NABARD	March 17, 2017	30,000.00	12,171.67	31-Jul-22	11 half yearly instalments	Subject to consent of the bank
6.	NABARD	August 9, 2017	70,000.00	39,028.98	31-Jan-23	11 half yearly instalments	Subject to consent of the bank

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity date	Repayment schedule	Pre-payment penalty, if any
7.	NABARD	November 1, 2018	50,000.00	43,221.34	31-Jan-24	11 half yearly instalments	2.5% Prepayment Charges on Prepaid Amount
8.	NABARD	November 13, 2018	32,400.00	28,007.43	31-Jan-24	11 half yearly instalments	2.5% Prepayment Charges on Prepaid Amount
9.	NABARD	March 28, 2019	32,000.00	32,035.77	31-Jul-24	11 half yearly instalments	2.5% on the amount to be prepaid for the residual period.
10.	SIDBI	December 2, 2014	30,000.00	4,502.44	10-Dec-19	20 equal quarterly instalments	1 to 3%.
11.	SIDBI	August 19, 2015	50,000.00	15,080.60	10-Aug-20	20 equal quarterly instalments	1to 3%.
12.	SIDBI	January 18, 2016	30,000.00	12,062.96	10-Jan-21	20 equal quarterly instalments	1to 3%.
13.	SIDBI	March 31, 2017	30,000.00	19,613.80	10-Apr-22	20 equal quarterly instalments	1to 3%.
14.	SIDBI	October 10, 2017	30,000.00	22,635.47	10-Oct-22	20 equal quarterly instalments	1to 3%.
		Total	**501,900.00**	**341,304.07**			

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

Secured Working Capital Demand Loans availed from Banks**

The aggregate amounts outstanding as on March 31, 2019 in relation to the working capital loans which are payable on demand availed of by the Company from the banks is Rs.149,119.95 lacs. The details of the said borrowings are set out below:

Sr. No.	Lender's Name	Date of disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity date	Repayment schedule	Pre-payment penalty, if any
1.	Axis Bank	March 30, 2019	30,000.00	30,000.00	12-Apr-19	Bullet Repayment	Nil
2.	Bank of India	March 28, 2019	20,000.00	20,004.30	26-Apr-19	Bullet Repayment	Nil
3.	Bank of India	March 28, 2019	20,000.00	20,004.63	27-May-19	Bullet Repayment	Nil
4.	Bank of India	March 28, 2019	29,500.00	29,506.83	21-Jun-19	Bullet Repayment	Nil
5.	HDFC Bank	March 22, 2019	9,000.00	9,000.00	20-Apr-19	Bullet Repayment	Nil
6.	IndusInd Bank	May 3, 2018	25,000.00	16,604.19	3-Jun-19	Bullet Repayment	Nil
7.	Kotak Mahindra Bank	July 30, 2018	17,500.00	17,500.00	29-Jul-19	Bullet Repayment	Nil
8.	Kotak Mahindra Bank	March 28, 2019	6,500.00	6,500.00	29-Apr-19	Bullet Repayment	Nil
	Total		**157,500.00**	**149,119.95**			

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

Secured Cash Credits from banks (Utilised)**

The aggregate outstanding amounts as on March 31, 2019 in relation to secured** cash credit facilities (utilised) availed of by the Company from banks is Rs. 141,829.50 lacs (gross of Ind AS impact of Rs. 207.36 lacs) on standalone basis. The details of the said borrowings are set out below:

Sr. No.	Lender	Date of Disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Repayment Schedule
1.	Allahabad Bank	January 31, 2013	20,000.00	15,007.31	Repayable on Demand, Annual Renewal subject to consent of the bank.
2.	Andhra Bank	March 20, 2014	15,000.00	7,504.57	Repayable on Demand, Annual Renewal subject to consent of the bank.
3.	Bank of Maharashtra	August 14, 2013	2,500.00	0.00	Repayable on Demand, Annual Renewal subject to consent of the bank.
4.	Canara Bank	September 17, 2013	7,500.00	2,501.27	Repayable on Demand, Annual Renewal subject to consent of the bank.
5.	Central Bank of India	March 12, 2014	20,000.00	0.12	Repayable on Demand, Annual Renewal subject to consent of the bank.
6.	Dena Bank	June 26, 2013	17,500.00	17,191.18	Repayable on Demand, Annual Renewal subject to consent of the bank.
7.	Hongkong And Shanghai Banking Corp Limited	April 16, 2013	4,000.00	77.96	Repayable on Demand, Annual Renewal subject to consent of the bank.
8.	Oriental Bank of Commerce	September 25, 2012	20,000.00	13,912.57	Repayable on Demand, Annual Renewal subject to consent of the bank.
9.	Punjab National Bank	June 29, 2013	25,000.00	15.79	Repayable on Demand, Annual Renewal subject to consent of the bank.
10.	State Bank of India	February 17, 2014	50,000.00	33,169.79	Repayable on Demand, Annual Renewal subject to consent of the bank.
11.	State Bank of India (earlier State Bank of Travancore)	November 12, 2013	5,000.00	0.01	Repayable on Demand, Annual Renewal subject to consent of the bank.
12.	Syndicate Bank	June 27, 2012	20,000.00	15,023.11	Repayable on Demand, Annual Renewal subject to consent of the bank.
13.	UCO Bank	June 27, 2013	15,000.00	6.60	Repayable on Demand, Annual Renewal subject to consent of the bank.
14.	Union Bank of India	February 21, 2013	40,000.00	37,624.31	Repayable on Demand, Annual Renewal subject to consent of the bank.
15.	United Bank of India	December 24, 2012	15,000.00	2.28	Repayable on Demand, Annual Renewal subject to consent of the bank.
	Total		**276,500.00**	**142,036.86**	

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

Secured Cash Credits from banks (Unutilised)**

The details of the said borrowings are set out below:

Sr. No.	Particulars	Date of Disbursement	Amount Sanctioned (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Repayment Schedule
1.	Axis Bank	January 16, 2014	15,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
2.	Bank of America	October 31, 2007	2,350.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
3.	Bank of Baroda	October 15, 2012	10,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
4.	Bank of India	March 14, 2014	500.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
5.	HDFC Bank	March 20, 2009	3,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
6.	ICICI Bank Limited	March 28, 2013	15,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
7.	Indian Overseas Bank	December 13, 2013	30,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
8.	IndusInd Bank	March 5, 2014	24,800.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
9.	Kotak Mahindra Bank	March 4, 2013	1,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
10.	Ratnakar Bank	November 13, 2013	4,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
11.	Standard Chartered Bank	December 27, 2012	25,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
12.	United Overseas Bank	November 16, 2015	11,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank.
13.	Vijaya Bank	May 30, 2013	10,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank
14.	Yes Bank	January 7, 2014	30,000.00	Nil, as the said facility has not be redrawn by the Company	Repayable on Demand, Annual Renewal subject to consent of the bank
	Total		**181,650.00**		

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

External Commercial Borrowings

The aggregate amounts outstanding as on March 31, 2019 in relation to external commercial borrowings availed of by the Company from banks is Rs. 237,653.23 lacs on standalone basis. The details of the said borrowings are set out below:

Sr. No.	Lender's Name	Date of Disbursement	Amount Sanctioned In lacs) (U.S. Dollar)	Amounts outstanding as on March 31, 2019 (Rs. in lacs) (U.S. Dollar)	Maturity Date	Repayment Schedule	Secured/ Unsecured	Prepayment Penalty
1	Deutsche Bank	10-Aug-18	700.00	47,502.90	10-Aug-23	Bullet Repayment	Secured**	Break cost shall be payable as determined by the lender
2	Hongkong And Shanghai Banking Corporation Limited	10-Aug-18	700.00	47,588.96	10-Aug-23	Bullet Repayment	Secured**	Break cost shall be payable as determined by the lender
3	ICICI Bank Limited	10-Aug-18	700.00	47,555.57	10-Aug-23	Bullet Repayment	Secured**	Break cost shall be payable as determined by the lender
4	Kotak Mahindra Bank	10-Aug-18	700.00	47,468.03	10-Aug-23	Bullet Repayment	Secured**	Break cost shall be payable as determined by the lender
5	Standard Chartered Bank	10-Aug-18	700.00	47,537.77	10-Aug-23	Bullet Repayment	Secured**	Break cost shall be payable as determined by the lender
	Total		**240,233.00**	**237,653.23**				

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

ii) Details of unsecured loan facilities: Other than as disclosed in this section, Nil.

iii) Details of NCDs:

Secured NCDs issued in private placement basis**

The Company has issued secured** redeemable non convertible debenture on a private placement basis of which Rs. 1,912,732.96 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
1	T SCR 043	INE721A07FT9	3652	9.60%	5000.00	1000000	05-Jul-2013	5,319.08	05-Jul-2023	CRISIL AA
2	T SCACR 044	INE721A07FZ6	3652	9.60%	960.00	1000000	15-Jul-2013	1,018.74	15-Jul-2023	CRISIL AA & CARE AA+
3	AUG S001	INE721A07GC3	3652	10.50%	1500.00	1000000	14-Aug-2013	1,591.11	14-Aug-2023	CARE AA+
4	P SCR002	INE721A07GE9	2557	10.75%	100000.00	1000000	21-Aug-2013	70,694.52	21-Aug-2020	CRISIL AA
5	C12 NEW OPT II	INE721A07LI0	3652	10.60%	12500.00	1000000	14-Sep-2011	13,494.66	13-Sep-2021	CARE AA+
6	P SCACR001	INE721A07GD1	3652	10.50%	2970.00	1000000	14-Aug-2013	3,148.61	14-Aug-2023	CRISIL AA & CARE AA+
7	AUG D 002	INE721A07GH2	2557	10.60%	500.00	1000000	13-Sep-2013	527.74	13-Sep-2020	CARE AA+
8	AUG S002 OPTION II	INE721A07GZ4	3652	10.75%	4600.00	1000000	13-Dec-2013	4,718.18	13-Dec-2023	CARE AA+
9	AUG D 001	INE721A07GF6	3652	10.50%	1850.00	1000000	27-Aug-2013	1,954.57	27-Aug-2023	CRISIL AA & CARE AA+
10	AUG D 003	INE721A07GN0	3652	10.75%	1000.00	1000000	30-Sep-2013	1,049.17	30-Sep-2023	CRISIL AA & CARE AA+
11	AUG D 004	INE721A07GO8	3652	10.75%	1500.00	1000000	30-Sep-2013	1,573.76	30-Sep-2023	CARE AA+
12	AUG D 005	INE721A07GQ3	3652	10.75%	1000.00	1000000	09-Oct-2013	1,045.02	09-Oct-2023	CARE AA+
13	AUG S003	INE721A07HA5	3652	10.75%	1000.00	1000000	30-Dec-2013	1,020.64	30-Dec-2023	CARE AA+
14	P SCA 011	INE721A07HG2	2557	10.50%	2000.00	1000000	28-Mar-2014	1,994.58	28-Mar-2021	CARE AA+
15	P SCA 012	INE721A07HF4	3653	10.60%	2000.00	1000000	28-Mar-2014	1,988.94	28-Mar-2024	CARE AA+
16	AUG D 006	INE721A07HE7	3653	10.60%	1000.00	1000000	28-Mar-2014	994.47	28-Mar-2024	CRISIL AA & CARE AA+
17	PPD 14-15 A1	INE721A07HP3	1824	9.20%	50000.00	1000000	21-Jul-2014	35,088.80	19-Jul-2019	IND AA+
18	PPD 14-15 A2	INE721A07HQ1	1826	9.20%	50000.00	1000000	05-Aug-2014	50,333.20	05-Aug-2019	IND AA+
19	PPD 14-15 A3	INE721A07HR9	1826	9.20%	25000.00	1000000	28-Aug-2014	25,020.78	28-Aug-2019	IND AA+

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
20	PPD 14-15 A4	INE721A07HV1	1826	9.20%	25000.00	1000000	12-Sep-2014	12,558.59	12-Sep-2019	IND AA+
21	PPD 14-15 A6	INE721A07HY5	3653	10.25%	30000.00	1000000	18-Sep-2014	31,311.30	18-Sep-2024	IND AA+ & CARE AA+
22	PPD 14-15 A7	INE721A07HZ2	1826	9.75%	5000.00	1000000	19-Sep-2014	5,256.03	19-Sep-2019	IND AA+
23	PPD 14-15 A8	INE721A07IA3	2557	9.85%	5000.00	1000000	19-Sep-2014	5,238.69	19-Sep-2021	IND AA+ & CARE AA+
24	PPD 14-15 A9	INE721A07IB1	2557	9.85%	2500.00	1000000	19-Sep-2014	2,619.34	19-Sep-2021	IND AA+
25	PPD 14-15 A10	INE721A07IC9	3653	10.00%	2500.00	1000000	19-Sep-2014	2,615.15	19-Sep-2024	IND AA+
26	PPD 14-15 B1	INE721A07IG0	3653	10.25%	47500.00	1000000	10-Oct-2014	49,572.84	10-Oct-2024	IND AA+ & CARE AA+
27	PPD 14-15 B3	INE721A07II6	3653	10.10%	2500.00	1000000	31-Oct-2014	2,605.15	31-Oct-2024	IND AA+
28	PPD 14-15 B6	INE721A07IO4	3653	10.00%	35800.00	1000000	13-Nov-2014	37,098.35	13-Nov-2024	AA+ & CARE
29	PPD 14-15 C2	INE721A07IR7	3653	9.90%	10000.00	1000000	28-Nov-2014	10,277.09	28-Nov-2024	IND AA+ & CARE AA+
30	PPD 14-15 C4	INE721A07IT3	3653	9.80%	5000.00	1000000	28-Nov-2014	5,166.47	28-Nov-2024	CARE AA+
31	PPD 14-15 C3	INE721A07IS5	1826	9.95%	7500.00	1000000	28-Nov-2014	7,752.23	28-Nov-2019	IND AA+ & CARE AA+
32	PPD 14-15 C10	INE721A07JB9	2557	9.10%	50000.00	1000000	05-Jan-2015	50,294.86	05-Jan-2022	IND AA+
33	PPD 14-15 C11	INE721A07JC7	1824	9.35%	1500.00	1000000	19-Jan-2015	1,527.36	17-Jan-2020	CARE AA+
34	PPD 14-15 C13	INE721A07JE3	1826	9.15%	3000.00	1000000	04-Feb-2015	3,041.47	04-Feb-2020	IND AA+
35	PPD 14-15 C 27	INE721A07JS3	1827	8.80%	1500.00	1000000	04-Dec-2015	1,542.06	04-Dec-2020	CRISIL AA + IND AA
36	PPD 14-15 C 28	INE721A07JT1	1214	9.67%	3500.00	1000000	14-Dec-2015	4,617.01	11-Apr-2019	IND AA+
37	PPD 14-15 C 31	INE721A07JW5	1826	9.25%	10000.00	1000000	18-Mar-2016	10,016.17	18-Mar-2021	CRISIL AA + IND AA
38	PPD 14-15 C 31 OPT 2	INE721A07JX3	3652	9.30%	10000.00	1000000	18-Mar-2016	9,993.33	18-Mar-2026	CRISIL AA + IND AA
39	PPD 14-15 C 34	INE721A07KA9	1826	9.25%	7500.00	1000000	29-Mar-2016	7,468.92	29-Mar-2021	CRISIL AA + IND AA
40	PPD 14-15 C 34 OPTION 2	INE721A07KB7	3650	9.30%	14500.00	1000000	29-Mar-2016	14,489.86	27-Mar-2026	CRISIL AA + IND AA
41	PPD15-16 C35	INE721A07KC5	1826	9.15%	51600.00	1000000	13-Apr-2016	56,075.06	13-Apr-2021	CRISIL AA + IND AA
42	PPD 15-16 C35 2	INE721A07KD3	3652	9.22%	17900.00	1000000	13-Apr-2016	19,430.67	13-Apr-2026	CRISIL AA + IND AA
43	PPD 15-16 C36	INE721A07KE1	3652	9.20%	2600.00	1000000	22-Apr-2016	2,821.73	22-Apr-2026	CRISIL AA + IND AA

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
44	PPD 15-16 C 37	INE721A07KF8	1826	9.05%	1500.00	1000000	29-Apr-2016	1,624.96	29-Apr-2021	CRISIL AA + IND AA
45	PPD15-16 C38	INE721A07KG6	2556	9.05%	5000.00	1000000	25-May-2016	5,384.80	25-May-2023	CRISIL AA + IND AA
46	PPD15-16 C40	INE721A07KI2	2556	9.05%	1250.00	1000000	09-Jun-2016	1,340.49	09-Jun-2023	CRISIL AA + IND AA
47	PPD 15-16 C41	INE721A07KJ0	1826	10.66%	500.00	1000000	10-Jun-2016	649.58	10-Jun-2021	CRISIL AA + IND AA
48	PPD 15-16 C39	INE721A07KH4	1096	8.85%	2000.00	1000000	09-Jun-2016	2,142.48	10-Jun-2019	CRISIL AA + IND AA
49	PPD 15-16 C42	INE721A07KK8	1826	9.05%	8500.00	1000000	30-Jun-2016	9,079.57	30-Jun-2021	CRISIL AA + IND AA
50	PPD16-17 D OPT 1	INE721A07KM4	1095	9.00%	8000.00	1000000	05-Jul-2016	8,532.27	05-Jul-2019	CRISIL AA + IND AA
51	PPD 16-17 OPT 2	INE721A07KN2	1126	9.00%	8500.00	1000000	05-Jul-2016	9,065.46	05-Aug-2019	CRISIL AA + IND AA
52	PPD 16-17 SCR 01	INE721A07KL6	1796	8.30%	66000.00	1000000	05-Jul-2016	67,429.27	05-Jun-2021	CRISIL AA +
53	PPD 16-17 D-04	INE721A07KP7	2556	9.05%	7500.00	1000000	19-Jul-2016	7,961.10	19-Jul-2023	CRISIL AA + IND AA
54	PPD 16-17 D-03	INE721A07MV1	1095	9.00%	70000.00	1000000	15-Jul-2016	45,079.40	15-Jul-2019	CRISIL AA +
55	PPD 16-17 D-06	INE721A07KR3	1151	9.65%	1500.00	1000000	26-Jul-2016	1,888.66	20-Sep-2019	CRISIL AA +
56	PPD 16-17 D-08-3	INE721A07KV5	1095	8.80%	37500.00	1000000	29-Jul-2016	39,713.59	29-Jul-2019	CRISIL AA +
57	PPD 16-17 D9-2	INE721A07KX1	1365	8.82%	5000.00	1000000	01-Aug-2016	5,293.69	27-Apr-2020	CRISIL AA +
58	PPD 16-17 D10	INE721A07KY9	1095	8.80%	10000.00	1000000	02-Aug-2016	10,583.45	02-Aug-2019	CRISIL AA +
59	PPD 16-17 D11	INE721A07KZ6	1826	8.85%	45000.00	1000000	03-Aug-2016	47,591.49	03-Aug-2021	CRISIL AA + IND AA
60	PPD 16-17 D13	INE721A07LD1	3652	8.87%	11000.00	1000000	08-Aug-2016	11,582.56	08-Aug-2026	CRISIL AA + IND AA
61	PPD 16-17 D14	INE721A07LE9	1826	8.50%	2500.00	1000000	16-Aug-2016	2,631.89	16-Aug-2021	CRISIL AA + IND AA
62	PPD 16-17 D15	INE721A07LF6	1095	8.50%	15000.00	1000000	19-Aug-2016	15,785.27	19-Aug-2019	CRISIL AA +
63	PPD 16-17 D16	INE721A07LG4	1065	9.20%	2500.00	1000000	22-Aug-2016	3,100.47	23-Jul-2019	CRISIL AA +
64	PPD 16-17 D17	INE721A07LH2	1826	8.45%	2000.00	1000000	30-Aug-2016	2,099.08	30-Aug-2021	CRISIL AA + IND AA
65	PPD 16-17 D18	INE721A07LJ8	1093	9.06%	7000.00	1000000	14-Sep-2016	8,614.67	12-Sep-2019	CRISIL AA +
66	PPD 16-17 D19	INE721A07LK6	1093	8.25%	13000.00	1000000	22-Sep-2016	13,563.43	20-Sep-2019	CRISIL AA +
67	PPD 16-17 D20-1	INE721A07LL4	1095	8.15%	1000.00	1000000	30-Sep-2016	1,040.80	30-Sep-2019	CRISIL AA +
68	PPD 16-17 D20-III	INE721A07LN0	1092	8.25%	30000.00	1000000	30-Sep-2016	31,226.23	27-Sep-2019	CRISIL AA +
69	PPD 16-17 D-21	INE721A07LO8	1095	7.92%	17500.00	1000000	25-Nov-2016	17,981.29	25-Nov-2019	CRISIL AA +
70	SEFC 110 CRS	INE468M07229	3653	9.90%	11000.00	1000000	27-Feb-2015	11,083.02	27-Feb-2025	CARE AA+
71	SEREIS M 14 25 CRS	INE468M07344	3653	9.90%	2500.00	1000000	16-Apr-2015	2,737.33	16-Apr-2025	CARE AA+

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
72	PPD 16-17 D-22-1	INE721A07LP5	1095	8.00%	4000.00	1000000	27-Feb-2017	4,028.51	27-Feb-2020	CRISIL AA +
73	PPD 16-17 D-22-2	INE721A07LQ3	1144	8.70%	10000.00	1000000	27-Feb-2017	11,818.27	16-Apr-2020	CRISIL AA +
74	SCB 16-17 PP-01	INE721A07LR1	1826	8.10%	60000.00	1000000	23-Mar-2017	30,002.49	23-Mar-2022	CRISIL AA +
75	PPD 16-17-D23	INE721A07LS9	1096	8.10%	1000.00	1000000	24-Mar-2017	1,001.66	24-Mar-2020	CRISIL AA + IND AA
76	PPD 16-17 E-02-03	INE721A07LX9	1094	8.10%	25000.00	1000000	29-Mar-2017	24,994.50	27-Mar-2020	IND AA+
77	PPD 16-17 E-03-01	INE721A07LZ4	1156	8.10%	12500.00	1000000	30-Mar-2017	12,503.40	29-May-2020	IND AA+
78	PPD 16-17 E-03-02	INE721A07MA5	1096	9.17%	25000.00	1000000	30-Mar-2017	25,012.53	30-Mar-2020	IND AA+
79	PPD 16-17 E-03-03	INE721A07MB3	1826	8.15%	500.00	1000000	30-Mar-2017	500.05	30-Mar-2022	CRISIL AA + IND AA
80	PPD 16-17 E-04-02	INE721A07MD9	1826	8.15%	4500.00	1000000	31-Mar-2017	4,865.87	31-Mar-2022	CRISIL AA + IND AA
81	PPD 17-18 E-05	INE721A07ME7	1096	7.95%	500.00	1000000	29-May-2017	533.37	29-May-2020	CRISIL AA +
82	PPD 17-18-E-08-01	INE721A07MJ6	730	7.95%	50000.00	1000000	13-Jun-2017	53,178.84	13-Jun-2019	CRISIL AA +
83	PPD 17-18-E-08-02	INE721A07MK4	1095	8.00%	46500.00	1000000	13-Jun-2017	49,469.56	13-Jun-2020	CRISIL AA +
84	PPD 17-18-E-09	INE721A07ML2	728	7.92%	10000.00	1000000	16-Jun-2017	10,629.03	11-Jun-2019	IND AA+
85	PPD-17-18-E-10	INE721A07MM0	1096	8.46%	5000.00	1000000	23-Jun-2017	5,750.17	23-Jun-2020	CRISIL AA +
86	PPD-17-18-E-11-01	INE721A07MN8	1095	7.84%	3500.00	1000000	27-Jun-2017	3,708.57	26-Jun-2020	CRISIL AA +
87	PPD-17-18-E-11-02	INE721A07MO6	1095	8.46%	1000.00	1000000	27-Jun-2017	1,149.09	26-Jun-2020	CRISIL AA +
88	PPD-17-18-E-13-02	INE721A07MR9	759	7.71%	23000.00	1000000	18-Jul-2017	24,101.94	16-Aug-2019	CRISIL AA +
89	PPD-17-18-E-14	INE721A07MS7	1094	7.80%	23000.00	1000000	19-Jul-2017	24,255.62	17-Jul-2020	CRISIL AA +
90	PPD-17-18-E-15	INE721A07MT5	1123	8.44%	12500.00	1000000	24-Jul-2017	14,280.56	20-Aug-2020	CRISIL AA +
91	PPD-17-18-F-01	INE721A07MU3	1462	8.84%	55000.00	1000000	25-Jul-2017	63,194.17	26-Jul-2021	CRISIL AA +
92	SCB 17-18 FP1 01	INE721A07MW9	1188	7.64%	36000.00	1000000	10-Aug-2017	37,761.69	10-Nov-2020	CRISIL AA +
93	PPD-17-18-F-02	INE721A07MX7	1826	7.73%	2500.00	1000000	22-Aug-2017	2,616.56	22-Aug-2022	CRISIL AA + IND AA
94	PPD-17-18 F-02	INE721A07MX7	1826	7.73%	5000.00	1000000	22-Aug-2017	5,244.41	22-Aug-2022	CRISIL AA + IND AA
95	PPD-17-18 F-03	INE721A07MY5	1459	7.60%	5000.00	1000000	19-Sep-2017	5,195.47	17-Sep-2021	CRISIL AA +
96	PPD-17-18-F-04	INE721A07MZ2	1096	7.73%	8000.00	1000000	13-Nov-2017	8,228.81	13-Nov-2020	CRISIL AA +
97	PPD-17-18-F-05	INE721A07NA3	1826	8.00%	7000.00	1000000	30-Nov-2017	7,185.92	30-Nov-2022	CRISIL AA + IND AA

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
98	PPD-17-18-F-06	INE721A07NB1	729	7.90%	50000.00	1000000	21-Dec-2017	51,056.34	20-Dec-2019	CRISIL AA +
99	PPD-17-18-F-07	INE721A07NC9	1196	8.93%	23000.00	1000000	29-Dec-2017	25,572.89	08-Apr-2021	CRISIL AA +
100	PPD-17-18-F-07-02	INE721A07MZ2	1096	7.73%	17000.00	1000000	13-Nov-2017	17,415.38	13-Nov-2020	CRISIL AA +
101	PPD 17-18-F-08	INE721A07ND7	448	8.10%	100000.00	1000000	01-Mar-2018	5,033.67	23-May-2019	CRISIL AA +
102	PPD-17-18-F-09	INE721A07NE5	451	8.22%	50000.00	1000000	06-Mar-2018	2,514.28	31-May-2019	CRISIL AA +
103	PPD 17-18-F-10	INE721A07NF2	454	8.20%	10000.00	1000000	13-Mar-2018	502.05	10-Jun-2019	CRISIL AA +
104	PPD 17-18-F-11	INE721A07NG0	1141	9.34%	8700.00	1000000	16-Mar-2018	9,549.18	30-Apr-2021	CRISIL AA +
105	PPD-17-18-F-12	INE721A07NH8	545	8.15%	75000.00	1000000	20-Mar-2018	4,512.06	16-Sep-2019	CRISIL AA +
106	PPD-17-18-F-13	INE721A07NI6	1157	8.55%	18500.00	1000000	21-Mar-2018	19,860.61	21-May-2021	CRISIL AA +
107	PPD 17-18-F-15-03	INE721A07NO4	2618	8.72%	1000.00	1000000	26-Mar-2018	999.84	26-May-2025	IND AA+
108	PPD-17-18-F-15-04	INE721A07NP1	640	8.40%	25000.00	1000000	26-Mar-2018	19,520.95	26-Dec-2019	CRISIL AA +
109	PPD 17-18-F-14-03	INE721A07NL0	1826	8.72%	23000.00	1000000	22-Mar-2018	23,038.18	22-Mar-2023	CRISIL AA + IND AA
110	PPD 17-18-F-14-04	INE721A07NM8	1111	9.31%	10000.00	1000000	22-Mar-2018	10,955.25	06-Apr-2021	CRISIL AA +
111	PPD 17-18 F-15-01	INE721A07NN6	546	8.79%	75000.00	1000000	26-Mar-2018	4,506.50	23-Sep-2019	CRISIL AA +
112	PPD-17-18-F-16-01	INE721A07NQ9	1161	9.37%	52500.00	1000000	27-Mar-2018	57,428.86	31-May-2021	CRISIL AA +
113	PPD-17-18-F-16-02	INE721A07NR7	731	8.45%	56000.00	1000000	27-Mar-2018	56,058.37	27-Mar-2020	IND AA+
114	PPD 17-18-F-16-03	INE721A07NS5	1826	8.72%	92000.00	1000000	27-Mar-2018	92,064.90	27-Mar-2023	CRISIL AA + IND AA
115	PPD-17-18-F-13-01	INE721A07NI6	1157	8.55%	24990.00	1000000	21-Mar-2018	26,827.99	21-May-2021	CRISIL AA +
116	PPD-17-18-F-14-03-01	INE721A07NL0	1826	8.72%	1150.00	1000000	22-Mar-2018	1,152.22	22-Mar-2023	CRISIL AA + IND AA
117	PPD-17-18-F-15-01	INE721A07NO4	2618	8.72%	2500.00	1000000	26-Mar-2018	2,500.52	26-May-2025	CRISIL AA + IND AA
118	PPD-17-18 F-02	INE721A07MX7	1826	7.73%	20000.00	1000000	22-Aug-2017	20,973.55	22-Aug-2022	CRISIL AA + IND AA
119	PPD-18-19-F-11-01	INE721A07NG0	1141	9.34%	5000.00	1000000	16-Mar-2018	5,488.10	30-Apr-2021	CRISIL AA +
120	PPD-18-19-G-02	INE721A07OI4	842	9.54%	25000.00	1000000	20-Nov-2018	24,868.12	11-Mar-2021	CRISIL AA +
121	NCD-18-19-PPG-G-03	INE721A07OJ2	1226	9.85%	15000.00	1000000	06-Dec-2018	14,576.60	15-Apr-2022	CRISIL AA + IND AA
122	PPD-18-19-G-04-01	INE721A07OK0	512	9.50%	20000.00	1000000	19-Dec-2018	19,910.64	14-May-2020	CRISIL AA +
123	PPD-18-19-G-04-02	INE721A07OL8	967	9.50%	22500.00	1000000	19-Dec-2018	2,501.05	12-Aug-2021	CRISIL AA +

Sr. No.	Description	ISIN No.	Tenor/ Period of Maturity (Days)	Coupon Rate	Issue Size (Rs. in lacs)	Face Value (in Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date***	Credit Rating
124	PPD-18-19-G-05	INE721A07OU9	725	8.90%	15000.00	1000000	28-Feb-2019	1,361.23	22-Feb-2021	CRISIL AA +
	Total Rs.				**2,282,870.00**		**Total Rs.**	**1,912,732.96**		

***Nature of security: Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.*
**** Maturity date represents actual redemption date or the date of call/put option, whichever is earlier.*

Secured NCDs issued by way of public issue**

The Company has issued secured** redeemable non-convertible debenture through public issue of which Rs.577,084.67 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
1	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(OCT 2013) Option -III	INE721A07GT7	7,75,755	7757.55	84 months	10.75%	1000	24-Oct-13	7,617.31	23-Oct-20	CRISIL AA/Stable, CARE AA+
2	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(OCT 2013) Option -VI	INE721A07GW1	1,37,252	1372.52	84 months	10.75%	1000	24-Oct-13	2,481.62	23-Oct-20	CRISIL AA/Stable, CARE AA+
3	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option -II	INE721A07HI8	38,41,103	38411.03	60 months	10.00%	1000	15-Jul-14	41,205.61	14-Jul-19	CRISIL AA/Stable, CARE AA+
4	Public issue of Redeemable Non-convertible	INE721A07HJ6	13,60,687	13606.87	84 months	10.15%	1000	15-Jul-14	14,581.70	14-Jul-21	CRISIL AA/Stable, CARE AA+

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
	Debentures of Rs. 1,000/- each-(2014) Option -III										
5	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option -IV	INE721A07HK4	2,78,364	2783.64	60 months	9.57%	1000	15-Jul-14	2,779.74	14-Jul-19	CRISIL AA/Stable, CARE AA+
6	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option -V	INE721A07HL2	3,51,866	3518.66	84 months	9.71%	1000	15-Jul-14	3,493.99	14-Jul-21	CRISIL AA/Stable, CARE AA+
7	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option - VII	INE721A07HN8	1,52,023	1520.23	60 months	10.00%	1000	15-Jul-14	2,510.79	14-Jul-19	CRISIL AA/Stable, CARE AA+
8	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2014) Option - VIII	INE721A07HO6	2,81,165	2811.65	84 months	10.15%	1000	15-Jul-14	4,683.07	14-Jul-21	CRISIL AA/Stable, CARE AA+
9	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 1 Option -I	INE721A07NT3	15,03,844	15038.44	60 months	8.93%	1000	12-Jul-18	14,904.39	12-Jul-23	CRISIL AA/Stable, CARE AA+
10	Public issue of Redeemable Non-	INE721A07NU1	4,99,267	4992.67	120 months	9.03%	1000	12-Jul-18	4,942.09	12-Jul-28	CRISIL AA/Stable, CARE AA+

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
	convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 1 Option -II										
11	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 1 Option -III	INE721A07NV9	2,21,29,980	221299.8	36 months	9.10%	1000	12-Jul-18	2,33,120.02	12-Jul-21	CRISIL AA/Stable, CARE AA+
12	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 1 Option -IV	INE721A07NW7	54,02,060	54020.6	60 months	9.30%	1000	12-Jul-18	56,919.60	12-Jul-23	CRISIL AA/Stable, CARE AA+
13	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 1 Option -V	INE721A07NX5	53,22,900	53229	120 months	9.40%	1000	12-Jul-18	56,038.43	12-Jul-28	CRISIL AA/Stable, CARE AA+
14	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 1 Option -VI	INE721A07NY3	7,24,548	7245.48	36 months	9.11%	1000	12-Jul-18	7,640.58	12-Jul-21	CRISIL AA/Stable, CARE AA+
15	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-	INE721A07NZ0	9,02,587	9025.87	60 months	9.31%	1000	12-Jul-18	9,513.38	12-Jul-23	CRISIL AA/Stable, CARE AA+

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
	(2018) TRANCH 1 Option -VII										
16	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 2 Option -I	INE721A07OB9	9,46,320	9463.2	60 months	9.12%	1000	02-Nov-18	9,338.41	02-Nov-23	CRISIL AA/Stable, CARE AA+
17	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 2 Option -II	INE721A07OC7	3,23,399	3233.99	120 months	9.30%	1000	02-Nov-18	3,188.74	02-Nov-28	CRISIL AA/Stable, CARE AA+
18	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 2 Option -III	INE721A07OD5	20,77,690	20776.9	36 months	9.40%	1000	02-Nov-18	21,183.78	02-Nov-21	CRISIL AA/Stable, CARE AA+
19	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 2 Option -IV	INE721A07OE3	11,43,155	11431.55	60 months	9.50%	1000	02-Nov-18	11,645.43	02-Nov-23	CRISIL AA/Stable, CARE AA+
20	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each- (2018) TRANCH 2 Option -V	INE721A07OF0	3,89,833	3898.33	120 months	9.70%	1000	02-Nov-18	3,970.63	02-Nov-28	CRISIL AA/Stable, CARE AA+

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
21	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 Option -VI	INE721A07OH6	4,21,297	4212.97	36 months	9.50%	1000	02-Nov-18	4,428.40	02-Nov-23	CRISIL AA/Stable, CARE AA+
22	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 2 Option -VII	INE721A07OG8	7,66,225	7662.25	60 months	9.40%	1000	02-Nov-18	7,680.96	02-Nov-21	CRISIL AA/Stable, CARE AA+
23	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -I	INE721A07OM6	8,77,018	8770.18	60 months	9.12%	1000	06-Feb-19	8,585.98	06-Feb-24	CRISIL AA/Stable, CARE AA+
24	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -II	INE721A07ON4	2,63,803	2638.03	120 months	9.30%	1000	06-Feb-19	2,581.67	06-Feb-29	CRISIL AA/Stable, CARE AA+
25	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -III	INE721A07OO2	17,99,983	17999.83	36 months	9.40%	1000	06-Feb-19	17,883.27	06-Feb-22	CRISIL AA/Stable, CARE AA+
26	Public issue of Redeemable Non-convertible	INE721A07OP9	10,01,116	10011.16	60 months	9.50%	1000	06-Feb-19	9,942.96	06-Feb-24	CRISIL AA/Stable, CARE AA+

Sr. No.	Description	ISIN	No. of NCD holders as on March 31, 2019	Issue Size (Rs. in lacs)	Tenor/ Period of Maturity	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption /Maturity Date	Credit Rating
	Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -IV										
27	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -V	INE721A07OQ7	3,41,492	3414.92	120 months	9.70%	1000	06-Feb-19	3,391.43	06-Feb-29	CRISIL AA/Stable, CARE AA+
28	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -VI	INE721A07OR5	6,70,385	6703.85	36 months	9.41%	1000	06-Feb-19	6,663.49	06-Feb-22	CRISIL AA/Stable, CARE AA+
29	Public issue of Redeemable Non-convertible Debentures of Rs. 1,000/- each-(2018) TRANCH 3 Option -VII	INE721A07OS3	4,19,392	4193.92	60 months	9.51%	1000	06-Feb-19	4,167.21	06-Feb-24	CRISIL AA/Stable, CARE AA+
		Total Rs.	**55,104,509**	**551,045**					**577,084.67**		

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

Unsecured NCDs issued in private placement basis

The Company has issued unsecured redeemable non convertible debenture on private placement basis of which Rs. 44,482.61 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Debenture Series	ISIN No.	Tenor/ Period of Maturity (Days)	Issue Size (Rs. in lacs)	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating
1	PPH-18-19-01	INE721A08DF1	1977	50000	9.90%	1000000	22-Jan-2019	44,482.61	21-Jun-2024	CRISIL AA + IND AA
	Total			**50000**				**44,482.61**		

Unsecured subordinate NCDs

The Company has issued unsecured subordinated redeemable non convertible debenture on private placement basis of which Rs. 524,309.41 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Debenture Series	ISIN No.	Tenor/ Period of Maturity (Days)	Issue Size (Rs. in lacs)	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating
1	L02	INE721A08BE8	3652	6500	10.85%	1000000	20-Jul-2012	6,964.38	20-Jul-2022	CARE AA+
2	D24A	INE721A08786	3652	469	10.25%	100000	31-Dec-2009	480.99	31-Dec-2019	CARE-AA600 & FITCH AA650
3	L07	INE721A08BO7	3652	2500	10.65%	1000000	30-Jan-2013	2,532.66	30-Jan-2023	CARE AA+
4	F1	INE721A08893	3653	2500	11.00%	1000000	19-Apr-2010	2,563.64	19-Apr-2020	CARE-AA500 & FITCH AA400
5	E4	INE721A08927	3653	4800	10.75%	100000	03-May-2010	4,927.23	03-May-2020	CARE-AA500 & FITCH AA 400
6	F7A	INE721A08AE0	3653	2500	10.60%	1000000	04-Jun-2010	2,694.54	04-Jun-2020	CRISIL-AA200 & CARE AA200
7	J1	INE721A08AH3	5479	2920	11.00%	1000000	30-Aug-2010	3,049.60	30-Aug-2025	CRISIL-AA 500 & CARE AA416
8	F2	INE721A08885	3653	5000	10.90%	1000000	19-Apr-2010	5,131.68	19-Apr-2020	CARE-AA500 & FITCH AA400
9	F3	INE721A08901	3653	20000	11.00%	1000000	20-Apr-2010	21,617.65	20-Apr-2020	CARE-AA500
10	K1A	INE721A08AK7	6575	2500	11.05%	1000000	15-Oct-2010	2,665.76	15-Oct-2028	CRISIL-AA 500 & CARE AA416
11	F5	INE721A08AD2	3653	5000	10.75%	1000000	28-May-2010	5,390.72	28-May-2020	CRISIL-AA200 & CARE AA200

Sr. No.	Debenture Series	ISIN No.	Tenor/ Period of Maturity (Days)	Issue Size (Rs. in lacs)	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating
12	J4	INE721A08AL5	3653	2500	11.50%	1000000	31-Mar-2011	2,570.89	31-Mar-2021	CRISIL-AA 416 & CARE AA 141
13	L03	INE721A08BK5	3652	7000	10.65%	1000000	31-Dec-2012	7,148.40	31-Dec-2022	CARE AA+
14	L08	INE721A08BN9	3652	270	10.65%	1000000	30-Jan-2013	273.51	30-Jan-2023	CARE AA+ & CRISIL AA
15	R03	INE721A08BS8	3652	3300	10.65%	1000000	07-Mar-2013	3,324.01	07-Mar-2023	CARE AA+ & CRISIL AA
16	R04	INE721A08BT6	3652	250	10.65%	1000000	08-Mar-2013	251.75	08-Mar-2023	CRISIL AA
17	R05	INE721A08BV2	3652	150	10.65%	1000000	13-Mar-2013	150.83	13-Mar-2023	CRISIL AA
18	R09	INE721A08CG1	2557	5000	10.40%	1000000	16-May-2013	5,444.52	16-May-2020	CARE AA+
19	R02	INE721A08BU4	3652	1200	10.65%	1000000	07-Mar-2013	1,208.73	07-Mar-2023	CARE AA+
20	J2	INE721A08AI1	5479	2500	11.00%	1000000	09-Sep-2010	2,603.28	09-Sep-2025	CRISIL-AA 500 & CARE AA416
21	SD STFC-03	INE721A08CJ5	3650	2000	10.25%	1000000	21-May-2013	2,176.92	19-May-2023	CRISIL AA
22	Series V 12-02	INE721A08CS6	1926	2000	10.30%	1000000	26-Dec-2013	2,054.18	05-Apr-2019	CARE AA+
23	SD STFC-04	INE721A08CK3	5479	1500	10.00%	1000000	29-May-2013	1,614.56	29-May-2028	CARE AA+ & CRISIL AA
24	Series V 07-03	INE721A08CQ0	3652	2500	11.00%	1000000	04-Oct-2013	2,611.42	04-Oct-2023	CARE AA+
25	Series V 07-01	INE721A08CO5	3652	2500	10.25%	1000000	05-Jul-2013	2,689.55	05-Jul-2023	CRISIL AA
26	SD STFC-06	INE721A08CM9	3652	5000	10.15%	1000000	24-Jun-2013	5,361.56	24-Jun-2023	CARE AA+ & CRISIL AA
27	SD STFC-07	INE721A08CN7	3652	2500	10.10%	1000000	28-Jun-2013	2,677.04	28-Jun-2023	CARE AA+
28	R06	INE721A08CC0	3652	70	10.65%	1000000	28-Mar-2013	69.83	28-Mar-2023	CARE AA+ & CRISIL AA
29	U03	INE721A08BZ3	3652	3500	10.65%	1000000	28-Mar-2013	3,487.55	28-Mar-2023	CARE AA+ & CRISIL AA
30	R07	INE721A08CF3	3652	2000	10.65%	1000000	02-May-2013	2,183.45	02-May-2023	CARE AA+
31	R08	INE721A08CE6	3652	2350	10.65%	1000000	02-May-2013	2,565.55	02-May-2023	CARE AA+ & CRISIL AA
32	SD STFC-02	INE721A08CI7	3652	1000	10.25%	1000000	20-May-2013	1,083.00	20-May-2023	CARE AA+ & CRISIL AA
33	D22A	INE721A08760	3652	2900	10.35%	100000	31-Oct-2009	3,023.49	31-Oct-2019	CARE-AA600 & FITCH AA650
34	D23A	INE721A08778	3650	2100	10.35%	100000	24-Nov-2009	2,174.56	22-Nov-2019	CARE-AA600 & FITCH AA650
35	E6	INE721A08950	3653	2500	10.50%	100000	10-May-2010	2,564.73	10-May-2020	CARE-AA500 & FITCH AA 400
36	L01	INE721A08BC2	3651	5000	10.75%	1000000	11-Jun-2012	5,447.67	10-Jun-2022	CARE AA+
37	D28A	INE721A08836	3652	900	10.25%	100000	29-Jan-2010	922.75	29-Jan-2020	CARE-AA600 & FITCH AA650
38	SD STFC-01	INE721A08CH9	2557	2500	10.40%	1000000	20-May-2013	2,719.70	20-May-2020	CARE AA+

Sr. No.	Debenture Series	ISIN No.	Tenor/ Period of Maturity (Days)	Issue Size (Rs. in lacs)	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating
39	D29	INE721A08851	3652	100	10.25%	100000	15-Feb-2010	102.53	15-Feb-2020	FITCH AA650
40	Series SUB 14-15-01	INE721A08CT4	2010	5000	10.65%	1000000	28-Jul-2014	5,358.33	28-Jan-2020	CARE AA+
41	PPD_2015 16	INE721A08CU2	2922	6700	10.10%	1000000	30-Sep-2015	7,039.28	30-Sep-2023	CRISIL-AA & CARE AA
42	PPD_2016 17 1 OPT I	INE721A08CV0	2737	4000	8.50%	1000000	01-Dec-2016	4,093.78	30-May-2024	AA + INDIA RATING & CRISIL
43	PPD_2016 17 1 OPT II	INE721A08CW8	3652	6000	8.50%	1000000	01-Dec-2016	6,127.41	01-Dec-2026	AA + INDIA RATING & CRISIL
44	PPD_2016 17 2	INE721A08CX6	3652	7500	8.50%	1000000	29-Dec-2016	7,606.25	29-Dec-2026	AA + INDIA RATING & CRISIL
45	INE468M08029	INE468M08029	3652	2500	12.20%	1000000	23-Dec-2011	2,593.17	22-Dec-2021	CRISIL AA
46	INE468M08078	INE468M08078	3651	2500	10.20%	1000000	25-Jun-2013	2,681.87	24-Jun-2023	CARE AA+ & CRISIL AA
47	INE468M08086	INE468M08086	3651	2000	10.15%	1000000	28-Jun-2013	2,140.14	27-Jun-2023	CARE AA+
48	INE468M08045	INE468M08045	3652	2500	12.20%	1000000	13-Jan-2012	2,583.44	12-Jan-2022	CARE AA+ & CRISIL AA
49	INE468M08102	INE468M08102	3652	1000	10.60%	1000000	12-Aug-2014	1,067.38	11-Aug-2024	CRISIL AA
50	SUB-17-18-01	INE721A08CY4	3650	10000	8.20%	1000000	17-Oct-2017	10,240.33	15-Oct-2027	INDIA AA+ & CRISIL AA
51	SUB-17-18-02	INE721A08CY4	3650	10000	8.20%	1000000	17-Oct-2017	10,218.69	15-Oct-2027	INDIA AA+ & CRISIL AA
52	SUB-17-18-03	INE721A08CY4	3650	3500	8.20%	1000000	17-Oct-2017	3,630.53	15-Oct-2027	INDIA AA+ & CRISIL AA
53	SUB-17-18-04	INE721A08CY4	3650	1000	8.20%	1000000	17-Oct-2017	1,037.29	15-Oct-2027	INDIA AA+ & CRISIL AA
54	SUB-17-18-05	INE721A08CY4	3650	1500	8.20%	1000000	17-Oct-2017	1,550.79	15-Oct-2027	INDIA AA+ & CRISIL AA
55	SUB-17-18-06	INE721A08CY4	3650	1400	8.20%	1000000	17-Oct-2017	1,446.03	15-Oct-2027	INDIA AA+ & CRISIL AA
56	SUB-17-18-06-01	INE721A08CY4	3650	500	8.20%	1000000	17-Oct-2017	516.68	15-Oct-2027	INDIA AA+ & CRISIL AA
57	SUB-17-18-06-02	INE721A08CY4	3650	1000	8.20%	1000000	17-Oct-2017	1,037.29	15-Oct-2027	INDIA AA+ & CRISIL AA
58	SUB-17-18-07	INE721A08CY4	3650	500	8.20%	1000000	17-Oct-2017	516.44	15-Oct-2027	INDIA AA+ & CRISIL AA
59	SUB-17-08-02-02	INE721A08DB0	2588	4000	8.95%	1000000	28-Mar-2018	3,973.72	28-Apr-2025	INDIA AA+ & CRISIL AA
60	SUB-17-08-02-01	INE721A08DA2	3653	99500	9.00%	1000000	28-Mar-2018	99,134.55	28-Mar-2028	INDIA AA+ & CRISIL AA
61	SUB-17-18-02	INE721A08CZ1	3653	10000	8.20%	1000000	23-Mar-2018	9,971.66	23-Mar-2028	AA + INDIA RATING & CRISIL
62	SUB-18-09-01	INE721A08DC8	1976	65000	10.25%	1000000	28-Nov-2018	57,836.31	26-Apr-2024	INDIA AA+ & CRISIL AA
63	SUB-18-19-02	INE721A08DD6	3653	1000	10.51%	1000000	12-Dec-2018	1,020.88	12-Dec-2028	INDIA AA+ & CRISIL AA

Sr. No.	Debenture Series	ISIN No.	Tenor/ Period of Maturity (Days)	Issue Size (Rs. in lacs)	Coupon Rate	Face Value (In Rs.)	Date of Allotment	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating
64	SUB-18-19-01-02	INE721A08DC8	1976	65000	10.25%	1000000	28-Nov-2018	57,917.01	26-Apr-2024	INDIA AA+ & CRISIL AA
65	SUB-18-19-01-03	INE721A08DC8	1976	47500	10.25%	1000000	28-Nov-2018	42,259.09	26-Apr-2024	INDIA AA+ & CRISIL AA
66	SUB-18-19-02-02	INE721A08DD6	3653	2500	10.51%	1000000	12-Dec-2018	2,579.18	12-Dec-2028	INDIA AA+ & CRISIL AA
67	SUB--18-19-03	INE721A08DE4	2188	55000	10.25%	1000000	31-Dec-2018	51,607.10	27-Dec-2024	INDIA AA+ & CRISIL AA
	Total			**538,379**			**TOTAL RS**	**524,309.41**		

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

v) Details of Commercial Paper

The Company has issued unsecured commercial papers of which Rs. 350,380.08 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Instrument Name/ Instrument Series	ISIN No.	Face Value (in Rs.)	Date of Disbursement	Amount Sanctioned (Rs. in lacs)	Amount Outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/Maturity Date	Repayment Terms
1	CP-2018-19-40	INE721A14CL9	500000	15-Feb-2019	70,500.00	69,816.76	15-May-2019	Repayment on maturity
2	CP-2018-19-39	INE721A14CK1	500000	08-Feb-2019	13,500.00	13,182.26	15-Jul-2019	Repayment on maturity
3	CP-2018-19-38	INE721A14CK1	500000	07-Feb-2019	14,000.00	13,670.57	15-Jul-2019	Repayment on maturity
4	CP-2018-19-41	INE721A14CM7	500000	22-Feb-2019	47,500.00	46,886.58	22-May-2019	Repayment on maturity
5	CP-2018-19-42	INE721A14CM7	500000	22-Feb-2019	40,000.00	39,556.06	22-May-2019	Repayment on maturity
6	CP-2018-19-43	INE721A14CM7	500000	22-Feb-2019	70,500.00	69,673.30	22-May-2019	Repayment on maturity
7	CP-2018-19-44	INE721A14CM7	500000	22-Feb-2019	7,500.00	7,416.76	22-May-2019	Repayment on maturity
8	CP- 2018-19-45	INE721A14CM7	500000	25-Feb-2019	5,000.00	4,944.47	22-May-2019	Repayment on maturity
9	CP-2018-19-46	INE721A14CN5	500000	25-Feb-2019	6,000.00	5,889.89	20-Jun-2019	Repayment on maturity
10	CP-2018-19-47	INE721A14CN5	500000	25-Feb-2019	10,000.00	9,816.48	20-Jun-2019	Repayment on maturity
11	CP-2018-19-48	INE721A14CO3	500000	28-Feb-2019	13,500.00	13,296.19	28-May-2019	Repayment on maturity
12	CP-2018-19-49	INE721A14CQ8	500000	08-Mar-2019	9,500.00	9,359.70	07-Jun-2019	Repayment on maturity
13	CP-2018-19-50	INE721A14CP0	500000	01-Mar-2019	47,500.00	46,871.06	31-May-2019	Repayment on maturity
	Total				**355,000**	**350,380.08**		

vi) Details of rest of the borrowings outstanding as March 31, 2019

Inter Corporate Deposits

The Company has also accepted certain inter corporate deposits of which Rs. 2,638.19 lacs is outstanding, the details of which are as follows:

Sr. No.	Lender	Date of Disbursement	Amount Sanctioned (Rs. in lacs)	Amount Outstanding as On March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Repayment Terms	Credit Rating	Secured/ Unsecured	Security
1	Shriram Automall India Limited	November 11, 2017	100.00	101.66	02-May-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
2	Shriram Automall India Limited	December 16, 2017	175.00	177.91	07-Jun-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
3	Shriram Automall India Limited	December 24, 2017	175.00	177.91	15-Jun-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
4	Shriram Automall India Limited	December 21, 2017	235.00	238.91	12-Jun-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
5	Shriram Automall India Limited	December 27, 2017	125.00	127.08	18-Jun-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
6	Shriram Automall India Limited	February 28, 2018	760.00	772.65	24-Aug-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
7	Shriram Automall India Limited	February 04, 2018	1,025.00	1,042.06	30-Jul-2019	Repayment on maturity	Unrated	Unsecured	Not Applicable
	Total		**2,595.00**	**2,638.19**					

Deposits

The Company has also accepted deposits from public investors and corporates of which Rs. 1,031,508.49 lacs is outstanding, the details of which are as follows:

Sr. No.	Lender/ Instrument/ Investors	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Credit Rating	Secured/ Unsecured	Security
1	Deposits – Public deposit	1,016,976.71	Redeemable at par over a period 12 to 60 months	FD rated "FAAA/Stable" by CRISIL.	Unsecured	Not Applicable

Sr. No.	Lender/ Instrument/ Investors	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Maturity Date	Credit Rating	Secured/ Unsecured	Security
				FD rated "MAA+/with Stable Outlook" by ICRA		
2	Deposits – corporate	14,531.78	Redeemable at par over a period 12 to 60 months	FD rated "FAAA/Stable" by CRISIL. FD rated "MAA+/with Stable Outlook" by ICRA	Unsecured	Not Applicable
	Total	**1,031,508.49**				

Details of Secured Masala Bonds**

The Company has issued certain senior secured notes of which Rs. 2,56,499.04 lacs is outstanding, the details of which are as follows:

Sr. No.	Description	ISIN	Tenor/ Period of Maturity	Coupon (per annum)	Date of Allotment	Issue Amount (Rs. in lacs)	Amount outstanding as on March 31, 2019 (Rs. in lacs)	Redemption/ Maturity Date	Credit Rating	Secured/ Unsecured
1	Masala Bond of Rs. 10,000,000/- each	XS1549374475	36 months	8.25	18-Jan-17	13,500	1,36,454.40	18-Feb-20	BB+/stable by S&P	Secured**
2	Masala Bond of Rs. 10,000,000/- each	XS1789364418	63 months	8.1	08-Mar-18	8,400	88,296.57	08-Jun-23	BB+/stable by Fitch & S&P	Secured**
3	Masala Bond of Rs. 10,000,000/- each	XS1789617484	36 months	7.9	08-Mar-18	3,200	31,748.07	08-Mar-21	BB+/stable by fitch & S&P	Secured**
	Total					**25,100.00**	**256,499.04**			

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

Details of Secured* Dollar Bonds**

The Company has issued dollar bonds of which Rs. 276,995.65 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Instrument Name/ Lender/ ISIN No.	Tenor	Issue Amount (Rs. in lacs)	Date of Allotment	Outstanding Amount as on March 31, 2019 (Rs. in lacs)	Redemption Date/ Schedule	Secured/ Unsecured
1	XS1953982086	36 months	35,625.00	February 27, 2019	34,625.01	28-Feb-22	Secured
2	XS1953982086	36 months	35,610.00	February 27, 2019	34,610.31	28-Feb-22	Secured
3	XS1953982086	36 months	35,630.00	February 27, 2019	34,347.01	28-Feb-22	Secured
4	XS1953982086	36 months	71,250.00	February 27, 2019	69,536.40	28-Feb-22	Secured
5	XS1953982086	36 months	35,625.00	February 27, 2019	34,342.73	28-Feb-22	Secured

Sr. No.	Instrument Name/ Lender/ ISIN No.	Tenor	Issue Amount (Rs. in lacs)	Date of Allotment	Outstanding Amount as on March 31, 2019 (Rs. in lacs)	Redemption Date/ Schedule	Secured/ Unsecured
6	XS1953982086	36 months	71,250.00	February 27, 2019	69,534.21	28-Feb-22	Secured
	Total		**284,990.00**		**276,995.65**		

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

Details of Unsecured Retail Sub-debts

The Company has availed of certain subordinate debt from retail investors of which Rs. 95,878.69 lacs is outstanding as on March 31, 2019, the details of which are set forth below:

Sr. No.	Instrument/ Investor/ Lender	Tenor	Coupon	Outstanding Amount as on March 31, 2019 (Rs. in lacs)	Repayment Schedule	Redemption Date
1.	Retail Subordinated Debt	61 to 78 months	10.75% to 11.21%	95,878.69	Repayment at maturity	Redeemable at par over a period 61 to 78 months
	Total			**95,878.69**		

The Company does not have hybrid debt like FCCB, optionally convertible debentures / preference shares, as on March 31, 2019.

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

As on March 31, 2019, the Company has not issued any debt securities for consideration other than cash. Our Company has issued certain non-convertible debentures at discount, the details of the same as existing on March 31, 2019 are as follows:

Debenture Series/ Debenture Description/ ISIN No.	Particulars	Rating	Issue Price (Rs. in lacs)	Effective Price after discount (Rs. in lacs)
INE721A08CY4	Shriram General Insurance Company	INDIA AA+ & CRISIL AA	3500.00	3486.00
INE721A08CY4	Shriram Life Insurance Company Limited	INDIA AA+ & CRISIL AA	1000.00	986.00
INE721A08CY4	Visakshapatnam Steel Project	INDIA AA+ & CRISIL AA	1500.00	1479.00
INE721A07MZ2	Syndicate Bank	CRISIL AA +	17000.00	16865.00
INE721A08CY4	Visakshapatnam Steel Project	INDIA AA+ & CRISIL AA	1200.00	1157.00
INE721A08CY4	Rinl Employees Superannuation	INDIA AA+ & CRISIL AA	200.00	193.00
INE721A08CY4	Visakshapatnam Steel Project	INDIA AA+ & CRISIL AA	500.00	496.00
INE721A08CY4	Shriram General Insurance Company	INDIA AA+ & CRISIL AA	1000.00	995.00
INE721A08CY4	Spmcil Provident Fund	INDIA AA+ & CRISIL AA	500.00	498.00

viii) Other Financial liabilities on account of Securitisation*

Particulars	Amount outstanding as on March 31, 2019 (Rs. in lacs)
Other financial liabilities on account of securitisation	1,773,852.50
Total	1,773,852.50

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

Restrictive Covenants under our Financing Arrangements

Some of the corporate actions for which our Company requires the prior written consent of lenders include the following:

1. to declare and/ or pay dividend to any of its shareholders whether equity or preference, during any financial year unless our Company has paid to the lender the dues payable by our Company in that year;

2. to undertake or permit any merger, amalgamation or compromise with its shareholders, creditors or effect any scheme of amalgamation or reconstruction;

3. to create or permit any charges or lien on any of its assets provided as security in relation to the financing availed from such lenders;

4. to amend its MOA and AOA or alter its capital structure; and

5. to make any major investments by way of deposits, loans, share capital, etc. in any manner.

Servicing behaviour on existing debt securities, payment of due interest on due dates on term loans and debt securities

As on the date of this Draft Shelf Prospectus, our Company has not defaulted/ delayed in the payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years.

MATERIAL DEVELOPMENTS

Other than as stated herein below and as stated in the section titled *"Financial Information*" beginning on page 142 of this Draft Shelf Prospectus, there have been no material developments since March 31, 2019 and there have arisen no circumstances that materially or adversely affect the operations, or financial condition or profitability or credit quality of our Company or the value of its assets or its ability to pay its liabilities with the next 12 months.

1. The Board of Directors in its meeting held on May 08, 2019, considered / approved / noted the following: (i) Resignation of Mr. Gerrit Lodewyk Van Heerde, Non-Executive Non-Independent Director of the Company from the directorship of the Company with effect from May 09, 2019; (ii) Appointment of Mr. Ignatius Michael Viljoen as a Non-Executive Non-Independent Director of the Company with effect from the date of allotment of DIN to him, subject to approval of members of the Company; (iii) Re-appointment of Mr. Umesh Revankar as a Managing Director & CEO of the Company for a further period of 5 years with effect from October 26, 2019 to October 25, 2024, subject to approval of members of the Company.

2. The Board of Directors of the Company at their meeting held on May 08, 2019, recommended a final dividend of Rs. 7/- per equity share of Rs. 10/- each for the financial year ended March 31, 2019. This is in addition to the interim dividend of Rs. 5/- per equity share of Rs. 10/- each already paid on November 16, 2018. With this, the total dividend for the financial year 2018-19 is Rs. 12/- per equity share. The book closure period for the purpose of 40th AGM was from June 21, 2019 to June 27, 2019 (both days inclusive). The final dividend was approved by the shareholders at the 40th AGM, and will be paid on or after July 04, 2019.

3. At the 40th AGM of the Company held on June 27, 2019 at Chennai, Tamil Nadu, the ordinary resolutions were passed by the shareholders for cancellation of 48,000 forfeited shares from issued and subscribed share capital of the Company, appointment of the Mr. Pradeep Kumar Panja as an independent director, appointment of Mr. Ignatius Michael Viljoen as non-executive non-independent director, re-appointment of Mr. Umesh Revankar as a Managing Director & CEO for a period of five years with effect from October 26, 2019. The special resolutions were passed at the 40th AGM for re-appointment of Mr. S. Sridhar and Mr. S. Lakshminarayanan as independent directors for a second term of 5 years with effect from October 19, 2019 and January 24, 2020 respectively. The above ordinary and special resolutions formed part of the Special Business of the 40th AGM of the Company.

4. On June 27, 2019 and on June 28, 2019, our Promoter acquired an aggregate number of 331,924 Equity Shares in the Company and Shriram Financial Ventures (Chennai) Private Limited, a company forming part of the promoter group, acquired an aggregate number of 50,037 Equity Shares in the Company. Post such acquisition, SCL holds 59,504,947 Equity Shares in the Company aggregating 26.23% of the paid-up capital and Shriram Financial Ventures (Chennai) Private Limited holds 50,037 Equity Shares in the Company aggregating 0.02% of the paid-up capital. For further details on our Promoter and promoter group, please refer to the section titled *"Our Promoter"* on page 140 of this Draft Shelf Prospectus.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The Reformatted Financial Statements of the Issuer included in this Draft Shelf Prospectus are presented in accordance with Indian GAAP, which differs from Indian Accounting Standards ("**Ind AS**") in certain respects. The Ministry of Corporate Affairs ("**MCA**"), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind AS converged with IFRS for non-banking financial companies, scheduled 50 commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. The MCA notification further explains that NBFCs having a net worth of Rs. 50,000 lacs or more as of March 31, 2016, shall comply with Ind AS for accounting periods beginning on or after April 1, 2018, with comparatives for the periods ending on March 31, 2018. Therefore, the Issuer would be subject to this notification.

"*Summary of Significant Differences among Indian GAAP and Ind AS*", does not present all differences between Indian GAAP and Ind AS which are relevant to the Issuer. Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Draft Shelf Prospectus. Furthermore, the Issuer has made no attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and Ind AS which may result from prospective changes in accounting standards. The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from Ind AS. In making an investment decision, investors must rely upon their own examination of the Issuer's business, the terms of the offerings and the financial information included in this Draft Shelf Prospectus. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and Ind AS and how those differences might affect the financial information included in this Draft Shelf Prospectus. The Issuer cannot assure that it has completed a comprehensive analysis of the effect of Ind AS on future financial information or that the application of Ind AS will not result in a materially adverse effect on the Issuer's future financial information.

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
1.	Presentation of Financial Statements	Other Comprehensive Income: There is no concept of 'Other Comprehensive Income' under Indian GAAP.	<u>Other Comprehensive Income:</u> Ind AS 1 introduces the concept of other Comprehensive Income ("**OCI**"). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind AS.
		<u>Extraordinary items:</u> Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	<u>Extraordinary items:</u> Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.
		<u>Change in Accounting Policies:</u> Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of	<u>Change in Accounting Policies:</u> Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
		the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
2.	Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/ income on account of all Ind AS opening balance sheet adjustments.
3.	Property, plant and Equipment depreciation and residual value – reviewing	Under Indian GAAP, the Company currently provides depreciation on straight line method over the useful lives of the assets estimated by the Management.	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residualvalue shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.
4.	Accounting for Employee benefits	Currently, all actuarial gains and losses are recognized immediately in the statement of profit and loss.	Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re measurements and the change in asset is split between interest income and re measurements. Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in OCI.
5.	Accounting for Investments in Subsidiaries/ Associates/ JV in separate Financial Statements	Accounting for investments in subsidiaries/ associates/JV is governed by Accounting Standard 13 depending on the classification of the investment as current or long term.	Accounting for investments in subsidiaries / associates / JV is governed by Ind AS 27 which gives an option to account the same at cost or in accordance with Ind AS 109.

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
6.	Consolidated Financial Statements	Under Indian GAAP the consolidation is driven by the reporting entity's control over its investees namely subsidiaries, associates and joint ventures. Control is: (a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an entity; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other entity so as to obtain economic benefits from its activities. Therefore, a mere ownership of more than 50 per cent of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.	Control is based on whether an investor has: (a) power over the investee; (b) exposure, or rights, to variable return from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amounts of the returns.
7.	Consolidation - Exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/ investment/ interest in joint venture was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/ investor/ venturer.	Consolidated financial statements include all subsidiaries and equity accounted associates and joint ventures. No exemption for "temporary control", "different lines of business" or "subsidiary/ associate/ joint venture that operates under severe long- term funds transfer restrictions" except when the investment is determined as held for sale in accordance with Ind AS.
8.	Consolidation - Joint Ventures	Under Indian GAAP, Proportionate consolidation method is applied when the entity prepares consolidated financial statements.	The equity method, as described in Ind AS 28 is applied when the entity prepares consolidated financial statements.
9.	Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted	Under Ind AS, provisions are recognised for legal as well as constructive obligations. Ind AS requires discounting the provisions to present value, if the effect of time value of money is material
10.	Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a disclosure for the fair valuation.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit or Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings
11.	The pooling of interests and purchase	Amalgamations in the nature of purchase are accounted for by recording the identifiable assets and liabilities of the	All business combinations, other than those between entities under common control, are accounted for using the

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
	method	acquiree either at the fair values or at book values. Amalgamations in the nature of merger are accounted under the pooling of interests method.	purchase method. An acquirer is identified for all business combinations, which is the entity that obtains control of the other combining entity. Business combination transactions between entities under common control should be accounted for using the 'pooling of interests' method.
12.	Presentation and classification of Financial Instruments and subsequent measurement	Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited. Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognized upfront in the Statement of Profit and Loss.	Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss (FVTPL) or recognized in other comprehensive income (FVOCI). Financial assets include equity and debts investments, security receipts, interest free deposits, loans, trade receivables etc. Assets classified at amortized cost and FVOCI and the related revenue (including processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method. There are two measurement categories for financial liabilities - FVTPL and amortized cost. Liabilities classified at amortized cost and the related expenses (processing cost & fees) have to be measured using the Effective Interest Rate (EIR) method. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive.
13.	Financial Instruments - Impairment	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	The impairment model in Ind AS is based on expected credit losses and it applies equally to debt instruments measured at amortized cost or FVOCI, lease receivables, contract assets within the scope of Ind AS 109 and certain written loan commitments and financial guarantee contracts.

SECTION VI ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the details of the principal terms and conditions of the Issue. This section should be read in conjunction with, and is qualified in its entirety by, the further details in the sections titled "*Terms of the Issue*" on page 188 of this Draft Shelf Prospectus and "*Issue Procedure*" on page 202 of this Draft Shelf Prospectus.

Common Terms and Conditions of the NCDs:

Issuer	Shriram Transport Finance Company Limited
Issue	Public Issue by our Company of NCDs pursuant to the Shelf Prospectus and the relevant Tranche Prospectus(es) for an amount up to an aggregate amount of the Shelf Limit of Rs.1,000,000 lacs. The NCDs will be issued in one or more tranches subject to the Shelf Limit. The amounts of the NCDs being offered under each Tranche Prospectus shall be identified under the relevant Tranche Prospectus.
Type of instrument/ Name of the security/ Seniority	Secured Redeemable Non-Convertible Debentures
Nature of the instrument	Secured Redeemable Non-Convertible Debenture
Mode of the issue	Public issue
Lead Managers	JM Financial Limited, A. K. Capital Services Limited and SMC Capitals Limited
Debenture Trustee	Catalyst Trusteeship Limited
Depositories	NSDL and CDSL
Registrar to the Issue	Integrated Registry Management Services Private Limited.
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Option to retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Eligible investors	Please refer to the chapter titled "*Issue Procedure – Who can apply?*" on page 203 of this Draft Shelf Prospectus.
Objects of the Issue	Please refer to the chapter titled "*Objects of the Issue*" on page 81 of this Draft Shelf Prospectus.
Details of utilization of the proceeds	Please refer to the chapter titled "*Objects of the Issue*" on page 81 of this Draft Shelf Prospectus.
Interest rate for each category of investors	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Step up/ Step down interest rates	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Interest type	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Interest reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issuance mode of the instrument	In dematerialised form* only
Frequency of interest payment	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Interest Payment Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Day count basis	Actual/ Actual

Interest on application money	Not Applicable.
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption Date/ Maturity Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Redemption premium/ discount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Face value	Rs. 1,000 per NCD
Issue Price (in Rs.**)**	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Discount at which security is issued and the effective yield as a result of such discount	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put price	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call price	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Put notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Call notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Minimum Application size and in multiples of NCD thereafter	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Market Lot/ Trading Lot	One NCD
Pay-in date	The date of which the Application is made. The entire application amount for the NCDs applied for, will be blocked in the relevant ASBA Account maintained with the SCSB on application itself. For further details, please refer to the chapter titled *"Issue Procedure – Terms of Payment*" on page 215 of this Draft Shelf Prospectus.
Credit ratings	The NCDs proposed to be issued under this Issue have been rated 'CARE AA+; Stable' by CARE for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 28, 2019, 'CRISIL AA+/Stable' by CRISIL for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 26, 2019 and 'IND AA+; Outlook Stable' by India Ratings for an amount of up to Rs. 10,00,000 lacs vide its letter dated June 25, 2019. The rating of the NCDs by CARE, CRISIL and India Ratings indicate that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk.
Listing	The NCDs are proposed to be listed on BSE and the NSE. NSE shall be the Designated Stock Exchange for this Issue. The NCDs shall be listed within 6 (six) Working Days from the Issue Closing Date.

Issue size	As specified in the respective Tranche Prospectus.
Modes of payment	Please refer to the chapter titled ***"****Issue Procedure – Terms of Payment*" on page 215 of this Draft Shelf Prospectus.
Trading mode of the instrument	In dematerialised* form only
Issue opening date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue closing date**	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Application Money	The application amount for the NCDs applied for, will be blocked in the relevant ASBA Account maintained with the SCSB on application itself.
Record date	The record date for payment of interest in connection with the NCDs issued under the relevant Tranche Prospectus or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable and/or the date of redemption, or such other date as may be otherwise specified by the Stock Exchanges. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In event the Record Date falls on a day when Stock Exchange are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Security and Asset Cover	The outstanding NCDs, to be issued in terms of the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus, together with all interest due on the outstanding NCDs in respect thereof shall be secured by way of exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security (by way of mortgage/ hypothecation) in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon). For further details please refer to the section titled "*Terms of the Issue – Security*" on page 189 of this Draft Shelf Prospectus.
Transaction/ Issue documents	This Draft Shelf Prospectus, the Shelf Prospectus, the Tranche Prospectus read with any notices, corrigenda, addenda thereto, and various other documents/ agreements/undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement, the Public Issue Account Agreement and the Lead Broker Agreement. For further details, please refer to "*Material Contracts and Documents for Inspection*" on page 260 of this Draft Shelf Prospectus.
Conditions precedent to disbursement	Other than the conditions specified in the Debt Regulations, there are no conditions precedents to disbursement.
Conditions subsequent to disbursement	Other than the conditions specified in the Debt Regulations, there are no conditions subsequent to disbursement.
Events of default / cross default	Please refer to the chapter titled "*Terms of the Issue – Events of Default*" on page 189 of this Draft Shelf Prospectus.
Deemed date of Allotment	The date on which the Board of Directors/or the Debt Issuance Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors/ or the Debt Issuance Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be

	available to the Debenture Holders from the Deemed Date of Allotment.
Roles and responsibilities of the Debenture Trustee	Please refer to the chapter titled "*Terms of the Issue – Trustees for the NCD Holders*" on page 189 of this Draft Shelf Prospectus.
Governing law and jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India, respectively.
Working day convention	If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest / redemption payments shall be made only on the days when the money market is functioning in Mumbai, India.

** In terms of Regulation 4(2)(d) of the Debt Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. However, in terms of section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialized form only.*

******* *The subscription list shall remain open for subscription on Working Days from 10:00 a.m. to 5.00 p.m. (Indian Standard Time) with an option for early closure or extension by such period, as may be decided by the Board or the Debt Issuance Committee. In the event of such early closure of or extension of subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges.*

SPECIFIC TERMS AND CONDITIONS IN CONNECTION WITH EACH SERIES/TRANCHE OF NCDs

As specified in the relevant Tranche Prospectus.

Terms of payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB on application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of the Shelf Prospectus and the relevant Tranche Prospectus.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account (in case of Applicants applying for Allotment of the NCDs in dematerialized form) held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

For further details, please refer to the chapter titled "*Issue Procedure*" on page 202 of this Draft Shelf Prospectus.

TERMS OF THE ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

This Issue has been authorized by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on January 28, 2019. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' *vide* their resolution passed by postal ballot on June 13, 2019.

Principal Terms & Conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the Debt Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus(es), the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the Stock Exchanges, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute direct and secured obligations of ours and shall rank pari passu inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets and/or identified immovable property of our Company as may be decided mutually by our Company and the Debenture Trustee. The claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the Debt Regulations and Section 71 (4) of the Companies Act, 2013 which require that when debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014 states that for companies such as our Company, the adequacy of DRR shall be 25% of the value of outstanding debentures issued through a public issue as per the Debt Regulations.

Rule 18 (7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year.

Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Issue. In addition, the amounts invested pursuant to the requirements of Rule 18 (7) (c) of the Companies (Share Capital and Debentures) Rules, 2014, shall not be utilised by our Company except for the redemption of the NCDs.

Face Value

The face value of each NCD shall be Rs.1,000.

Security

The outstanding NCDs, together with all interest due on the outstanding NCDs in respect thereof shall be secured by way of exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security (by way of mortgage/ hypothecation) in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).

Our Company intends to enter into an indenture/deed with the Debenture Trustee ('**Debenture Trust Deed**'), the terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution of the Debenture Trust Deed on or prior to the Deemed Date of Allotment, and shall utilize the funds only after the stipulated security has been created. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 15(1) of the Debt Regulations, our Company shall also pay interest of at least 2% (two per cent.) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the relevant Tranche Prospectus(es), the respective Tranche Prospectus(es) and in the Debenture Trust Deed. The Debenture Trust Deed and/or deed of hypothecation will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Trustees for the NCD Holders

We have appointed Catalyst Trusteeship Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 4(4) of the Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder.

We and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us pro tanto to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular Series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice inter alia if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

1. Default is committed in payment of the principal amount of the NCDs on the due date(s); and

2. Default is committed in payment of any interest on the NCDs on the due date(s).

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the

Debt Listing Agreement and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Act, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will be placed before the concerned registered NCD Holders for their consideration. The opinion of the Debenture Trustee as to whether such resolution is affecting the right attached to the NCDs is final and binding on NCD holders. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet on a specific request made to our Company. In terms of Rule 18 (8) of the Companies (Share Capital and Debentures) Rules, 2014, the holders of NCDs shall be entitled to a copy of the Debenture Trust Deed on a specific request made to our Company, within the timeframe prescribed under the applicable laws.

2. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three -fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders.

3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

4. The NCDs are subject to the provisions of the Debt Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of the Shelf Prospectus, the respective Tranche Prospectus(es), the Application Forms, the Abridged Prospectus, Corrigendum if any, addendum if any, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. The Depositories shall maintain the up to date record of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial owners of NCDs maintained by a Depository for any NCD in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose. The same shall be maintained at the registered office of our Company, or at such other location subject to meeting the requirements of Section 94 of the Companies Act, 2013 and shall be open for inspection by the NCD Holders in accordance with Section 94 of the Companies Act, 2013.

6. A register of NCD Holders holding NCDs in physical form pursuant to rematerialisation of the NCDs issued pursuant to the relevant Tranche Prospectus ("**Register of NCD Holders**") will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date. The same shall be maintained at the registered office of our Company, or at such other location subject to meeting the requirements of Section 94 of the Companies Act, 2013 and shall be open for inspection by the NCD Holders in accordance with Section 94 of the Companies Act, 2013.

7. Subject to compliance with applicable statutory/regulatory requirements, including requirements of the RBI, NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing at least 21 days prior notice for such roll over and in accordance with the Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of the Shelf Prospectus, the respective Tranche Prospectus(es) and the Debenture Trust Deed to be executed between our Company and the Debenture Trustee.

Nomination facility to NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Rule 19**") and the Companies Act, 2013, the sole NCD holder, or first NCD Holder, along with other joint NCD Holders' (being individual(s)), may nominate, in the **Form No. SH.13,** any one person in whom, in the event of the death of Applicant the NCDs Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office, Corporate Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or

- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in the Issue

Applicants shall apply in this Issue in dematerialized form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable.

In terms of Regulation 4(2)(d) of the Debt Regulations, our Company will make public issue of the NCDs in the dematerialised form only. However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form, will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialized form only.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. It is reiterated that any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- the NCDs held in the dematerialized form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and

- the NCD held in physical form, the person for the time being appearing in the Register of NCD Holders as NCD Holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificate issued in respect of the NCDs and no person will be liable for so treating the NCD Holder.

No transfer of title of an NCD will be valid unless and until entered on the Register of NCD Holders or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures.

In the event of demise of the sole or first holder of the Debentures, the Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of the Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where an NRI becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the NRI as part of the legacy left by the deceased NCD Holder.

2. Proof that the NRI is an Indian national or is of Indian origin.

3. Such holding by an NRI will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialization of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. **Holders of NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialization of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialization.**

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition.

Period of Subscription

ISSUE PROGRAMME	
ISSUE OPENS ON	As specified in Tranche Prospectus
ISSUE CLOSES ON	As specified in Tranche Prospectus

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Designated Intermediaries at the Bidding Centres, or, (ii) by the Designated Branches of the SCSBs. On the Issue Closing Date Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue.

Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or the Designated Branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Interest/Premium

As specified in the relevant Tranche Prospectus.

Payment of Interest

As specified in the relevant Tranche Prospectus.

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (seven) days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the I.T. Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialized form.

If the date of interest payment falls on a Saturday, Sunday or a public holiday in Mumbai or Chennai or any other payment center notified in terms of the Negotiable Instruments Act, 1881, then interest would be paid on the next Working Day. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of the Shelf Prospectus read with the relevant Tranche Prospectus and the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention:

Interest shall be computed on actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per the I.T. Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 will be a disclosed in the relevant Tranche Prospectus.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus(es).

Application Size

As specified in the relevant Tranche Prospectus(es).

Applicants can apply for any or all types of NCDs offered hereunder (any/all Series) using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price for each NCD shall be blocked in the ASBA Account on application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of the Shelf Prospectus and the relevant Tranche Prospectus.

Manner of Payment of Interest / Refund / Redemption Amounts

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

For NCDs held in physical form pursuant to rematerialisation:

In case of NCDs held in physical form on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. Please refer to "*Procedure for Re-materialization of NCDs*" on page 193 of this Draft Shelf Prospectus for further details.

For NCDs applied / held in electronic form:

The bank details will be obtained from the Depositories for payment of interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amounts to the Applicant at the Applicant's sole risk, and the Lead Managers, our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same. The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to unblock amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. **Direct Credit:** Investors having their bank account with the Refund Banks, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank. Interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

2. **NACH:** National Automated Clearing House which is a consolidated system of ECS. Payment of interest / refund / redemption would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of interest / refund / redemption through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where the Applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. **RTGS:** Applicants having a bank account with a participating bank and whose interest payment / refund / redemption amount exceeds Rs.2 lacs, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment / refund / redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrars to the Issue at least 7 (seven) days before

the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment / refund / redemption shall be made through NECS subject to availability of complete bank account details for the same as stated above.

4. **NEFT:** Payment of interest / refund / redemption shall be undertaken through NEFT wherever the Applicants' bank has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a Magnetic Ink Character Recognition ("**MICR**"), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the de-mat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/refund/redemption will be made to the Applicants through this method.

5. **Registered Post/Speed Post:** For all other Applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through Speed Post/ Registered Post only to Applicants that have provided details of a registered address in India. Refunds may be made by cheques, pay orders, or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. All the cheques, pay orders, or demand drafts as the case may be, shall be sent by registered/speed post at the Investor's sole risk. Bank charges, if any, for cashing such cheques, pay orders, or demand drafts at other centres will be payable by the Applicant.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories.

In case of NCDs held in physical form, on account of rematerialisation, the investors are advised to submit their bank account details with our Company / Registrar at least seven (seven) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCD as available in the records of our Company. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to the provisions of Annex XXI of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Procedure for Redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form pursuant to rematerialisation of NCDs

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of NCD Holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificate(s)) be surrendered for redemption on maturity and should be sent by the NCD Holder(s) by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holder(s) may be requested to surrender the NCD certificate(s) in the manner

as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of NCD Holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see the para "*Payment on Redemption*" given below.

NCDs held in electronic form:

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificate(s), duly discharged by the sole holder / all the joint-holders (signed on the reverse of the NCD certificate(s). Dispatch of cheques/pay order, etc. in respect of such payment will be made on the Redemption Date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the Redemption Date to those NCD Holders whose names stand in the Register of NCD Holders maintained by us/Registrar to the Issue on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least 7 (seven) days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 (seven) days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrars.

Our liability to holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form:

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption.

These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Issue of Duplicate NCD Certificate(s)

If any NCD certificate(s), issued pursuant to any rematerialisation, as above, is/are mutilated or defaced or the pages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/security and/or documents as we may deem adequate, duplicate NCD certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of Information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Chennai and/or will be sent by post/ courier or through email or other electronic media to the registered holder(s) of the NCD(s) from time to time.

Future Borrowings

We will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, pari passu or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013*"

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs.10 lacs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 10 lacs or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such

fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 50 lacs or with both.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the relevant Tranche Prospectus(es). Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the relevant Tranche Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date for the relevant Tranche Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given.

Minimum Subscription

In terms of the Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date. In the event the Company fails to provide any instructions or information required for processing such unblocking on account which there is a delay in unblocking, the Company will become liable to make payment of interest at the rate 15 (fifteen) per cent. per annum for the delayed period on the amounts which have not been unblocked.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

(a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account with a scheduled commercial bank as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

(b) We shall utilize the Issue proceeds only upon execution of the documents for creation of security as stated in the Shelf Prospectus and the relevant Tranche Prospectus and on receipt of the minimum subscription and receipt of listing and trading approval from Stock Exchange(s) and completion of allotment and refund process.

(c) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

(d) Details of all monies utilised out of Issue shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies have been utilised along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

(e) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

Filing of the Shelf Prospectus and Tranche Prospectus(es) with the RoC

A copy of the Shelf Prospectus and a copy of the relevant Tranche Prospectus(es) will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date.

This advertisement will contain the information as prescribed in Schedule IV of the Debt Regulations in compliance with the Regulation 8(1) of the Debt Regulations.

Material updates, if any, between the date of filing of the Shelf Prospectus with ROC and the date of release of this statutory advertisement will be included in the statutory advertisement.

Listing

The NCDs offered through the Shelf Prospectus and the relevant Tranche Prospectus are proposed to be listed on the BSE and the NSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter dated [●] and from NSE *vide* their letter dated [●].

For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription or failure to achieve minimum subscription to any one or more of the Series, such Series(s) of NCDs shall not be listed.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Shelf Prospectus and the relevant Tranche Prospectus.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring & Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the Debt Regulations. Our Board shall monitor the utilization of the proceeds of the Issue.

For the relevant quarters commencing from the financial year ending March 31, 2019, our Company will disclose in our quarterly financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

*This chapter applies to all Applicants. Pursuant to circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI ("**Debt ASBA Circular**"), all Applicants are required to apply for in the Issue through the ASBA process. Please note that all Applicants are required to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.*

Applicants should note that they may submit their Applications to (i) the Designated Branches of the SCSBs or (ii) at the Collection Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the Trading Members at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. For further information, please see "- Submission of Completed Application Forms" on page 215 of this Draft Shelf Prospectus.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in the Shelf Prospectus.

*Please note that this section has been prepared based on the circular no. CIR./IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI ("**Debt Application Circular**") as modified by circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 issued by SEBI and the Debt ASBA Circular. The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.*

THE LEAD MANAGERS, THE LEAD BROKERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGES SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day(s)" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai. During the tenor of the NCDs, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

The information below is given for the benefit of the investors. Our Company and the Members of the Syndicate are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Shelf Prospectus.

PROCEDURE FOR APPLICATION

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus and Application Forms

Please note that there is a single Application Form for Applicants who are Persons Resident in India.

Physical copies of the Draft Shelf Prospectus, the Abridged Prospectus containing the salient features of the Shelf Prospectus, the relevant Tranche Prospectus for each Tranche Issue together with Application Forms and copies of the Shelf Prospectus may be obtained from:

(a) our Company's Registered Office and Corporate Office;
(b) Specified Locations of the Lead Managers/Lead Brokers;
(c) Trading Members;
(d) Registrar to the Issue; and
(e) Designated Branches of the SCSBs.

Additionally, the Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus for each Tranche Issue and the Application Forms will be available:

(a) for download on the website of BSE at www.bseindia.com and on the website of NSE at www.nseindia.com, and the website of the Lead Managers at www.jmfl.com, at www.akgroup.co.in and at www.smccapitals.com.
(b) at the Designated Branches of the SCSBs and at the Specified Locations of the Members of the Syndicate.

Electronic Application Forms will also be available for download on the websites of the Stock Exchanges. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the websites of the Stock Exchange. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Who can apply?

The following categories of persons are eligible to apply in the Issue:

Category I	**Category II**	**Category III**	**Category IV**
Institutional Investors	**Non Institutional Investors**	**High Net-worth Individual, ("HNIs"), Investors**	**Retail Individual Investors**
• Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorized to invest in the NCDs; • Provident funds, pension funds with a minimum corpus of Rs.2,500 lacs, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Mutual Funds registered with SEBI. • Venture Capital Funds/ Alternative Investment Fund registered with SEBI; • Insurance Companies registered with IRDA; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the	• Companies within the meaning of section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Public / private charitable / religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);	• Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs. 10 lacs across all series of NCDs in the Issue.	• Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 10 lacs across all series of NCDs in the Issue.

Category I	Category II	Category III	Category IV
Institutional Investors	**Non Institutional Investors**	**High Net-worth Individual, ("HNIs"), Investors**	**Retail Individual Investors**
Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company, a nonbanking financial company registered with the RBI and having a net-worth of more than Rs.50,000 lacs as per the last audited financial statements; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India.	• Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.		

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

(a) Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);

(b) Foreign nationals;

(c) NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;

(d) Persons resident outside India;

(e) Foreign Institutional Investors;

(f) Foreign Portfolio Investors;

(g) Foreign Venture Capital Investors

(h) Qualified Foreign Investors;

(h) Overseas Corporate Bodies;** and
(i) Persons ineligible to contract under applicable statutory/regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

*** The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Please refer to "***Rejection of Applications***" on page 217 of this Draft Shelf Prospectus for information on rejection of Applications.

Method of Application

In terms of the Debt ASBA Circular, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at https://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

For Applicants who submit the Application Form in physical mode, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the Stock Exchange.

APPLICATIONS FOR ALLOTMENT OF NCDs

Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017 ("**SEBI Circular 2017**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 15% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 20% of net assets value extendable to 25% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a mutual fund shall clearly indicate the name of the concerned scheme for which Application is being made. The Application Form must be also accompanied by certified true copies of (i) SEBI Registration Certificate, (ii) the trust deed in respect of such mutual fund, (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Company, a non-banking financial company registered with the RBI and having a net-worth of more than five hundred crore rupees as per the last audited financial statements can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s). **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Application by Commercial Banks, Co-operative Banks and Regional Rural Banks

Commercial Banks, Co-operative banks and Regional Rural Banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by the certificate of registration issued by RBI, and the approval of such banking company's investment committee. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

Application by Insurance Companies

Insurance companies registered with the IRDA can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDA. The Application Form must be accompanied by a certified copy of the certificate of registration issued by IRDA. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Application by Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by the certified true copy of the SEBI registration certificate. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment.

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Public Financial Institutions or Statutory Corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of incorporation/ registration under any Act/Rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) incorporation/ registration under any Act/Rules under which they are incorporated/registered, (ii) the trust deed in respect of the fund, if any, (iii) resolution authorising investment and containing operating instructions, and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by National Investment Fund

The Application must be accompanied by certified true copies of: (i) incorporation/ registration under any Act/Rules under which they are incorporated/registered, (ii) the trust deed in respect of the fund, if any, (iii) resolution authorising investment and containing operating instructions, and (iv) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) incorporation/ registration under any Act/Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of certified true copies of the registration under the Act/ Rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009)

The Application must be accompanied by certified true copies of: (i) partnership deed; (ii) any documents evidencing registration thereof under applicable statutory/regulatory requirements; (iii) resolution authorizing investment and containing operating instructions; (iv) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company, the Lead Managers may deem fit.**

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs

Submission of Applications

Applicants can apply for NCDs only using the ASBA facility. Applications can be submitted through either of the following modes:

(a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the Application, prior to uploading such Application into the electronic system of the Stock Exchange. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Applications.

(b) Physically through the Members of Syndicate, or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat), i.e. Syndicate ASBA. Kindly note that Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, to deposit Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Upon receipt of the Application Form by the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such Applications from the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). Upon receipt of the Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. **If sufficient funds are not available in the ASBA Account, the relevant Application is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

(a) Application Forms will be available with the Designated Branches of the SCSBs and with the Members of the Syndicate and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Tranche Prospectus is made available on their websites.

(b) The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Applications directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept Applications from the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, please refer to "***General Information – Issue Programme***" on page 50.

(c) In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Members of the Syndicate or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. **Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.**

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only.

- Application Forms must be completed in block letters in English, as per the instructions contained in the Shelf Prospectus, the Tranche Prospectus, the Abridged Prospectus and the Application Form.

- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

- Applicants must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same series or across different series. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.

- If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.

- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.

- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal.

- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of the Syndicate, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Manager, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.

- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.

- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.

- Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Members of the Syndicate, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Syndicate, Trading Member of the Stock Exchange, Public Issue Account Banks nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the series of NCDs, as specified in the relevant Tranche Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

Applicants applying for Allotment must mention their DP ID and Client ID in the Application Form, and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected. Further, Application Forms submitted by Applicants, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("**MICR**") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Members of the Syndicate, Trading Members of the Stock Exchange, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories.

Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Members of the Syndicate, Trading Members of the Stock Exchange, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchanges shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be

rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the I.T. Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.**

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e. either Sikkim category or exempt category.

D. Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other series of NCDs, subject to a minimum application size as specified in the relevant Tranche Prospectus and in multiples of thereafter as specified in the relevant Tranche Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** However, multiple Applications by the same individual Applicant aggregating to a value exceeding Rs. 10 lacs shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of the Shelf Prospectus the relevant Tranche Prospectus and applicable law;

2. Read all the instructions carefully and complete the Application Form in the prescribed form;

3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue.

4. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants.

5. Before submitting the physical Application Form with the Member of the Syndicate at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;

6. For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Members of the Syndicate at the Syndicate ASBA Application Locations or the Trading Members and not to the Public Issue Account Banks (assuming that such bank is not a SCSB), to the Issuer, the Registrar;

7. For Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Public Issue Account Banks (assuming that such bank is not a SCSB), to the Issuer, the Registrar or the Members of the Syndicate or Trading Members;

8. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;

9. Ensure that you have mentioned the correct ASBA Account number in the Application Form;

10. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch, or to the Members of the Syndicate at the Syndicate ASBA Application Locations, or to the Trading Members, as the case may be;

11. Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form;

12. Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate, or the Trading Member, as the case may be, for the submission of the Application Form;

13. In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

14. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

15. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange, match with the DP ID, Client ID and PAN available in the Depository database;

16. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;

17. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;

18. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek allotment of NCDs pursuant to the Issue;

19. **Permanent Account Number:** Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of

the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

20. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

21. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and

22. Tick the series of NCDs in the Application Form that you wish to apply for.

Don'ts:

1. Do not apply for lower than the minimum application size;

2. Do not send Application Forms by post; instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;

3. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

4. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;

5. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

6. Do not submit the Application Forms without the full Application Amount;

7. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;

8. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;

9. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;

10. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;

11. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);

12. Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;

13. Do not submit the Application Form to the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, at a location other than the Specified Cities;

14. Do not send your physical Application Form by post. Instead submit the same with a Designated Branch or the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities; and

15. Do not submit more than five Application Forms per ASBA Account.

Kindly note that Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, to deposit such Application Forms (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)).

Please refer to "*Rejection of Applications*" on page 217 for information on rejection of Applications.

TERMS OF PAYMENT

The entire issue price for each NCD shall be blocked in the ASBA Account on application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of the Shelf Prospectus and the relevant Tranche Prospectus.

The Applicants shall specify the ASBA Account number in the Application Form.

For Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities, the Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such Applications from the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application.

For Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application to the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
Applications	(i) If using physical Application Form, (a) to the Members of the Syndicate or Trading Members of the Stock Exchanges only at the Specified Cities ("**Syndicate ASBA**"), or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Members of the Syndicate/ Trading Members of Stock Exchanges will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an acknowledgement slip which will serve as a duplicate Application Form for the records of the Applicant.

Syndicate ASBA Applicants must ensure that their Applications are submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat). Kindly note that Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate or Trading Members of the Stock Exchange, as the case may be, to deposit Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

For information on the Issue programme and timings for submission of Application Forms, please refer to "***General Information – Issue Programme***" on page 50 of this Draft Shelf Prospectus.

Electronic Registration of Applications

(a) The Members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. **The Members of the Syndicate, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted both uploaded and/or not uploaded by the Trading Members of the Stock Exchange.**

In case of apparent data entry error by the Members of the Syndicate, Trading Members of the Stock Exchange, Public Issue Account Banks or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Members of the Syndicate, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment/rejection of Application.

(b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Members of the Syndicate, Trading Members of the Stock Exchanges and the SCSBs during the Issue Period. The Members of the Syndicate and Trading Members of the Stock Exchanges can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "***General Information – Issue Programme***" on page 50 of this Draft Shelf Prospectus.

(c) With respect to Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- Series of NCDs applied for

- Number of NCDs Applied for in each series of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

(d) With respect to Applications submitted to the Members of the Syndicate, or Trading Members of the Stock Exchanges only at the Specified Cities, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- Series of NCDs applied for
- Number of NCDs Applied for in each series of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location of Specified City
- Application amount

(e) A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**

(f) Applications can be rejected on the technical grounds listed on page 217 of this Draft Shelf Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.

(g) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Shelf Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

(h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Members of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or Debt Issuance Committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

(a) Applications submitted without blocking of the entire Application Amount in ASBA Account;

(b) Applications not being signed by the sole/joint Applicant(s);

(c) Investor Category in the Application Form not being ticked;

(d) Application Amount paid being higher than the value of NCDs applied for. However, our Company may allot NCDs up to the number of NCDs applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

(e) Applications where a registered address in India is not provided for the Applicant;

(f) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants;

(g) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

(h) PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;

(i) DP ID and Client ID not mentioned in the Application Form;

(j) GIR number furnished instead of PAN;

(k) Applications by OCBs;

(l) Applications for an amount below the minimum application size;

(m) Submission of more than five Application Forms per ASBA Account;

(n) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

(o) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;

(p) Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

(q) Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.

(r) Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.

(s) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;

(t) Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of the Syndicate, or Trading Members of the Stock Exchange, as the case may be;

(u) Applications not having details of the ASBA Account to be blocked;

(v) In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;

(w) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

(x) The ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;

(y) SCSB making an application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

(z) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

(aa) Authorization to the SCSB for blocking funds in the ASBA Account not provided;

(bb) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

(cc) Applications by any person outside India;

(dd) Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;

(ee) Applications not uploaded on the online platform of the Stock Exchange;

(ff) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

(gg) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Draft Shelf Prospectus and as per the instructions in the Application Form, this Draft Shelf Prospectus and the relevant Tranche Prospectus;

(hh) Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

(ii) Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;

(jj) Applications for Allotment of NCDs in dematerialised form providing an inoperative demat account number;

(kk) Applications submitted to the Members of the Syndicate, or Trading Members of the Stock Exchanges at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained;

(ll) Applications submitted directly to an Escrow Collecting Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;

(mm) Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form;

(nn) Investor Category not ticked;

(oo) In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

(pp) Forms not uploaded on the electronic software of the Stock Exchange; and

(qq) Application submitted directly to escrow banks who aren't SCSBs.

Kindly note that Applications submitted to the Members of the Syndicate, or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate, or Trading Members of the Stock Exchange, as the case may be, to deposit Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please refer to "***Information for Applicants***" on this page 220 of this Draft Shelf Prospectus.

Information for Applicants

In case of Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such Applications or treat such Applications as rejected.

In case of Applicants submitted to the Members of the Syndicate, and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such Application as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

As specified in the relevant Tranche Prospectus.

Allocation Ratio

Allocation for each category of investors shall be specified in the relevant Tranche Prospectus.

Retention of oversubscription

As specified in the relevant Tranche Prospectus

PAYMENT OF REFUNDS

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants within 6 (six) Working Days of the Issue Closing Date. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be refunded within 6 (six) Working Days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% (fifteen per cent.) per annum for the delayed period

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to the Member of the Syndicate, Trading Member of the Stock Exchanges or the Designated Branch, as the case may be, through whom the Application had been placed. In case of Applications submitted to the Member of the Syndicate, or Trading Members of the Stock Exchanges at the Specified Cities, upon receipt of the request for withdrawal from the Applicant, the relevant the Member of the Syndicate, or Trading Member of the Stock Exchange, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange. In case of Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchanges and unblocking of the funds in the ASBA Account directly.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE and notice No: NSE/CML/2012/0672 dated August 7, 2012 issued by NSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Member of the Syndicate/ Trading Members of the Stock Exchange/ the SCSBs, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Member of the Syndicate, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL. Please note that Tripartite Agreements have been executed between our Company, the Registrar and both the depositories.

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialized form. In this context:

(i) Tripartite agreement dated March 29, 2000 among our Company, the Registrar and CDSL and tripartite agreement dated April 30, 1999 among our Company, the Registrar and NSDL, respectively for offering depository option to the investors.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.

(iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(v) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.

(vi) It may be noted that NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.

(vii) Interest or other benefits with respect to the NCDs held in dematerialized form would be paid to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(viii) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form only.

Please also refer to "*Instructions for filling up the Application Form - Applicant's Beneficiary Account and Bank Account Details*" on page 211 of this Draft Shelf Prospectus.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALIZED FORM ONLY IN MULTIPLE OF ONE NCD.

Allottees will have the option to re-materialize the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Applicant, Application Form number, Applicant's DP ID and Client ID, Applicant's PAN, number of NCDs applied for, date of the Application Form, name and address of the Lead Manager, Trading Member of the Stock Exchanges or Designated Branch, as the case may be, where the Application was submitted, and ASBA Account number in which the amount equivalent to the Application Amount was blocked. All grievances relating to the application process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

Applicants may contact our Compliance Officer (and Company Secretary) or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refund, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Statement by the Board:

(a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

(b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised;

(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

(d) The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;

(e) The Debenture Trust Deed shall be executed within the timelines stipulated in the Shelf Prospectus, failing which our Company shall pay interest of at least 2% (two per cent.) per annum to the NCD holders, without prejudice to any liability under applicable law, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, for the delayed period;

(f) We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed as stated in the Shelf Prospectus, on receipt of the minimum subscription of 75% of the Base Issue (as specified in the relevant Tranche Prospectus) and receipt of listing and trading approval from the Stock Exchange;

(g) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property business, dealing in equity of listed companies or lending/investment in group companies;

(h) The allotment letter shall be issued or application money shall be unblocked within 6 (six) Working Days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board of India, or else the application money shall be refunded to the Applicants forthwith, failing which interest shall be due to be paid to the Applicants at the rate of 15% (fifteen per cent.) per annum for the delayed period;

Other Undertakings by our Company

Our Company undertakes that:

(a) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Trading Members) will be attended to by our Company expeditiously and satisfactorily;

(b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;

(c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 6 (six) Working Days of the Issue Closing Date;

(d) Funds required for dispatch of refund orders/Allotment Advice/NCD Certificates will be made available by our Company to the Registrar to the Issue;

(e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee on a half-yearly basis;

(f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in the Shelf Prospectus and the relevant Tranche Prospectus;

(g) Our Company will provide a copy of the financial results, along with disclosures relating to its non-convertible debt securities required in terms of Regulation 52 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, submitted to stock exchanges to the Debenture Trustee on the same day the information is submitted to stock exchanges.

(h) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report

(i) Our Company shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

SECTION VII LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company and our group companies are subject to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) consumer complaints, (b) petitions pending before appellate authorities, (c) criminal complaints, (d) civil suits and (e) tax matters. We believe that the number of proceedings in which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against our Company and group companies that would have a material adverse effect on our operations or financial position.

As on the date of this Draft Shelf Prospectus, there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, and fixed deposits and etc., by our Company.

For the purpose of disclosures in this Draft Shelf Prospectus, our Company has considered the following litigation as 'material' litigation:

- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of value exceeding the value determined as being 1% of our net worth as on March 31, 2019, i.e. Rs. 15,808.66 lacs;*
- *any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.*

Further, no outstanding litigation by or against any of our Group Companies have or are likely to have a material adverse effect on the financial position, profitability and cash flows of our Company, the Issue and on the Company's ability to service the NCDs. Material litigations in respect of Shriram Capital Limited (being our Promoter) have been disclosed below)

Save as disclosed below, there are no:

1. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last five years immediately preceding the year of the issue of this Draft Shelf Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;

2. inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company (irrespective of whether any prosecutions were filed); fines imposed or compounding of offences done by our Company and our Subsidiaries in the last five years immediately preceding the year of this Draft Shelf Prospectus;

3. outstanding litigation involving our Company, our Promoter, Directors, group companies or any other person, whose outcome could have material adverse effect on the position of our Company; and

4. pending proceedings initiated against our Company for economic offences.

Proceedings involving our Company:

1. Our Company filed an appeal before the Supreme Court of India (Special Leave Petition (Civil) 35142 of 2009) against an order dated November 18, 2009 passed by the High Court of Kerala in connection with a writ petition filed challenging the action of Commissioner of Commercial Taxes, Kerala, directing our Company to register under the provisions of the Kerala Money Lenders Act, 1958. The High Court of Kerala, pursuant to the impugned order, had dismissed an appeal in connection with the aforesaid writ petition, thereby *inter alia* confirming the aforesaid direction of the Commissioner of Commercial Taxes, Kerala. The Supreme Court of India admitted the appeal and, pursuant to an order dated December 16, 2009, stayed the operation of the impugned order. The proceeding is pending hearing and final disposal.

2. Our Company filed a writ petition (Writ Petition No. 47108/2011) on December 15, 2011, against the State of Karnataka and others before the High Court of Karnataka *inter alia* seeking (a) a declaration that the provisions of the Karnataka Money Lenders Act, 1961 and the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 (collectively, the "**Impugned Statutes**") do not apply to NBFCs and the Company, in particular, (b) to strike down the Impugned Statutes, (c) a writ in the nature of certiorari or other suitable writ, order or direction quashing an order issued by the Karnataka State Money Lending Department dated September 29, 2011 and proceedings initiated against our Company pursuant to the Impugned Statutes, (d) interim relief by staying the proceedings initiated against our Company pursuant to the Impugned Statutes and (e) restraining the Karnataka state money lending authorities from initiating action against our Company under the aforesaid statutes. The High Court of Karnataka by its order dated December 16, 2011 stayed the proceedings initiated against our Company pursuant to the Impugned Statutes. The aforesaid matter is pending hearing and final disposal.

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

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

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

6. Our Company is contesting several disputed income tax, service tax and value added tax matters before various appellate authorities. The issue under consideration in each of the value added tax matters is whether on the sale by way of auction of the vehicles re-possessed from a defaulting borrower, our Company is liable to pay value added tax on such sale under laws governing the imposition of value added tax in each state The contingent liabilities as per Indian Accounting Standard 37 as on March 31, 2019 included contingent liabilities in respect of income tax demands where the Company has filed an appeal before various authorities of Rs. 7,869.94 lacs, VAT demand where the Company has

filed an appeal before various appellate courts aggregating Rs. 12,430.40 lacs and a service tax demand for Rs. 19,831.14 lacs.

7. Our Company has received an order dated December 19, 2018 from the Commissioner of CGST and Central Excise demanding service tax on provision of collection of receivables in respect of securitisation / direct assignments, etc., amounting to Rs. 19,775.4 lacs for the period from April 01, 2008 to March 31, 2015. In relation to certain securitisation / direct assignment transactions, our Company had charged a nominal fee or a nil fee for services provided in relation to collection and recovery of the assets assigned/ securitised and the Commissioner of CGST and Central Excise in their order has held that the services rendered by us has not been adequately valued and accordingly service tax has to be paid on the taxable value of our services (arrived at in the manner provided under the relevant rules and regulations in this regard), irrespective of actual fee charged, if any. The same is disclosed under contingent liability. Our Company has filed an appeal at the Customs Excise and Service Tax Appellate Tribunal, West Zonal Bench Mumbai, in the month of March 2019. Our Company's main contention in the appeal is that if the parties have commercially agreed that the fee for certain services in nil or nominal, the tax on such service should be limited to a portion of the fee so agreed upon.

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

9. Our Company, on April 8, 2019, received a showcause notice dated March 30, 2019 (the "**SCN**") from the Directorate of Enforcement which functions under the aegis of Ministry of Finance, Government of India. The SCN relates to the issue of warrants by SHMPL to a non-resident investor pursuant to a share subscription agreement executed in 2006. It is alleged in the SCN that warrants issued by SHMPL were not permitted instruments which could be issued to non-resident investors in 2006 and accordingly there was a contravention of provisions of the FEMA and the relevant rules made thereunder to the extent of Rs. 24,360.12 lacs. The SCN was issued to our Company in its capacity as a successor in interest of SHMPL to show cause as to why adjudication proceedings should not be initiated against it and certain individuals who were the then directors of SHMPL at the relevant time. During 2006 and 2007, SHMPL, which was classified as an investment holding company under the applicable regulatory regime, issued equity shares and warrants to Newbridge India Investments II Limited (the "**Newbridge**"). The approval granted by the Foreign Investment Promotion Board, also functioning under the aegis of Ministry of Finance, Government of India ("**FIPB**") (the "**FIPB Approval**"), permitted SHMPL to issue equity shares to the Newbridge and investment by SHMPL in equity shares and warrants to be issued by three non-banking financial companies in which 100% foreign direct investment was permitted under the extant direct foreign investment policy of the government of India, utilising the monies received from the Newbridge. All warrants issued by SHMPL to the Newbridge were converted into equity shares of SHMPL in 2006 and 2007. There was a delay on the part of SHMPL in filing the relevant forms indicating the receipt of monies from the Newbridge and issue of equity shares and warrants against such receipt, and the relevant forms were filed in 2013 (after amalgamation of SHMPL with our Company). Our Company, in the capacity of successor of interest of erstwhile SHMPL had filed a compounding application for the delay and had paid the penalty imposed on us by the RBI. At this time, the RBI had referred to the FIPB Approval (as amended by a subsequent letter from the FIPB dated January 31, 2006) and indicated that since the FIPB Approval only mentioned the issue of equity shares to the Newbridge, a post-facto approval/ clarification be obtained from the FIPB regarding issue of warrants to the Newbridge. Accordingly, our Company had, in a letter dated March 14, 2013 written to the FIPB, in response to which a letter dated March 20, 2013 was received by our Company from the FIPB stating that the policy regarding issue of warrants was not explicit in the year 2006 when the warrants in question were issued by then

SHMPL and that since the warrants in question have already been converted into equity shares, there was no requirement of their approval. In the years 2016 and 2017, the Enforcement Directorate raised queries in relation to the aforementioned issue of warrants in the year 2006 by SHMPL, to which our Company has responded and provided all documents requested, including by way of personal appearances and submissions made by our executive director and senior management personnel. Pursuant thereto, the Company received the SCN on April 8, 2019. Our Company has filed its reply to the SCN on June 6, 2019 setting out why the Company believes that the issuance of the SCN was not warranted.

Proceedings involving our Directors:

A criminal application (Cri.M.A.No.604/2018) was filed by Mr. Sudhir Satyawan Kamble (the "**Complainant**"), before the court of Judicial Magistrate First Class, Islampur ("**JMFC**") against our Company, Shriram General Insurance Corporation Limited and certain present and past Directors of our Company. This application was prompted by the denial of an insurance claim for a sum of Rs. 20 lacs by Shriram General Insurance Corporation Limited ("**SGICL**") in the Motor Accidents Claim Tribunal in relation to a tempo (vehicle no. MH-10-AQ-2171) purchased by one Mr. Samir Sikandar Mulla, pursuant to a loan availed from the Company. The said tempo was involved in an accident with a motorcycle resulting in the death of one person and injury to one of riders of the motorcycle. Mr. Mulla claimed to have insured his tempo with SGICL. However, the claim made by him in the Motor Accident Claim Tribunal against SGICL was denied on the ground that the insurance policy taken by Mr. Mulla was bogus and SGICL had not issued any policy to him.

The criminal application was filed alleging that our Company and SGICL had, inter alia, committed the offences of criminal breach of trust, cheating and forgery, against Mr. Mulla. On October 8, 2018 the JMFC had passed an ex-parte order against our Company directing that the complaint filed by the Complainant be treated as a first information report ("**FIR**") for investigation by the Islampur police.

In response to the order of the JMFC above, on November 19, 2018, our Company and certain directors named in the complaint filed a revision application (Cri.Revi. Application no.32/2018) before the Court of Additional District and Session Judge at Islampur, inter alia, for setting aside and/or correcting the order of the JMFC as being grossly erroneous, where the Company contended that the Complainant is neither a borrower of the Company nor had any dealings with our Company / our directors and had no locus standi to file the complaint in respect of which the order dated October 08, 2018 was passed by the JMFC. It was also contended that the said order was passed without giving the Company and certain directors of the Company a proper and legal opportunity of being heard.

The Additional District and Session Judge at Islampur, vide an order dated November 21, 2018, had stayed the order dated October 8, 2018 passed by JMFC. By subsequent order dated February 6, 2019, the Additional District and Session Judge at Islampur has partially allowed the revision application made by our Company and the matter was remanded to the trial court for fresh inquiry at its original stage. On March 27, 2019, the complainant filed an application for impleading the directors of SGICL including Mr. Umesh Revankar, who is also one of our directors, as part of the criminal proceedings and the same is pending for hearing.

Proceedings involving our Promoter:

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

Details of acts of material frauds committed against our Company in the last five years, if any, and if so, the action taken by our Company

There have been instances of fraud, which are inherent in the nature of the business of our Company. However, there is no material fraud committed against our Company in the last five Fiscals. The total amount involved in all acts of fraud committed against our Company in the last five Fiscals is set forth below:

	Fiscal 2019	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
Amount *(Rs. in lacs)*	108.00	5.89	90.78	81.49	44.43
Nature of Fraud	Cheating and forgery by customers	Cheating and forgery by staff	Cheating and forgery by staff	Cheating and forgery by staff and customers	Cheating and forgery by staff and customers
Corrective Actions	Our Company has increased the frequency of vehicle registration certificate verification with Government records and other documents with originals.	Our Company has started sending text messages alerts after receiving any payment and also has started sending account statement to the customer every quarter.	Our Company has increased the frequency of vehicle registration certificate verification with Government records and other documents with originals.	Our Company has increased the frequency of vehicle registration certificate verification with Government records and other documents with originals.	Our Company has increased the frequency of vehicle registration certificate verification with Government records and other documents with originals.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on January 28, 2019, the Board approved the issue of NCDs to the public in one or more tranches, up to an amount not exceeding Rs.10,00,000 lacs. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' pursuant to the postal ballot resolution dated June 13, 2019.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Neither our Company nor our Promoter nor Directors is a wilful defaulter or it is in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Disclaimer clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, JM FINANCIAL LIMITED, A. K. CAPITAL SERVICES LIMITED AND SMC CAPITALS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, JM FINANCIAL LIMITED A. K. CAPITAL SERVICES LIMITED AND SMC CAPITALS LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●].

1. **WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008.**
4. **WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND TO THE EXTENT NOTIFIED, SECURITIES CONTRACTS, (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

(for the purposes of due diligence certificate, term 'Prospectus' shall constitute Draft Shelf Prospectus).

Disclaimer Clause of the NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER DATED [●] PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THE DRAFT OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

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WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED APRIL 17, 2007 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Manager, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
JM Financial Limited	www.jmfl.com
A. K. Capital Services Limited	www.akgroup.co.in
SMC Capitals Limited	www.smccapitals.com

Listing

An application has been made to the NSE and the BSE for permission to deal in and for an official quotation of our NCDs. NSE has been appointed as the Designated Stock Exchange for the Issue.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription or failure to achieve minimum subscription to any one or more of the Series, such Series(s) of NCDs shall not be listed.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Shelf Prospectus and the relevant Tranche Prospectus.

Consents

Consents in writing of: (a) the Directors, (b) our Chief Financial Officer, Company Secretary and Compliance Officer (c) Bankers to our Company (d) Lead Managers; (e) the Registrar to the Issue, (f) Legal Advisors to the Issue, (g) Credit Rating Agencies, (h) ICRA for the ICRA Reports, (i) India Ratings for the India Ratings Report and (j) the Debenture Trustee to act in their respective capacities, have been obtained or will be obtained and the same will be filed along with a copy of the Shelf Prospectus with the ROC. Consents from the existing lenders have also been obtained (or will be obtained prior to filing of Shelf Prospectus with SEBI) for the Issue and the same will be filed along with a copy of the Shelf Prospectus with the ROC.

The consents of the Joint Statutory Auditors of our Company, Haribhakti & Co. LLP and M/s Pijush Gupta & Co. for inclusion of their names as (a) the joint Statutory Auditors, (b) examination reports on Reformatted Standalone Financial Statements and Reformatted Consolidated Financial Statements in the Shelf Prospectus have been obtained and the same will be filed with the Designated Stock Exchange and the Registrar of Companies, Chennai, along with a copy of the Shelf Prospectus.

Expert Opinion

Except the following, our Company has not obtained any expert opinions in connection with this Draft Shelf Prospectus: Our Company has received consent from its Joint Statutory Auditors namely, M/s Haribhakti & Co. LLP, Chartered Accountants, and M/s Pijush Gupta & Co., Chartered Accountants to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as "expert" as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of the examination reports for the Reformatted

Financial Statements of the Joint Statutory Auditors dated June 29, 2019 and statement of tax benefits dated June 29, 2019 included in this Draft Shelf Prospectus and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "Expert" as defined under the U.S Securities Act, 1933.

Common form of Transfer

The Issuer undertakes that there shall be a common form of transfer for the NCDs, as per applicable law.

Minimum Subscription

In terms of the Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date. In the event the Company fails to provide any instructions or information required for processing such unblocking on account which there is a delay in unblocking, the Company will become liable to make payment of interest at the rate 15 (fifteen) per cent. per annum for the delayed period on the amounts which have not been unblocked.

Filing of this Draft Shelf Prospectus

Our Company is eligible to file this Draft Shelf Prospectus as per requirements of Regulation 6A of Debt Regulations. A copy of this Draft Self Prospectus was filed with the Stock Exchanges on June 29, 2019 in terms of Debt Regulations for dissemination on their respective websites.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and a copy of relevant Tranche Prospectus(es) will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the Debt Regulations and Section 71 (4) of the Companies Act, 2013 which require that when debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014 states that for companies such as our Company, the adequacy of DRR shall be 25% of the value of outstanding debentures issued through a public issue as per the Debt Regulations.

Rule 18 (7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year.

Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Issue. In addition, the amounts invested pursuant to the requirements of Rule 18 (7) (c) of the Companies (Share Capital and Debentures) Rules, 2014, shall not be utilised by our Company except for the redemption of the NCDs.

Issue Related Expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Lead Brokers, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and

distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company.

The estimated break-up of the total expenses shall be as specified in the relevant Tranche Prospectus.

Reservation

No portion of this Issue has been reserved

Underwriting

The Issue has not been underwritten.

Revaluation of assets

The Company has not revalued its assets in the last five years.

Mechanism for redressal of investor grievances

The Registrar Agreement dated Integrated Registry Management Services Private Limited between the Registrar to the Issue and our Company provides for responsibility on the Registrar to the Issue to redress investor complaints and grievances in a timely manner in accordance with any applicable legislation and any rules, regulations and guidelines issued by the SEBI in this regard. The Registrar Agreement between the Registrar and our Company will provide for retention of records with the Registrar for a period of at least 8 years from the last date of despatch of the letters of allotment, demat credit and refund credit to enable the investors to approach the Registrar for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount blocked on Application and the bank branch or Collection Centre where the application was submitted. The contact details of Registrar to the Issue are as follows:

Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1, Ramakrishna Street,
North Usman Road, T. Nagar, Chennai - 600 017
Tel: + 91 44 2814 0801-03
Fax: +91 99 2814 2479
Email: stfcipo@integratedindia.in
Investor Grievance Email: sureshbabu@integratedindia.in
Website: www.integratedindia.in
Contact Person: Anusha N/ Sriram S
SEBI Registration No: INR000000544

We estimate that the average time required by us or the Registrar to the Issue for the redressal of investor grievances will be 3 (three) Working Days from the date of receipt of the complaint which shall not in any case exceed 7 (seven) Working Days from the date of receipt of complaint.

Mr. Vivek M. Achwal has been appointed as the Compliance Officer of our Company for this Issue.

The contact details of Compliance Officer of our Company are as follows:

Mr. Vivek M. Achwal,
Wockhardt Towers, Level-3
West Wing, C–2, G Block, Bandra – Kurla Complex
Bandra (East) Mumbai – 400 051
Tel. No. +91 22 4095 9595
Fax No.: +91 22 4095 9596/97
Email: stfcncd9comp@stfc.in

Change in Auditors of our Company during the last three years

Except as stated below and except as per the provision of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, there has been no change(s) in the Joint Statutory Auditors of our Company in the last 3 (three) financial years preceding the date of this Draft Shelf Prospectus:

Name of the Auditor	Address	Date of change	Reason for change
M/s. Haribhakti & Co. LLP, Chartered Accountants and M/s Pijush Gupta & Co., Chartered Accountants	705, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai – 400 059 GF 17, Augusta Point Golf Course Road, Sector -53, Golf Course Road,	June 29, 2017	Expiry of term of the previous joint statutory auditors of the Company (being M/s. S. R. Batliboi & Co. LLP, Chartered Accountants and M/s. G.D. Apte & Co., Chartered Accountants) in accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014

Utilisation of Issue Proceeds of the previous public issues of debentures by the Company

(Rs. in lacs)

Particulars of utilisation	I Public Issue	II Public Issue	III Public Issue	IV Public Issue	V Public Issue	VI Public Issue	VII Public Issue	VIII Public Issue Tranche I	VIII Public Issue Tranche II	VIII Public Issue Tranche III
Date of allotment	**27-Aug-09**	**2-Jun-10**	**12-Jul-11**	**10-Aug-12**	**1-Aug-13**	**24-Oct-13**	**15-Jul-14**	**12-Jul-18**	**2-Nov-18**	**6-Feb-19**
Total Issue Proceeds	99,999.96	49,999.99	99,999.93	60,000.00	73,589.04	50,000.00	197,484.71	364,851.86	60,679.19	53,731.89
Issue Related Expense	3,942.77	1,706.89	3,194.15	2,021.77	2,644.33	1,646.34	4,153.94	6,535.34	1,374.68	1,167.44
Issue Proceed Less Issue Expenses	96,057.19	48,293.10	96,805.78	57,978.23	70,944.71	48,353.66	193,330.77	358,316.52	59,304.51	52,564.45
Onward lending, investment and Repayment of existing loans including interest	96,057.19	48,293.10	96,805.78	57,978.23	70,944.71	48,353.66	193,330.77	358,316.52	59,304.51	52,564.45

Our group companies have not made any public issues of debentures.

Details regarding the Company and other listed companies under the same management within the meaning of section 370(1B) of the Companies Act, 1956, which made any capital issue by way of public issue during the last three years

Nil

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on March 31, 2019, our Company has listed/unlisted rated/ unrated, secured/ unsecured, non-convertible redeemable debentures and subordinated debt. For further details, please see section titled "*Disclosures on Existing Financial Indebtedness*" beginning on page 143 of this Draft Shelf Prospectus. Except as stated in the section titled "*Capital Structure*" on page 72 of this Draft Shelf Prospectus, our Company has not made any other issue of redeemable preference shares.

Except as stated in the section titled "*Capital Structure*" on page 72 of this Draft Shelf Prospectus and in the chapter titled "*Financial Statements*" on page 142 of this Draft Shelf Prospectus, our Company has not issued any securities for consideration other than cash.

Dividend

Our Company has a dividend policy approved by the Board. The Board of Directors may declare interim dividend based on profits of the Company, one or more times in a financial year as and when considered appropriate. 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. The Board will consider various internal and external factors, including financial and other parameters stated in the policy for declaring / recommending dividend.

The following table details the dividend declared by our Company on the equity shares for the Fiscals 2018, 2017, 2016 and 2015.

Financial Year	Nature of Dividend	Dividend Per Equity Share of Rs. 10 each (in Rs.)
Fiscal 2018	Interim	5.00
Fiscal 2018	Final	6.00
Fiscal 2017	Interim	4.00
Fiscal 2017	Final	6.00
Fiscal 2016	Interim	4.00
Fiscal 2016	Final	6.00
Fiscal 2015	Interim	3.00
Fiscal 2015	Final	4.00

The following table details the dividend declared by our Company on the equity shares for the Fiscal 2019:

Financial Year	Nature of Dividend	Dividend Per Equity Share of Rs. 10 each (in Rs.)
Fiscal 2019	Interim	5.00
Fiscal 2019	Final (proposed)	7.00

Classification of consolidated borrowings as on March 31, 2019

Sr. No.	Type of Borrowings	Amount (Rs. in lacs)	Percentage (in %)
1.	Secured	6,742,242.20	76.69
2.	Unsecured	2,049,197.47	23.31
	Total	**8,791,439.67**	**100.00**

Promoter Shareholding

There is no change in promoter holdings in the Company during the last financial year. For further details of promoter holdings in our Company, please see section titled "*Capital Structure*" on page 72 of this Draft Shelf Prospectus.

Details regarding lending out of Issue proceeds and loans advanced by the Company

A. Lending Policy

Please refer to 'Credit Policies' in the section titled "*Our Business*" on page 102 of this Draft Shelf Prospectus.

B. Loans given by the Company to associates, companies/entities/persons relating to Board, senior management, Promoters, or the other parties covered in the register maintained under Section 189 of the Companies Act

Company has not provided any loans/advances to associates, companies/entities/persons relating to Board, senior management, Promoters or the other parties covered in the register maintained under Section 189 of the Companies Act, out of the proceeds of previous public issues of the Company. For further details of loans/advances to associates, companies/entities/persons relating to Board, senior management, Promoters or the other parties covered in the register maintained under Section 189 of the Companies Act, please see related party transactions within the meaning of Accounting Standard 18 under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting

Standards) Amendment Rules, 2016 (for the period prior to April 1, 2018) and Indian Accounting Standard 24 as notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended (for the period beginning on and from April 1, 2018) as disclosed in the chapter titled "*Financial Statements*" beginning on page 142 of this Draft Shelf Prospectus.

C. Onward lending to borrowers forming part of the "group" as defined by RBI

There is no onward lending to borrowers forming part of the "group" as defined by RBI.

D. Types of loans

- Types of loan given by the Company as on March 31, 2019 are as follows:

Sr. No.	Type of loans	Amount (Rs. in lacs)	Percentage of AUM (in %)
1.	Secured	10,161,941.32	97.26
2.	Unsecured	286,287.05	2.74
	Total assets under management (AUM)	**10,448,228.37**	**100.00**

- Types of loans according to sectoral exposure as on March 31, 2019 is as follows:

Sr. No.	Type of loans (segment-wise break-up of AUM)	Amount (Rs. in lacs)	Percentage of AUM (in %)
1.	HCVs	4,847,885	46.40
2.	MCVs &LCVs	2,296,640	21.98
3.	Passenger Vehicles	2,352,042	22.51
4.	Tractors,	367,837	3.52
5.	Business Loans	297,103	2.84
6.	Others	286,721	2.75
	Total	**10,448,228**	**100.00**

- Types of loans according to sectoral exposure as on March 31, 2019 is as follows:

Sr. No.	Segment-wise breakup of loan book	Percentage of loan book (in %)
1.	HCVs	46.40
2.	MCVs & LCVs	21.98
3.	Passenger Vehicles	22.51
4.	Tractors	3.52
5.	Business Loans	2.84
6.	Others	2.75
	Total	**100.00**

- Denomination of loans outstanding by ticket size* as on March 31, 2019:

Sr. No.	Ticket size**	Percentage of AUM (in %)
1.	Upto Rs. 2 lacs	2.58
2.	Rs. 2-5 lacs	13.70
3.	Rs. 5-10 lacs	34.34
4.	Rs. 10-25 lacs	37.54
5.	Rs. 25-50 lacs	7.55
6.	Rs. 50 lacs - 1 crore	2.56
7.	Rs. 1-5 crores	1.25
8.	Rs. 5-25 crores	0.36
9.	Rs. 25-100 crores	0.13
10.	>Rs. 100 crores	0.00
	Total	**100.00**

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

*** Ticket size at the time of origination.*

- Denomination of loans outstanding by LTV* as on March 31, 2019:

Sr. No.	LTV	Percentage of AUM (in %)
1.	Upto 50%	3.67
2.	50-60%	13.72
3.	60-70%	32.53
4.	70-80%	30.69
5.	80-90%	15.19
6.	>90%	4.20
	Total	**100.00**

** LTV at the time of origination*.

- Geographical classification of borrowers as on March 31, 2019:

Sr. No.	Top 5 states	Percentage of AUM (in %)
1.	Tamil Nadu	18.16
2.	Karnataka	10.23
3.	Maharashtra	8.33
4.	Andhra Pradesh	7.27
5.	Uttar Pradesh	7.06
	Total	**51.06**

- Maturity profile of total loan portfolio of the Company as on March 31, 2019 is as follows:

Sr. No.	Period	Amount (Rs. in lacs)
1.	Upto 30/31 days	330,568.21
2.	Over 1 month upto 2 months	507,597.19
3.	Over 2 months upto 3 months	309,554.95
4.	Over 3 months & upto 6 months	919,181.98
5.	Over 6 months & upto 1 year	1,598,625.16
6.	Over 1 year & upto 3 years	4,338,840.83
7.	Over 3 years & upto 5 years	1,574,589.46
8.	Over 5 years	96,190.79
	Total	**9,675,148.57**

E. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2019:

(Rs. in lacs)

	Amount
Total advances to twenty largest borrowers	32,821.18
Percentage of advances to twenty largest borrowers to total advances of the Company	0.32%

F. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2019:

(Rs. in lacs)

	Amount
Total exposure to twenty largest borrowers	32,821.18
Percentage of exposures to twenty largest borrowers to total exposure of the Company on borrowers / customers	0.32%

G. Details of loans overdue and classified as non – performing in accordance with the RBI guidelines:

(Rs. in lacs)

Sr. No.	Movement of gross NPAs[$] as on March 31, 2019	Amount
1.	Opening balance	893,446.17

Sr. No.	Movement of gross NPAs[$] as on March 31, 2019	Amount
2.	Additions during the year	663,830.54
3.	Reductions during the year	(695,649.97)
4.	Closing balance	**861,626.74**

[$] 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.

(Rs. in lacs)

Sr. No.	Movement of provisions for NPAs[$] as on March 31, 2019	Amount
1.	Opening balance	309,438.68
2.	Provisions made during the year	224,131.22
3.	Write-off / write-back of excess provisions	(236,596.40)
4.	Closing balance	**296,973.50**

[$] 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.

H. Segment–wise gross NPA[$] as on March 31, 2019:

Sr. No.	Segment-wise breakup of gross NPAs[$]	Gross NPA (in %)
1.	HCVs	51.43
2.	MCVs & LCVs	15.05
3.	Passenger Vehicles	20.13
4.	Tractors	3.79
5.	Business Loans	5.03
6.	Others	4.56
	Total	**100.00**

[$] 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. Any asset which is 90 days past due is considered as default for classifying a financial instrument as credit impaired.

I. Residual maturity profile of assets and liabilities as on March 31, 2019:

(Rs. in lacs)

Particulars	Upto 30/31 days	Over 1 month upto 2months	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**

** 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.*

Reservations/ qualifications/ adverse remarks of the auditors of our Company in the last five financial years:

Nil

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to the Company. The summary set out herein focuses on regulations and policies which are applicable to the business of our Company specifically and does not address (and even if addressed, the same is addressed very briefly) regulations and policies which are generally applicable to any other Indian company. Examples of regulations which would be applicable to any Indian company would include taxation statutes such as the I.T. Act, Goods and Services Tax Act, 2017, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Act, 1952, the Companies Act, 2013 and other miscellaneous regulations such as the Trade Marks Act, 1999 and applicable shops and establishments statutes. The regulations summarised below are not exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for any professional legal advice. The following information is based on the current provisions of applicable Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is registered as an NBFC and is an investment and credit company which accepts public deposits. As such, our business activities are regulated by RBI regulations applicable to NBFCs registered as a deposit accepting NBFC ("**NBFC-D**").

Following are the significant regulations and laws that affect our operations.

1. Regulation of NBFCs

The RBI regulates and supervises activities of NBFCs. Chapter III B of the RBI Act empowers the RBI to regulate and supervise the activities of all NBFCs in India. The RBI Act defines an NBFC under section 45-I (f).

(i) "*a financial institution which is a company;*
(ii) *a non-banking institution which is a company, and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner;*
(iii) *such other non-banking institution or class of such institutions as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.*"

Section 45-I (c) of the RBI Act, further defines "financial institution" to mean any non-banking institution which, among other things, carries on as its business or part of its business, the financing, by making loans or advances or otherwise, of any activity, other than its own or is engaged in the acquisition of shares/stock/bonds/debentures/securities issued by the Government of India or other local authorities or other marketable securities of a like nature, letting or delivering of any goods to a hirer under a hire-purchase agreement, insurance business, chit business but does not include any institution whose principal business is that of carrying out any agricultural or industrial activities, or the purchase or sale of any goods (other than securities) or the providing of any services, or the purchase, construction or sale of immoveable property.

The RBI has clarified through a press release (Ref. No. 1998-99/ 1269) in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. The company will be treated as an NBFC if its financial assets are more than 50 per cent. of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 per cent. of the gross income. Both these tests are required to be satisfied in order to determine the principal business of a company.

Section 45-IA of the RBI Act makes it mandatory for every NBFC to get itself registered with the RBI in order to be able to commence or carry on the business of a non-banking financial institution.

The RBI vide circular bearing reference number DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019, has harmonised different categories of NBFCs into fewer ones, based on the principle of regulation by activity rather than regulation by entity. Accordingly, RBI has merged the three categories of NBFCs, namely Asset Finance Companies, Loan Companies and Investment Companies into a new category called NBFC - Investment and Credit Company. Further, a deposit taking NBFC-ICC shall invest in unquoted shares of another company which is not a subsidiary company or a company in the same group

of the NBFC, an amount not exceeding twenty per cent. of its owned fund. Prior to this reclassification, our Company was classified as an asset finance company.

A. Regulation of NBFC-Ds registered with RBI

The RBI has issued the Non-Banking Financial Company –Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("**Master Directions**") and the Public Deposit Directions, applicable to all NBFC-Ds. In addition to these regulations, NBFCs (including NBFC-Ds) are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time. Following are key provisions of the Master Directions and Public Deposit Directions, in addition to various circulars, notifications, guidelines and directions issued by the RBI from time to time, that are applicable inter alia to NBFC-Ds.

Net Owned Fund

Section 45-IA of the RBI Act provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of Rs. 200 lacs. For this purpose, the RBI Act has defined "net owned fund" to mean:

(i) *"the aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance-sheet of the company, after deducting (i) accumulated balance of losses; (ii) deferred revenue expenditure; and (iii) other intangible assets; and*

(ii) *Further reduced by the amounts representing,*

a. *investment by such companies in shares of (i) its subsidiaries, (ii) companies in the same group, (iii) all other non-banking financial companies; and*

b. *the book value of debentures, bonds, outstanding loans and advances (including hire-purchase and lease finance) made to, and deposits with (i) subsidiaries of such company; and (ii) companies in the same group, to the extent such book value exceeds ten percent of (a) above."*

Further, in accordance with RBI Notification No DNBR.007/CGM (CDS) 2015 dated March 27, 2015 which provides that a non banking financial company holding a certificate of registration issued by the RBI and having net owned fund of less than Rs. 200 lacs may continue to carry on the business of non banking financial institution, if such company achieves net owned fund of:

(i) Rs. 100 lacs before April 1, 2016; and
(ii) Rs. 200 lacs before April 1, 2017.

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs to create a reserve fund and transfer therein a sum of not less than 20 per cent. of its net profits earned annually before declaration of dividend. Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such withdrawal.

Maintenance of liquid assets

The RBI has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price and in unencumbered approved term deposits / approved bonds, an amount which shall at the close of business on any day be not less than 15 per cent. of public deposits outstanding at the close of business on the last working day of the second preceding quarter. Out of their aggregate investment of 15 per cent. of public deposits as set out above, NBFC-Ds must ensure that they invest not less than 10 per cent. of public deposits in unencumbered approved securities.

Obligations of NBFC-D under the Public Deposit Directions

The RBI's Public Deposit Directions governs the manner in which NBFCs may accept and/or hold public deposits. The Public Deposit Directions places the following restrictions on NBFCs in connection with accepting public deposits:

(i) Prohibition from accepting any demand deposits: NBFCs are prohibited from accepting any public deposit which is repayable on demand.

(ii) Ceiling on quantum of deposits: An investment and credit company or a factor (a) having minimum NOF as stipulated by RBI, and (b) complying with all the prudential norms, may accept or renew public deposit, together with the amounts remaining outstanding in the books of the company as on the date of acceptance or renewal of such deposit, not exceeding one and one-half times of its NOF. Provided that an investment and credit company holding public deposits in excess of the limit of one and one-half times of its NOF shall not renew or accept fresh deposits till such time they reach the revised limit. Provided no matured public deposit shall be renewed without the express and voluntary consent of the depositor.

(iii) Downgrading of credit-rating: In the event of downgrading of the credit rating below the minimum specified investment grade, an NBFC, being an investment and credit company or a factor, shall regularise the excess deposit in the following manner: (a) forthwith stop accepting fresh public deposit and renewing existing deposits, (b) all existing deposits shall runoff to maturity, and (c) report the position of the credit rating within fifteen working days to the RBI.

(iv) Ceiling on rate of interest: An NBFC cannot invite or accept or renew public deposit at a rate of interest exceeding twelve and half per cent. per annum. Interests may be paid or compounded at rests which shall not be shorter than monthly rests. NBFCs are also prohibited from inviting or accepting or renewing repatriable deposits from NRIs under the Non-Resident (External) Account Scheme at a rate exceeding the rate specified by the RBI for such deposits with scheduled commercial banks (the period of repatriable deposits shall be not less than one year and not more than three years).

(v) Minimum lock-in period: An NBFC is prohibited from granting any loan against a public deposit or making any premature repayment of a public deposit within a period of three months (lock-in period) from the date of acceptance of such public deposit. Provided that in the event of the death of a depositor, a NBFC may repay the public deposit prematurely, even within the lock-in period, to the surviving depositor/s in the case of joint holding with survivor clause, or to the nominee or the legal heir/s of the deceased depositor, on the request of the surviving depositor, nominee or legal heir, and only against submission of proof of death, to the satisfaction of the company.

(vi) NBFC failing to repay public deposit prohibited from making loans and investments: An NBFC which has failed to repay any public deposit or part thereof in accordance with the terms and conditions of such deposit cannot grant any loan or other credit facility by whatever name called or make any investment or create any other asset as long as such default exists.

Income Recognition

NBFC-Ds are required to follow recognised accounting principles in connection with recognition of income. Income including interest/discount or any other charges on NPA is recognised only when it is actually realised. NBFCs may recognise income on accrual basis in respect of the projects under implementation, which are classified as "standard". NBFCs should not recognise income on accrual basis in respect of the projects under implementation which are classified as a "sub-standard" asset. NBFCs may recognise income in such accounts only on realisation on cash basis. Any such income recognised before the asset became non- performing and remaining unrealised must be reversed. With respect to hire purchase assets, where installments are overdue for more than three months, income shall be recognised only when hire charges are actually

received. Any such income taken to the credit of profit and loss account before the asset became non-performing and remaining unrealised, must be reversed. Consequently, NBFCs which have recognised income on accrual in the past should reverse the interest if it was recognised as income during the current year or make a provision for an equivalent amount if it was recognised as income in the previous year(s).

Capital Adequacy Norms

Every NBFC shall maintain a minimum CAR consisting of Tier I and Tier II capital which must not be less than fifteen per cent. of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. The total Tier I capital, at any point of time shall not be less than 10 per cent. of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items.

Exposure Norms

In order to ensure better risk management and avoidance of concentration of credit risks, the RBI has, in terms of the prudential norms, prescribed credit exposure limits for financial institutions in respect of their lending to single/ group borrowers. Credit exposure to a single borrower shall not exceed 15 per cent. of the owned funds of the NBFC-D, while the credit exposure to a single group of borrowers shall not exceed 25 per cent. of the owned funds of the NBFC-D. Further, the NBFC-D shall not invest in the shares of another company exceeding 15 per cent. of its owned funds, and in the shares of a single group of companies exceeding 25 per cent. of its owned funds. Further, the NBFC-D's loans and investments (taken together) to a single party shall not exceed 25 per cent. of its owned funds, while its loans and investments (taken together) to a single group of parties shall not exceed 40 per cent. of the owned funds of the NBFC-D. However, this prescribed ceiling shall not be applicable on a NBFC-D for investments in the equity capital of an insurance company to the extent specifically permitted by the RBI. Further, NBFC-D may exceed the concentration of credit / investment norms, by 5 per cent. for any single party and by 10 per cent. for a single group of parties, if the additional exposure is on account of infrastructure loan and / or investment.

Asset Classification

Every NBFC-D is required to, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes, namely:

(i) Standard assets;
(ii) Sub-standard assets;
(iii) Doubtful assets; and
(iv) Loss assets.

The classes of assets referred to above shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for the upgradation.

Provisioning Requirements

An NBFC-D must, after taking into account the time lag between an account becoming non-performing, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets in the manner prescribed by RBI. NBFCs are required to make a general provision for standard assets of 0.40 per cent. to be met by March 31, 2018. The provisions on standard assets shall not be reckoned for arriving at net NPAs. The provisions towards standard assets are not needed to be netted from gross advances but shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet. The provisions towards Standard Assets are not needed to be netted from gross advances but shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet. NBFCs are allowed to include the 'General Provisions on Standard

Assets' in Tier II capital which together with other 'general provisions/ loss reserves' will be admitted as Tier II capital only up to a maximum of 1.25 per cent. of the total risk-weighted assets.

Disclosure Requirements

Every NBFC is required to separately disclose in its balance sheet the provisions made in accordance with the applicable prudential norms prescribed by the RBI without netting them from the income or against the value of assets. Further, the provisions shall be distinctly indicated under separate heads of account as under:

- provisions for bad and doubtful debts; and
- provisions for depreciation in investments.

Such provisions shall not be appropriated from the general provisions and loss reserves held, if any, by the NBFC-D and for each year shall be debited to the profit and loss account. The excess of provisions, if any, held under the heads general provisions and loss reserves may be written back without making adjustment against them. At present, every NBFC is required to make a provision for standard assets at 0.40 per cent.

Rating of Financial Product

As per the Master Directions, all NBFCs with asset size of Rs. 10,000 lacs and above are required to furnish at the regional office of the RBI under whose jurisdiction the registered office of the NBFC is functioning, information relating to the downgrading and upgrading of assigned rating of any financial products issued by them within 15 days of such change.

Norms for excessive interest rates

All NBFCs are required to put in place appropriate internal principles and procedures in determining interest rates and charges for loans and advances. The Master Directions stipulate that the board of each NBFC shall adopt an interest rate model taking into account the various relevant factors such as cost of funds, margin and risk premium etc. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers shall be required to be disclosed to the borrowers in the application form and communicated explicitly in the sanction letter. Further, the same is also required to be made available on the company's website or be published in the relevant newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be annualized rates so that that the borrower is aware of the exact rates that would be charged to the account.

Fair Practices Code

The RBI has framed the fair practice code, to promote good and fair practices by setting minimum standards to be adhered to by NBFCs in dealing with customers. These guidelines require NBFCs to ensure that they meet the commitments and standards specified therein for the products and services they offer and, in the procedures, and practices their staff follows, their products and services meet relevant laws and regulations in letter and spirit, and their dealings with customers rest on ethical principles of integrity and transparency. Further, the said guidelines prescribe the requirements in connection with information to be provided and disclosures to be made by NBFCs to their customers. Accordingly, the guidelines require NBFCs to provide information on interest rates, common fees and charges, provide clear information explaining the key features of their services and products that customers are interested in, provide information on any type of product and service offered, that may suit the customer's needs, tell the customers about the various means through which products and services are offered, and provide more information on the key features of the products, including applicable interest rates / fees and charges.

Other stipulations

All NBFCs are required to frame a policy for demand and call loan that includes provisions on the cut-off date for recalling the loans, the rate of interest, periodicity of such interest and periodical reviews of such performance.

The Master Directions also specifically prohibit NBFCs from lending against its own shares.

B. Monitoring of frauds in NBFCs, (Reserve Bank) Directions, 2016

All NBFC-Ds shall put in place a reporting system for recording frauds without any delay and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-D is required to report all cases of fraud of Rs. 1 lac and above. If the fraud is of Rs. 100 lacs or above, the NBFC shall report the fraud to the RBI within a week of such fraud coming to its notice and a report should be sent in the prescribed format to the Central Fraud Monitoring Cell of RBI within three weeks from the date of detection thereof. The NBFC-D shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

C. Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016

NBFCs have been advised, vide Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 ("**KYC Norms**"), to follow certain customer identification procedure for opening of accounts and monitoring transactions of suspicious nature for the purpose of reporting it to appropriate authority. Accordingly, NBFCs have been advised to ensure that a proper policy framework on 'know your customer' and anti-money laundering measures is formulated and put in place with the approval of the RBI. The KYC Norms also require that while preparing operational guidelines NBFCs may keep in mind to treat the information collected from the customer for the purpose of opening of account as confidential and not divulge any details thereof for cross selling or any other purposes. NBFCs may, therefore, ensure that information sought from the customer is relevant to the perceived risk, is not intrusive, and is in conformity with the guidelines issued in this regard. Any other information from the customer should be sought separately with his /her consent and after opening the account.

D. Anti-Money Laundering

The RBI issued the KYC Norms and has specified that a proper policy framework is to be put into place in NBFCs pursuant to the provisions of the Prevention of Money Laundering Act, 2002 ("**PMLA**") and the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. The PMLA seeks to prevent money laundering and extends to all banking companies and financial institutions, including NBFCs and intermediaries. Pursuant to the provisions the PMLA and the RBI guidelines, all NBFCs are advised to appoint a principal officer for internal reporting of suspicious transactions and cash transactions and to maintain a system of proper record for: (i) all cash transactions of value of more than Rs. 10 lac; and (ii) all series of cash transactions integrally connected to each other which have been valued below Rs. 10 lacs where such series of transactions have taken place within one month and the aggregate value of such transaction exceeds Rs. 10 lacs. Further, all NBFCs are required take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities.

E. Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-D examined for every financial year, the auditor shall make a separate report to the Board of Directors of the company on inter alia:

(i) examination of validity of certificate of registration obtained from the RBI,

(ii) whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on March 31 of the applicable year,

(iii) whether the NBFC is meeting the required net owned fund requirement,

(iv) whether the public deposits accepted by the company are within the limits admissible to the company as per the provisions of the Public Deposit Directions,

(v) whether the public deposits held by the company in excess of the quantum of such deposits permissible to it under the provisions of the Public Deposit Directions are regularised in the manner provided in the said Directions,

(vi) whether the non banking financial company is accepting "public deposit" without minimum investment grade credit rating from an approved credit rating agency as per the provisions of the Public Deposit Directions,

(vii) compliance with the minimum capital to risk assets ratio (CRAR) prescribed in the Master Directions,

(viii) whether the company has violated any restriction on acceptance of public deposit as provided in Public Deposit Directions,

(ix) whether the company has defaulted in paying to its depositors the interest and /or principal amount of the deposits after such interest and/or principal became due,

(x) whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts and concentration of credit/investments as specified in the Master Directions,

(xi) whether the company has complied with the liquid assets requirement as prescribed by the RBI and whether the details of the designated bank in which the approved securities are held is communicated to the RBI in NBS-3,

(xii) whether the company has furnished to the RBI within the stipulated period the return on deposits as specified in NBS-1,

(xiii) whether the company has furnished to the RBI within the stipulated period the quarterly return on prudential norms as specified in the Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016, and

(xiv) whether, in the case of opening of new branches or offices to collect deposits or in the case of closure of existing branches/offices or in the case of appointment of agent, the company has complied with the requirements contained in the Public Deposits Directions.

The Report should contain reasons for any unfavorable or qualified statement or failure to express opinion on any matter by the auditor. The auditor is obliged to submit an exception report to the RBI in such a case.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalisation of the balance sheet and in any case, not later than 30 December of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

F. Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI within the prescribed timeline. An NBFC-D is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., returns on asset-liability management to address concerns regarding inter alia asset liability mismatches and interest rate risk and quarterly report on branch information. Further, NBFC-Ds are required to report credit information on all the borrowers having aggregate fund-based and non-fund based exposure of Rs. 5 crore and above with them and the Special Mention Account ("**SMA**") status of the borrower, on a quarterly basis, to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

G. Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs ("**Risk Management Directions**"). The Risk Management Directions specify

that core management functions like internal auditing, strategic and compliance functions, decision making functions such as compliance with KYC norms for opening deposit accounts, according sanction for loans (including retail loans) and management of investment portfolio shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

H. Master Direction on Information Technology Framework for the NBFC Sector, 2017

All NBFCs with asset size above Rs. 500 crore must implement the security enhancement requirements under the Master Direction with respect to enhancing security of its Information Technology ("**IT**")/Information Security Framework ("**IT/IS**") business continuity planning, disaster recovery and management. Such NBFCs must constitute an IT Strategy Committee and IT Steering Committee and formulate an IT and Information Security Policy in furtherance of the same. Further, a Cyber Crisis Management Plan must be formulated to address cyber intrusions and attacks. For other NBFCs with an asset size below Rs. 500 crores, it is recommended they have policies such as a Board approved IT/IS policy, information security and cyber security and a business continuity planning policy.

I. Corporate Governance

RBI vide its notification (DNBR.019/CGM (CDS)-2015) dated April 10, 2015 read with the Master Directions, has laid down corporate governance guidelines for the consideration of all NBFC-Ds. The guidelines recommend that such NBFCs constitute an Audit Committee (to ensure that an information system audit of internal systems and processes is conducted at least once in two years to assess operational risks), a Nomination Committee (to ensure that fit and proper persons are nominated as directors on their respective boards) and a Risk Management Committee to manage the integrated risk. Further, all NBFCs are required to obtain undertakings and a deed of covenant from all directors and furnish a quarterly statement to the RBI on change of directors along with a certificate from the managing director that 'fit and proper criteria' has been followed within 15 days of the close of the respective quarter. All applicable NBFCs are required to disclose details pertaining to asset-liability profile, non-performing assets and movement of non-performing assets, details of off-balance sheet exposures, etc. in their annual financial statements.

In addition to the above, NBFCs are required to rotate the partner of the chartered accountant firm conducting the audit every three years so that the same partner does not continuously conduct the audit of the company for more than a period of three years. NBFCs are also mandated to frame internal guidelines on corporate governance with the approval of its board of directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines which shall be published on the company's web -site, if any, for the information of various stakeholders.

J. Ombudsman Scheme for Customers of NBFCs

RBI had vide notification bearing reference number Ref.CEPD.PRS.No.3590/13.01.004/2017-18 dated February 23, 2018, implemented the Ombudsman Scheme ("**Ombudsman Scheme**") inter alia for NBFC-Ds. The stated objective of the Ombudsman Scheme is to enable the resolution of complaints free of cost, relating to certain aspects of services rendered by NBFC-D to facilitate the satisfaction or settlement of such complaints, and matters connected therewith. The Ombudsman Scheme provides for the appointment by RBI of one or more officers not below the rank of general manager as ombudsmen (the "**Ombudsman**") for a period not exceeding three years at a time, to carry out the functions entrusted to Ombudsman under the Ombudsman Scheme. The Ombudsman Scheme will continue to be administered from the offices of the Ombudsman in four metro centres viz. Chennai, Kolkata, Mumbai and New Delhi for handling complaints from the respective zones, so as to cover the entire country.

K. Accounting Standards & Accounting policies

Subject to the changes in Indian Accounting Standards and regulatory environment applicable to a NBFC may change our accounting policies in the future and it might not always be possible to determine the effect on the Profit and Loss account of these changes in each of the accounting years preceding the change.

In such cases the profit/ loss of NBFCs for the preceding years might not be strictly comparable with the profit/ loss for the period for which such accounting policy changes are being made.

L. Asset Liability Management and Draft Guidelines on Liquidity Risk Management Framework

The RBI has prescribed the Guidelines for Asset Liability Management under Annex XXIII of the Master Directions. NBFCs meeting the criteria of asset base of Rs. 100 crore or more (whether accepting / holding public deposits or not) or holding public deposits of Rs. 20 crore or more (irrespective of their asset size) as per their last audited balance sheet shall be required to put in place the ALM System. The ALM system rests on the functioning of ALM information systems within the NBFC, ALM organisations including an Asset Liability Management Committee and ALM support groups, and the ALM process including liquidity risk management, management of market risk, funding and capital planning, profit planning and growth projection, and forecasting/ preparation of contingency plans. The management committee of the board of directors or any other specific committee constituted by the board of directors oversees the implementation of the system and reviews its functionality periodically. In the case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/31 days time-bucket should not exceed the prudential limit of 15 per cent. of outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15 per cent. of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown as a footnote in the relevant statement.

In order to strengthen and raise the standard of Asset Liability Management (ALM) framework applicable to NBFCs, the RBI has issued draft guidelines for public comments on May 24, 2019 to revise the extant guidelines on liquidity risk management for NBFCs. Once these guidelines are notified (assuming they are notified without any changes from the draft guidelines made available for public comments), all NBFC-Ds will be required to inter alia (i) implement liquidity risk monitoring tools/metrics which should cover (a) concentration of funding by counterparty/ instrument/ currency, (b) availability of unencumbered assets that can be used as collateral for raising funds; and, (c) certain early warning market-based indicators, such as, price-to-book ratio, coupon on debts raised, breaches and regulatory penalties for breaches in regulatory liquidity requirements, and (ii) maintain a liquidity coverage ratio ("**LCR**") by ensuring they have sufficient High Quality Liquid Asset ("**HQLA**") to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA is to be maintained as a percentage of total net cash outflows over the next 30 calendar days. The LCR requirement shall be binding on NBFCs from April 01, 2020 with the minimum HQLAs to be held being 60 per cent. of the LCR, progressively increasing in equal steps reaching up to the required level of 100 per cent. by April 01, 2024, as per the timeline that will be prescribed by RBI.

M. The Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019

The Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 sets out a framework to ensure that there is an early recognition, reporting and time bound resolution of stressed assets. The Stressed Assets Directions apply to (a) Scheduled Commercial Banks (excluding Regional Rural Banks); (b) All India Term Financial Institutions (NABARD, NHB, EXIM Bank, and SIDBI); (c) Small Finance Banks; and, (d) Systemically Important Non-Deposit taking Non-Banking Financial Companies (NBFC-ND-SI) and NBFC-Ds. In the event of a default, the said lenders shall recognize the stress in the loan accounts and classify these loan accounts into three categories namely: (i) SMA-0, where the principal and/or interest, whether partly or wholly is overdue between 1-30 days; (ii) SMA-1, where the principal and/or interest, whether partly or wholly is overdue between 31-60 days; and (iii) SMA-2, where the principal and/or interest whether partly or wholly is overdue between 61-90 days. The said lenders shall report credit information, including classification of an account as SMA to Central Repository of Information on Large Credits ("**CRILC**"), on all borrowers having aggregate exposure of Rs. 500 lacs and above with them. Once a borrower is reported to be in default by any of the lenders mentioned at (a), (b) and (c) hereinabove, the lenders shall undertake a prima facie review of the borrower account within thirty days from such default ("**Review Period**") to inter alia decide on a resolution strategy, including nature of the resolution plan ("**RP**"). During the Review Period,

for the implementation of an RP, all lenders shall enter into an inter-creditor agreement, which shall among other things provide that any decision agreed by lenders representing 75 per cent. by value of total outstanding credit facilities (fund based as well non-fund based) and 60 per cent. of lenders by number shall be binding upon all the lenders. In particular, the RPs shall provide for payment not less than the liquidation value due to the dissenting lenders, being the estimated realisable value of the assets of the relevant borrower, if such borrower were to be liquidated as on the date of commencement of the Review Period.

2. Regulation of Foreign Investment

A. Foreign Exchange Management Act (FEMA) Regulations

Foreign investment in India is governed primarily by the provisions of the FEMA and the rules, regulations and notifications thereunder, and the policy prescribed by the Department of Industrial Policy and Promotion ("**DIPP**") of the Government.

On November 7, 2017, the RBI issued Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations, 2017 ("**FEMA Regulations**") to replace the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**Old FEMA 20**") and the Foreign Exchange Management (Investments in Firms or Proprietary concern in India) Regulations, 2000 ("**FEMA 24**"). FEMA Regulations consolidates Old FEMA 20 and FEMA 24. The FEMA Regulations, which have subsequently been amended from time to time, set out the legal and regulatory framework governing foreign investment into India.

B. Foreign Direct Investment

Foreign direct investment ("**FDI**") in an Indian company is governed by the provisions of the FEMA read with the FEMA Regulations and the Master Directions on Foreign Investment in India issued by the RBI from time to time, the latest being January 4, 2018 (and updated till March 8, 2019). FDI is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector concerned. Under the automatic route, no prior Government approval is required for the issue of securities by Indian companies/acquisition of securities of Indian companies. Indian companies receiving investment as consideration for issue of capital instruments are required to file the required documentation with the RBI within 30 days of such issue/acquisition of securities.

Under the approval route, prior approval from the relevant administrative ministry/department of the Government of India or RBI is required. FDI for the items/ activities that cannot be brought in under the automatic route (other than in prohibited sectors) may be brought in through the approval route. Further, as per the sector specific guidelines of the Government, 100 per cent. FDI/NRI investments are allowed under the automatic route in certain NBFC activities subject to compliance with guideline of the RBI in this regard.

In addition:

(i) FDI in NBFCs shall be subject to conditionalities, including minimum capitalisation norms, as specified by the RBI or relevant department of the Government of India.

(ii) Every NBFC-D must submit quarterly returns (NBS-1, NBS-2 and NBS-3) within a period of fifteen days of the expiry of the quarter to which it pertains in the prescribed form through online system.

Where FDI is allowed on an automatic basis without governmental approval, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. Every Indian company issuing shares or convertible debentures in accordance with the RBI regulations is required to submit a report within 30 days from the date of issue of the shares to the non-resident purchaser.

2. Regulations governing raising of funds by NBFCs

Various regulations govern the raising of funds and borrowings by NBFCs. Listed here is a summary of key regulations governing raising of funds by our Company.

A. Guidelines on Securitisation of Standard Assets

The RBI issued revised 'Guidelines on Securitization of Standard Assets' through its circular dated May 7, 2012 (**"Revised Guidelines"**) to banks and were made applicable to NBFCs by another circular dated August 21, 2012. The Revised Guidelines regulate assignment transactions, which were not covered under the earlier guidelines issued by the RBI through its circular dated February 01, 2006. The Revised Guidelines impose a restriction on the offering of credit enhancement in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows. Further, the Revised Guidelines provide that loans can only be assigned or securitized if the NBFC has held them in their books for a specified minimum period. They also provide a mandatory minimum retention requirement ("**MRR**") for securitization and assignment transactions. The RBI vide its circular dated November 29, 2018 relaxed for a period of six months from the date of the circular, the minimum holding period requirement to 6 months (from 1 year) for securitization / assignment of loans with maturity greater than 5 years, subject to MRR being increased to 20 per cent. (from 10 per cent.) for such loans. The RBI renewed this dispensation vide its circular dated May 29, 2019, till December 31, 2019.

B. Financing of NBFCs by Banks

The RBI has issued guidelines vide Master Circular - Bank Finance to Non-Banking Financial Companies (NBFCs) bearing number DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 relating financing of NBFC-D by scheduled commercial banks. In particular, the aforesaid master circular prohibit scheduled commercial banks from lending to NBFC-D for the financing of certain activities, such as (i) bill discounting or rediscounting by NBFC-D, except where such discounting arises from the (a) sale of commercial vehicles (including light commercial vehicles) and (b) two wheelers or three wheelers, subject to conditions that: (I) the bills should have been drawn by the manufacturer on dealers only, (II) the bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and (III) before rediscounting the bills, banks should satisfy themselves about the bona fides and track record of NBFC-D which have discounted the bills, (ii) investments by NBFC-D both of current and long term nature, in any company / entity by way of shares, debentures, etc; however, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade, (iii) unsecured loans or corporate deposits by NBFC-D to/in any company, (iv) all types of loans and advances by NBFC-D to their subsidiaries, group companies/entities; and (v) further lending to individuals for the purpose of subscribing to an initial public offer and for purchase of shares from secondary market.

C. External Commercial Borrowings Directions

The current laws relating to external commercial borrowings ("**ECB**") are embodied in the Master Directions on External Commercial Borrowings, Trade Credits and Structured Obligations issued by RBI vide notification no. RBI/FED/2918-19/67 FED Master Direction No.5/ 2018-19 dated March 26, 2019 ("**ECB Directions**"), as amended from time to time. ECBs can be accessed under two routes: (i) the automatic route; and (ii) the approval route. The automatic route does not require a borrower to obtain any RBI approvals, whereas the approval route requires prior RBI approval. The ECB Directions classify ECBs under the categories: (i) foreign currency denominated ECBs; and (ii) rupee denominated ECBs.

The following entities have been classified as recognised borrowers for raising foreign currency denominated ECBs and rupee denominated ECBs: (i) all entities eligible to receive FDI in India; (ii) port trusts; (iii) units in special economic zones; (iv) small Industries Development Bank of India; (v) export Import Bank of India; (vi) registered entities engaged in micro-finance activities, viz., registered not for profit companies, registered societies/trusts/cooperatives and non-government organisations (permitted only to raise rupee denominated ECBs). The foreign lenders eligible to provide all the categories of ECBs include: (i) non-residents from jurisdictions that are FATF or IOSCO compliant; and (ii) multilateral and regional financial institutions where India is a member country, and must satisfy all other conditions set out in respect of eligible investors under the ECB Directions.

ECB proceeds cannot be utilised for (i) real estate activities; (ii) investment in capital market; (iii) equity investment; (iv) working capital purposes except for ECB raised from foreign equity holder; (v) general corporate purposes except for ECB raised from foreign equity holder; (vi) repayment of rupee loans except for ECB raised from foreign equity holder; (vii) on-lending to entities for the above activities. Further, the maximum amount which can be raised by all eligible borrowers every Fiscal under the automatic route is US$ 750 million or its equivalent. Further, in case of FCY ECB raised from direct foreign equity holder, ECB liability-equity ratio for ECBs raised under the automatic route cannot exceed 7:1, however this ratio will not be applicable if outstanding amount of all ECBs, including proposed one, is up to US$ 5 million or equivalent. Further, the borrowing entities will also be governed by the guidelines on debt equity ratio issued, if any, by the sectoral or prudential regulator concerned.

3. Laws relating to Recovery of Debts, Bankruptcy and Insolvency Resolution

A. Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI")

The SARFAESI Act provides for the enforcement of security interest without the intervention of the courts. Under the provisions of the SARFAESI Act, a secured creditor can recover dues from its borrowers by taking any of the measures as provided therein. Rights, with respect to the enforcement of security interest, under the SARFAESI Act cannot be enforced unless the account of the borrower has been classified as an NPA in the books of account of the secured creditor in accordance with the directions or guidelines issued by the RBI or any other applicable regulatory authority. The secured creditors must serve a 60-day notice on the borrower demanding repayment of the amount due and specifying the borrower's assets over which the bank proposes to exercise remedies. If the borrower still fails to pay, the secured creditors, on expiry of the 60-day notice period, can: (i) take possession of the secured assets; (ii) take over the management of the secured assets along with the right to transfer by way of lease, assignment or sale of the secured assets; (iii) appoint any person to manage the secured assets; and (iv) require any person who has acquired any of the secured assets from the borrower to pay amounts necessary to satisfy the debt. The security interests covered by the SARFAESI Act are security interests over immovable and movable property, existing or future receivables, certain intangible assets (such as know-how, patents, copyrights, trademarks, licenses, franchises) and any debt or any right to receive payment of money, or any receivable, present or future, and in which security interest has been created. Security interests over ships and aircraft, any statutory lien, a pledge of movables, any conditional sale, hire purchase or lease or any other contract in which no security interest is created, rights of unpaid sellers, any property not liable to attachment, security interest for securing repayment of less than Rs.10,000,000, agricultural land and any case where the amount due is less than 20 per cent. of the principal amount and interest are not enforceable under the SARFAESI Act. In the event that the secured creditor is unable to recover the entire sum due by exercise of the remedies under the SARFAESI Act in relation to the assets secured, such secured creditor may approach the relevant court for the recovery of the balance amounts. A secured creditor may also simultaneously pursue its remedies under the SARFAESI Act. The Enforcement of Security Interest and Recovery of Debts Laws and Miscellaneous Provisions (Amendment) Act, 2016 ("**Amendment Act**") was passed by both houses of the Parliament on 9 August 2016 and received the assent of the President on 12 August 2016. 36 sections of the Amendment Act were notified by the Central Government to be effective from 1 September 2016. The Amendment Act amends four laws: (i) Securitisation Act, (ii) Recovery of Debts due to Banks and Financial Institutions Act, 1993, (iii) Indian Stamp Act, 1899 and (iv) Depositories Act, 1996. Under the Securitisation Act, secured creditors can take possession over a collateral, against which a loan had been provided, upon a default in repayment, which can be done with the assistance of the District Magistrate. The Amendment Act provides that this process will have to be completed within 30 days by the District Magistrate. In addition, the Amendment Act: (i) creates a central database to integrate records of property registered under various registration systems with this central registry and secured creditors will not be able to take possession over the collateral unless it is registered with the central registry; (ii) provides that stamp duty will not be charged on transactions for transfer of financial assets in favour of asset reconstruction companies. In relation to the Debts Recovery Act, the Amendment Act: (i) allows banks to file cases in tribunals having jurisdiction in the location of the bank branch and where the debt is

pending; and (ii) provides further details of procedures that the tribunals will follow in case of debt recovery proceedings.

B. The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 ("Debts Recovery Act")

The Debts Recovery Act provides for establishment of Debt Recovery Tribunals for expeditious adjudication and recovery of debts due to any bank or public financial institution or to a consortium of banks and public financial institutions. Under the Debts Recovery Act, the procedures for recoveries of debt have been simplified and time frames have been fixed for speedy disposal of cases. Upon establishment of the Debts Recovery Tribunal, no court or other authority can exercise jurisdiction in relation to matters covered by the Debts Recovery Act, except the Supreme Court and High Court exercising jurisdiction under Articles 226 and 227 of the Constitution of India, in relation to matters specified in Section 17 of the Debts Recovery Act. The provisions of the Debts Recovery Act in relation to approaching the Debt Recovery Tribunal for recovery of debts, is currently not applicable to debts due to the Issuer.

C. Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 ("**Code**") consolidates laws relating to insolvency, reorganisation and liquidation/ bankruptcy of all persons, including companies, individuals, partnership firms and LLPs. The Code has established an Insolvency and Bankruptcy Board of India to function as the regulator for all matters pertaining to insolvency and bankruptcy. The Code prescribes a timeline of 180 days for the insolvency resolution process, which begins from the date the application is admitted by the National Company Law Tribunal. During this period, the creditors and the debtor shall negotiate and finalise a resolution plan (accepted by 66 per cent. of the financial creditors) and in the event, they fail, the debtor is placed in liquidation and the moratorium lifted. The Code stipulates an interim-moratorium period which would commence after filing of the application for a fresh start process and shall cease to exist after elapse of a period of 180 days from the date of application. During such period, all legal proceedings against such debtor should be stayed and no fresh suits, proceedings, recovery or enforcement action may be initiated against such debtor. However, the Code has also imposed certain restrictions on the debtor during the moratorium period such as the debtor shall not be permitted to act as a director of any company or be involved in the promotion or management of a company during the moratorium period.

4. Laws relating to Employment

Shops and Establishments legislations in various states

The provisions of various shops and establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Labour Laws

Our Company is required to comply with various labour laws, including the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Wages Act, 1936, the Payment of Gratuity Act, 1972, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

5. Laws relating to Intellectual Property

The Trade Marks Act, 1999, the Patents Act, 1970 and the Indian Copyright Act, 1957 inter alia govern the law in relation to intellectual property, including brand names, trade names and service marks and research works.

SUMMARY OF KEY PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the provisions of the Act the main provisions of the AOA relating to: (i) the issue and allotment of debentures; (ii) rights of members regarding voting, dividend, lien on shares and the process for modification of such rights and forfeiture of shares; and (iii) restrictions, if any, on transfer and transmission of shares/debentures and on their consolidation/splitting, and matters incidental thereto are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in the AOA. All defined terms used in this section have the meaning given to them in the AOA. Any reference to the term "Article" hereunder means the corresponding article contained in the AoA.

Article 4 provides that:

Clause (a) of Article 4: The Company may, at its discretion, convert the unissued Shares into Preference Shares and vice versa and the Company may issue any part or parts of the unissued Shares upon such terms and conditions and with such rights and privileges annexed thereto as the Company, at its discretion but subject to the provisions of Section 43, Section 47 and such other relevant provisions of the Act may determine and in particular may issue such Shares with such preferential or qualified rights to dividends and in the distribution of the assets of the Company as the Company may subject to the aforesaid sections, determine.

Clause (b) of Article 4: The Company may, at its discretion, issue any portion of the unissued capital as Redeemable Preference Shares, which at the option of the Company, are liable to be redeemed and subject to provisions of Section 55 with such terms are to dividends, preferential payment or return of the amount paid up thereon and as to conditions and terms of the redemption as the Company may deem fit.

Article 8 provides that:

Clause (ii) of Article 8 A: The Company shall within three months after the allotment or within one month after the application for registration of the transfer of any Share or debenture is completed and have ready for delivery the certificates of all the Shares and debentures so allotted or transferred unless the conditions of issue of the said Shares otherwise provide.

Article 8 B: If a certificate be worn out, defaced or if there is no further space on the back thereof for endorsement of transfer, it shall, if required, be replaced by a new certificate free of charge provided/however that such new certificate shall not be issued except upon delivery of the said worn out or defaced or used up certificate for the purpose of cancellation. Further, if a certificate is lost or destroyed the Company may, upon such evidence and proof of such loss or destruction and such Indemnity as the Board may require and on payment of such a fee not exceeding Rupee one issue a renewed certificate. Any renewed certificate shall be marked as such.

Article 8 C: The Company shall have a first and paramount lien upon all the Shares (other than fully paid-up Shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any Share shall be created except upon the footing and condition that Article 6(a) will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares. Unless otherwise agreed the registration of al transfer of Shares shall operate as a waiver of the Company's lien if any on such Shares. The Directors may at any time declare any Shares wholly or in part to be exempt from the provisions of this clause.

Article 9 provides that:

Article 9 A: the Board of Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money uncalled and unpaid upon any Share/debenture held by him and upon all or any part of the money so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding, without sanction of the Company in General Meeting, 14% (fourteen per cent. per annum) or such other percentage as may be fixed in this regard as the maximum percentage as may be agreed upon between the member paying the sum in advance and the Board of Directors, provided that the amount of advance calls so received shall not be entitled to rank for dividend or participate in the profits of the Company.

Article 10 provides that:

Clause (a) of Article 10: The instrument of transfer of any Share shall be duly stamped and executed both by or on behalf of the transferor and by or on behalf of the transferee, and the transferor shall be deemed to remain holder of such until the name of the transferee is entered in the register in respect thereof.

Clause (b) of Article 10: The Board of Directors shall not register any transfer of Shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee, has been delivered to the Company at its office or at such other place as the Directors may appoint for registration accompanied by the Share certificate (or if no such certificate is in existence, by the letter of allotment of Shares) and such other evidence as the Company may require to prove the title of the transferor of his rights to transfer the shares. Provided that where it is proved to the satisfaction of the Board of Directors that an instrument of transfer signed by the transferor and the transferee has been lost, the Company, may, if the Board of Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnify as the Board of Directors may think fit.

Clause (c) of Article 10: An application for the registration of transfer of any Share or Shares may be made either by the transferor or by the transferee, provided that where such application is made by the transferor, no registration shall in the case of partly paid Shares, be effected unless the Company gives notice of the application to the transferee and subject to the provision of Article 14 the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Clause (d) of Article 10: For the purpose of sub-clause (c) notice to the transferee shall be deemed to have been duly given if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course of post.

Clause (e) of Article 10: Noting in sub-clause (d) shall prejudice of any power of the Board of Directors to register as a Shareholder any person to whom the right to any Share has been transmitted by operation of law.

Clause (f) of Article 10: Nothing in this article shall prejudice the power of the Board of Directors to refuse to register the transfer of any Shares to a transferee, whether a member or not.

Clause (g) of Article 10: notwithstanding anything contained in these Articles, the Board of Directors of the Company may in their absolute discretion refuse splitting of any Share certificate or debenture certificate into denominations less than marketable lots i.e. the minimum number of Shares or debentures as required for the purpose of trading on the stock exchange in which the Company's Shares and/or debentures are/will be listed, except where subdivision is required to be made to comply with a statutory provision or order of a competent Authority of law.

Article 14 provides that:

Clause (a) of Article 14: The Board of Directors, may, at their absolute discretion and without assigning any reason, decline to register: (I) the transfer or transmission of any Share not being a fully paid Share to person whom they do not approve of; and (II) any transfer of transmission of Shares on which the Company has lien.

Clause (b) of Article 14: The Directors may decline to register the transfer of any Shares after a call on such Share has been made unless and until the amount of such call together with the amount of all overdue calls, if any on such and on all other Shares registered in the name of the member, either, solely or jointly with any other person, and the amount of all interest, if any, in respect of overdue calls and costs shall have been first paid to the Company and notwithstanding that the time appointed for the payment of the call may not have arrived, but this Article shall not apply to any transfer which may have been actually lodged with the Office previous to the resolution for the call having been passed by the Directors. The Registration of a transfer shall not be refused on the ground that of the transferor being either alone or jointly with other person or persons indebted to the Company on any account whatsoever except a lien on Shares.

Clause (c) of Article 14: If the Board of Directors refuse to register any transfer or transmission of Share, they shall within one month from the date on which the instrument of transfer or the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.

Clause (d) of Article 14: In case of such refusal by the Board, the decision of the Board shall be subject to the right of the appeal conferred by sub-clause (1) of Section 58 of the Act.

Clause (e) of Article 14: The provisions of this Article shall apply to transfer of stocks.

Article 16 provides that:

Article 16 a.: The Company shall not forfeit any unclaimed dividend and any unclaimed dividend shall be disposed of in the manner prescribed under the Companies Act.

Article 30 provides that:

Article 30: In furtherance of and without prejudice to the general powers conferred on the Board of Directors by or implied in Articles 29 and the other powers conferred by these articles and subject to the provision of Sec.179 of the Act, it is hereby expressly declared that it shall be lawful, for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to do the following things:

Clause (3) of Article 30: At their discretion to pay for any property rights, or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in Shares, bonds, debentures or other securities of the company and any such Shares may be issued either as fully paid-up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures, or other securities may be either specifically charged upon all or any of the property of the company and its uncalled Shares, or not so charged.

Clause (4) of Article 30: To secure the fulfilment of any contracts or agreement entered into by the Company by mortgage or charge of all or any of the properties of the Company and its uncalled capital for the time being or in such other manner as they think fit.

Clause (6) of Article 30: To appoint any person or person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company or in which the Company is interested or for any other purpose and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

Clause (12) of Article 30: To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit and any such mortgages may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

Clause (15) of Article 30: To invest and deal with the moneys of the Company upon such securities and investments and in such manner and places as the Directors may think fit and from time to time to vary or realize such investments, but subject to provisions of Section 179 of the Act.

Clause (16) of Article 30: To borrow on mortgage of the whole or any part of the property of the Company or on the bonds, debentures either unsecured or secured by a charge or mortgage or other securities of the Company, or otherwise as they may deem expedient, such sums as they may think necessary for the purpose of the Company, subject to provisions contained in Sec.179 and Sec.180 of the Act. Provided that debentures with the rights to allotment or conversion into Shares shall not be issued except with the sanction of the Company in General Meeting.

Clause (17) of Article 30: To purchase, take on lease or otherwise acquire and to sell, mortgage, lease, exchange or otherwise dispose-off for the Company, any property rights, or privileges which the Company is authorized to dispose-off at such price and generally on such terms and conditions as they may think fit and to sign contracts, agreements, conveyances and other documents and to register documents and admit execution thereof.

Clause (20) of Article 30: To make, draw, endorse, or discount any cheque, promissory notes, Government of India Promissory Notes, or other Government Securities, hundies or other negotiable instruments in the name and for other purposes of the Company.

Clause (24) of Article 30: To pay and satisfy all debts due and from them and all liabilities of and claims and demands against the Company.

Clause (32) of Article 30: To open Banking Accounts with any Bank or Banks for and in the name of the Company and to operate on the same and to draw cheques on the said banking Accounts. The Board of Directors are entitled to determine from time to time the persons being Directors, who may sign, or draw such cheques, on the Company, Company's behalf and in its name and purposes of the Company Bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and other documents and to give necessary instruction to the Company's Bank, whether the account to be overdrawn or not.

Article 31 provides that:

Article 31: Subject to Section 179 of the Act, the Board may delegate all or any of its powers to any Directors jointly or severally or to any one Director at their discretion.

Article 32 provides that:

Article 32: The Board of Directors may from time to time but with such consent of the Company in general meetings as may be required under Sec. 180 of the Act, raise any money or any moneys or sum of money for the purpose of the Company, provided that the moneys to be borrowed together with moneys already borrowed by the company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not without the sanction of the Company at a General Meeting exceed the aggregate of the paid-up capital of the company and its free reserves that is to say reserves not set apart for any specific purpose and in particular but subject to the provision of Section 179 of the Act, the Board may from time to time at their discretion may raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, raised or received, to mortgage, pledge or change, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and others as may be expedient and to purchase, redeem or pay off any such securities. (debentures, debenture stocks, Bonds or other securities with a right to allotment of or conversion into Shares shall not be issued except with the sanction of the Company in General Meeting.)

Article 32A: Subject to the provisions of the Act and SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time the Board or any committee authorized by the Board at any time as and when required carry out consolidation and re-issuance of non-convertible debt securities including debentures, bonds or any debt instrument issued and/or to be issued from time to time, upon such terms and conditions and in such manner and for such consideration as the Board or the committee shall consider beneficial for the Company.

Article 33 provides that:

Article 33: If the Directors or any of them, or any other person, shall become personally liable for the payment of any sums primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Article 43 provides that:

Article 43 (1): Every shareholder or debenture holder or depositor of the Company, may at any time, nominate a person to whom his shares or debentures or deposits shall vest in the event of his death in such manner as may be prescribed under the Act.

Article 43 (2): Where the shares or debentures or deposits of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures or deposits, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.

Article 43 (3): Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares of debentures or deposits, the nominee shall, on the death of the shareholder or debenture holder or depositor or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or deposits or, as the case may be, all the joint holders, in relation to such shares or debentures or deposits, to the exclusion of all other person, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

Article 43 (4): Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures or deposits, to make the nomination to appoint any person to become entitled to shares in or debentures of or deposits of the Company in the manner prescribed under the Act, in the event of his death, during the minority.

Article 44 provides that:

Article 44 (1): A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either (a) to register himself as holder of the share or debenture or deposit, as the case may be; or (b) to make such transfer of the share or debenture or deposit, as the deceased shareholder or debenture holder or depositor, as the case may be, could have made.

Article 44 (2): If the nominee elects to be registered as holder of the share or debenture or deposit, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanies with the death certificate of the deceased shareholder or debenture holder, as the case may be.

Article 44 (3): A nominee shall be entitled to the share dividend, interest on debentures or deposits and other advantages to which he would be entitled to if he were the registered holder of the share or debenture or deposit. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture or deposit, and if the notice is not complied within ninety days, the Board may thereafter withhold any payment of all dividends, interest, bonuses or other moneys payable in respect of the share or debenture or deposit, until the requirements of the notice have been complied with.

Article 45 provides that:

Article 45: Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and certificates in respect thereof shall be dematerialized, in the event, the rights and obligations of the parties concerned and the matter connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modifications thereto or re-enactment thereof. The Company shall be entitled to dematerialize its existing shares, debentures and other securities, rematerialize its shares, debentures and other securities held in the Depositories and/or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, and the Rules framed thereunder, if any. Every person subscribing to or holding securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security. The Company shall cause to be kept a Register and Index of Members and a Register and Index of NCD Holder in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, with details of shares and debentures held in material and dematerial forms in any media as may be permitted by law, including in any form of electronic media. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, shall be deemed to be Register and Index of Members and Security holders for the purposes of these Articles. The Company shall be entitled to keep in any State or Country outside India a Branch Register of Members Resident in that State or Country.

SECTION VIII MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company situated at Mookambika Complex, 3rd Floor, No. 4, Lady Desika Road, Mylapore, Chennai, Tamil Nadu – 600004 from 10.00 A.M. to 5.00 P.M. on any Working Day from the date of filing this Draft Shelf Prospectus with the Stock Exchanges until the Issue Closing Date.

A. Material Contracts

1. Issue Agreement dated June 29, 2019 between the Company and the Lead Managers.

2. Registrar Agreement dated June 28, 2019 with the Registrar to the Issue.

3. Debenture Trustee Agreement dated June 26, 2019 executed between the Company and the Debenture Trustee.

4. Public Issue Account Agreement to be entered into between our Company, the Registrar, the Bankers to the Issue and the Lead Managers.

5. Agreement dated to be entered into between our Company, the Lead Managers and the Lead Brokers.

6. Tripartite agreement dated March 29, 2000 among our Company, the Registrar and CDSL.

7. Tripartite agreement dated April 30, 1999 among our Company, the Registrar and NSDL.

B. Material Documents

1. Certificate of Incorporation of the Company dated June 30, 1979, issued by Registrar of Companies, Tamil Nadu, Chennai

2. Memorandum and Articles of Association of the Company, as last amended.

3. The certificate of registration No. 07-00459 dated April 17, 2007 issued by the RBI under section 45 IA of the RBI Act.

4. Credit rating letter and rationale dated June 28, 2019 from CARE, credit rating letter and rationale dated June 26, 2019 from CRISIL and credit rating letter and rationale dated June 25, 2019 from India Ratings, granting credit ratings to the NCDs.

5. Copy of the resolution of the Board dated January 28, 2019 approving the Issue and the overall limit for the issuance of the NCDs, subject to the overall limit determined by the shareholders by way of special resolution pursuant to Section 180(1)(c) of the Companies Act, 2013.

6. Copy of the resolution passed by the shareholders of the Company by way of a postal ballot held on June 13, 2019 approving the overall borrowing limit of the Company.

7. Copy of the resolution of the Board dated June 27, 2019, approving this Draft Shelf Prospectus.

8. Consents of the Directors, Lead Managers to the Issue, Chief Financial Officer of our Company, Company Secretary and Compliance Officer of our Company, Debenture Trustee, Credit Rating Agencies for the Issue, Legal Advisor to the Issue, Bankers to the Company, ICRA for the ICRA Reports, India Ratings for the India Ratings Report and the Registrar to the Issue to include their names in this Draft Shelf Prospectus.

9. Consents from the existing lenders of our Company.

10. The joint consent of the Joint Statutory Auditors of our Company, namely Haribhakti & Co. LLP and M/s Pijush Gupta & Co. for inclusion of (a) their names as the Joint Statutory Auditors, (b) examination reports on the Reformatted Standalone Financial Statements and Reformatted Consolidated Financial

Statements and audit report on the Audited Ind AS Financial Statements and (c) statement of tax benefits dated June 29, 2019, in this Draft Shelf Prospectus.

11. Statement of tax benefits dated June 29, 2019 issued by our Statutory Auditors.

12. The consent of the independent chartered accountant, namely Kanu Doshi Associates LLP for inclusion of their name in this Draft Shelf Prospectus.

13. Annual Reports of the Company for the last five Financial Years 2015 to 2019.

14. Due Diligence certificate dated [●] filed by the Lead Managers with SEBI.

15. In-principle listing approval from BSE and NSE both dated [●].

16. License Agreement dated November 21, 2014 between Shriram Ownership Trust and our Company, read together with the Addendum No. 1 to the License Agreement dated March 18, 2016 read together with Deed of Novation Cum Amendment dated May 17, 2019 entered into between Shriram Ownership Trust, Shriram Value Services Limited and our Company.

17. Service Agreement dated May 3, 2017 between SCL and our Company.

18. Agreement dated August 21, 2010 between SCL and our Company.

DECLARATION

We, being Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and rules prescribed thereunder, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India in connection with the Issue and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder in connection with the Issue have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable on date of this Draft Shelf Prospectus.

We further certify that all the disclosures and statements in this Draft Shelf Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by the Directors of the Company named hereinbelow

Lakshminarayanan Subramanian
Non-Executive and Independent Director

Umesh Govind Revankar
Managing Director and Chief Executive Officer

Kishori Udeshi
Non-Executive and Independent Director

Sridhar Srinivasan
Non-Executive and Independent Director

Pradeep Kumar Panja
Non-Executive and Independent Director

Place: Mumbai

Date: June 29, 2019

DECLARATION

I, a Director of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and rules prescribed thereunder, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India in connection with the Issue and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder in connection with the Issue have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable as on the date of this Draft Shelf Prospectus.

I further certify that all the disclosures and statements in this Draft Shelf Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by Director of the Company

Ignatius Michael Viljoen
Non-Executive and Non-Independent Director

Place: Johannesburg, South Africa
Date: June 29, 2019

DECLARATION

I, a Director of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and rules prescribed thereunder, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India in connection with the Issue and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder in connection with the Issue have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable as on the date of this Draft Shelf Prospectus.

I further certify that all the disclosures and statements in this Draft Shelf Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by Director of the Company

Puneet Bhatia
Non-Executive and Non-Independent Director

Place: Split, Croatia
Date: June 29, 2019

DECLARATION

I, a Director of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, and rules prescribed thereunder, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India in connection with the Issue and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder in connection with the Issue have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable as on the date of this Draft Shelf Prospectus.

I further certify that all the disclosures and statements in this Draft Shelf Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by Director of the Company

Ravi Devaki Venkataraman
Non-Executive and Non-Independent Director

Place: Toronto, Canada
Date: June 29, 2019

ANNEXURE A – CRISIL RATING AND RATIONALE

For the annexure, please see the next page.

CONFIDENTIAL

STFCL/NCD/225415/24062019
June 26, 2019

Mr. Parag Sharma
Chief Financial Officer
Shriram Transport Finance Company Limited
Wockhardt Tower, 3rd Floor, West Wing
C-2, G Block, Bandra- Kurla Complex
Bandra (E),
Mumbai 400051

Dear Mr. Sharma,

Re: CRISIL Rating on the Rs.10000 Crore Non-Convertible Debentures of Shriram Transport Finance Company Limited

We refer to your request for a rating for the captioned Non-Convertible Debentures.

CRISIL has, after due consideration, assigned its **"CRISIL AA+/Stable"** (pronounced as CRISIL double A Plus rating with Stable outlook) rating to the captioned debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

For the purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,
Yours sincerely,



Ajit Velonie
Director– CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Details of the Rs.10000 Crore Non-Convertible Debentures of Shriram Transport Finance Company Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

Ratings

CRISIL
An S&P Global Company

Rating Rationale

June 26, 2019 | Mumbai

Shriram Transport Finance Company Limited

'CRISIL AA+/Stable' assigned to NCD

Rating Action

Total Bank Loan Facilities Rated	Rs.36243 Crore
Long Term Rating	CRISIL AA+/Stable (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)

Rs.10000 Crore Non Convertible Debentures	CRISIL AA+/Stable (Assigned)
Rs.500 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AA+r/Stable (Reaffirmed)
Rs.1000 Crore Subordinated Debt	CRISIL AA+/Stable (Reaffirmed)
Rs.1000 Crore Subordinated Debt	CRISIL AA+/Stable (Reaffirmed)
Rs.5000 Crore Non Convertible Debentures	CRISIL AA+/Stable (Reaffirmed)
Non Convertible Debentures Aggregating Rs.36780 Crore	CRISIL AA+/Stable (Reaffirmed)
Subordinated Debt Aggregating Rs.2000 Crore	CRISIL AA+/Stable (Reaffirmed)
Subordinated Debt Aggregating Rs.131.7 Crore#	CRISIL AA+/Stable (Reaffirmed)
Subordinated Debt Issue (Tier II) Bonds Aggregating Rs.1500 Crore	CRISIL AA+/Stable (Reaffirmed)
Fixed Deposit Programme	FAAA/Stable (Reaffirmed)
Rs.7500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities
#Transferred from Shriram Equipment Finance Company Limited to Shriram Transport Finance Company Limited upon amalgamation of the former with latter

Detailed Rationale

CRISIL has assigned its rating of 'CRISIL AA+/Stable' to Rs 10,000 crore non-convertible debentures of Shriram Transport Finance Company Limited (STFCL) and has reaffirmed its ratings on the existing debt instruments, bank facilities and fixed deposit programme of STFCL at 'CRISIL AA+/CRISIL PP-MLD AA+r/FAAA/Stable/CRISIL A1+'.

The ratings continue to reflect STFCL's market leadership in the pre-owned commercial vehicle (CV) financing segment, comfortable capitalisation and earnings profile. These strengths are partly offset by the company's modest asset quality and average resource profile.

CRISIL has also withdrawn its rating on the non-convertible debentures of Rs 40 crore (*See Annexure 'Details of Rating Withdrawn' for details*) in line with its withdrawal policy. CRISIL has received independent confirmation that these instruments are fully redeemed.

Key Rating Drivers & Detailed Description

Strengths:

*** Market leadership in the pre-owned commercial vehicle (CV) financing segment**

STFCL is the largest CV financier in the country with assets under management (AUM) of Rs 1,04,482 crore as on March 31, 2019, up 8.5% Y-o-Y from Rs 96,261 crore end fiscal 2018 although on a sequential basis, the AUM growth has remained almost flat from Rs 103,818 crore last quarter (+0.64% Q-o-Q). The disbursements during the last quarter of fiscal 2019 stood at Rs 11,958 crore, up 25% Q-o-Q (from Rs 9550 crore in Q3 fiscal 2019) though down 20% Y-o-Y (from Rs 15,121 crore in Q4 fiscal 2018).

With presence of almost four decades in the pre-owned CV financing business, STFCL has created a strong and sustainable competitive advantage through deep understanding of the borrower profile and their credit behaviour. They have done so by building a scalable operating model, extensive reach and strong valuation capabilities of pre-owned vehicles. The company faces limited competition from other organized financiers, including banks, in this segment, due to inherent riskiness of the target product and the customer profile.

Of all the business segments, CV financing (HCV and M&LCV) together constituted the largest portion of AUM at 68.4% as on March 31, 2019 and grew at a decelerated pace of 9.8% Y-o-Y. Passenger vehicles formed another 22.5% of AUM grew by 5.3% Y-o-Y though down sequentially by almost one percentage point. The share of portfolio under Shriram Equipment has completely run off. The securitised assets plus off-book assets (direct assignment portfolio) together stood at Rs 19,397.5 crore or 18.5% of the portfolio and was up 19% during the year. The direct assignment portfolio has particularly registered a strong growth and stood at Rs 2175 crore end fiscal 2019 as against just Rs 62 crore last fiscal.

The composition of AUM remained largely unchanged with the pre-owned vehicle loan book at Rs 87,050 crore (+7.8% Y-o-Y or +1.1% Q-o-Q) as on March 31, 2019 and comprising 83% of the AUM, almost same proportion as last year. The new vehicle portfolio growth slowed down with this segment up just 5% Y-o-Y (as against 39% Y-o-Y end fiscal 2018) and its share in AUM stood at 11% as on March 31, 2019. Working capital, business loans and other such facilities grew by 32% and constituted the remaining 5.6% of AUM. While STFCL's growth will continue to be driven by pre-owned vehicle financing business, the new vehicle segment also remains a key focus area of the company in spite of competition from banks and NBFCs.

CRISIL believes that the business prospects for the pre-owned CV financing segment remain strong given the large unorganized market and significant entry barriers. STFCL has gradually expanded into rural markets and had 838 rural centres as on March 31, 2019. Owing to increased demand for pre-owned vehicles in deep rural areas, the company has been increasing its presence in rural and semi urban areas to maintain its niche presence. End fiscal 2019, the total branches stood at 1,545 of which 47% were in rural areas. In the last one year the company has added 332 new branches, of which majority are the satellite branches outside the semi-urban centres. The share of rural AUM has also risen to 37% of total AUM as on March 31, 2019 as against 32% last fiscal. STFCL had also innovated in establishing Shriram Automall India Ltd (SAMIL), a reliable platform for sale, refurbishment, and auction of pre-owned vehicles, besides enabling better price discovery of such vehicles. While STFCL sold majority stake in SAMIL in April 2018, it will continue to hold a large minority stake. CRISIL believes that despite the minority stake, SAMIL's business operations will continue to be closely integrated with STFCL.

Overall, CRISIL believes that STFCL has strong structural advantages over its peers, which will support its growth plans and help it maintain leadership position in the pre-owned CV financing segment over the medium term.

*** Comfortable capitalisation and earnings profile**

STFCL's capitalisation remains comfortable with networth of Rs 15,836 crore (+16.7% Y-o-Y) and an adjusted gearing of 5.6 times down from 6 times last year). Net-worth coverage for net NPA stood at 7.7 times as on March 31, 2019, up from 6.4 times end fiscal 2018. CRISIL believes that STFCL's capitalisation will remain comfortable over the medium term, given its demonstrated ability to access markets and having a comfortable annualised return on average networth (per IndAS) of 17.4% end fiscal 2019 (20% as on March 31, 2018). The company's tier I and total capital adequacy ratio improved to 15.62% and 20.27% respectively as on March 31, 2019 as against 14.47% and

17.38% respectively as on March 31, 2018, well above the statutory minimum.

STFCL has a comfortable earnings profile with annualised return on average managed assets (RoMA) of 2.5% end fiscal 2019 as against 2.7% last fiscal. For fiscal 2019, the company reported net profit of Rs 2,564 crore (+4.2% Y-o-Y) on total income (net of interest expenses) of Rs 7,908 crore (+12.7% Y-o-Y). The moderation in profitability was underpinned by 38% Y-o-Y rise in provisioning costs. While the borrowing costs increased during the year, the company has been able to pass on the higher costs and has been able to retain its margins at 7.7% level (calculated on average managed assets). End fiscal 2019, the company's credit costs stood at 2.3% up from 1.9% last year. The company's operating expense ratio in fiscal 2019, though lower than its peers, increased to 1.7% (from 1.6% last year) due to rise in its employee costs. Despite this, the company's cost to income ratio stood at a controlled 22%. In fiscal 2020, the company aims to add 250 new branches and employ about 3000 people. As the company increasingly focuses on the relatively lower-yield and highly competitive new vehicle financing, there could be some pressure on margins in the future. However company's strong competitive position and relatively high yields in the pre-owned vehicle financing segment will ensure stable profitability than that of other CV financiers over the medium term.

Weaknesses:

*** Modest asset quality**

STFCL predominantly lends to the relatively riskier small road transport operators, first time users and first time buyers segments and hence has inherent weakness in borrower profile. STFCL has a modest asset quality in its core CV financing business with asset quality in the pre-owned financing business being relatively better than that in the new CV financing segment respectively. STFCL's asset quality (per I-GAAP) registered some improvement with absolute GNPA down 3.75% Y-o-Y to Rs 7,099 crore translating into a GNPA ratio of 8.3% as against 9.15% last fiscal. The provision coverage ratio also remained healthy at 71% leading to net NPA of 2.5% (down from 2.8% previous fiscal). The absolute amount of gross stage three (per IndAS) stood at Rs 8,622 crore (down 5.09% Y-o-Y) translating into gross stage three ratio of 8.37% as against 9.39% previous fiscal. The coverage ratio under stage three stood at 34.4%. The company's credit cost (calculated on average managed assets) stood at 2.3% as against 1.9% last year. The analysis of vintage wise static pool data shows recovery / roll-back of around 40-50% from peak 90+ reached for a particular disbursement vintage.

STFCL' asset quality is linked to broader economic recovery and hence the likely pick-up in industrial activity and easing of infrastructure constraints are expected to result in higher capacity utilization of CVs, improve transporter's cash flows and ultimately lead to gradual recovery in asset quality. The company's track record in the vehicle financing business, understanding of the target customer segment and relationship based lending model will also support the same.

*** Average, albeit improving resource profile with higher cost of borrowings than peers**

STFCL has an average, though improving, resource profile which remains well diversified across various funding avenues. It has an established track record in raising retail borrowings which helps diversify its resource profile. However, its cost of borrowings continues to be higher than peers. Of the total debt of Rs 87,968 crore (including securitisation) as on March 31, 2019, 35% was from debentures, 20.5% from bank loans, 11.7% via public deposits, 7% from subordinated debt. The share of commercial paper remains low at 4.0% (down from 5.5% last year). The share of securitisation in the borrowings profile remained unchanged from last year at 20% end March 31, 2019. The average annual borrowing costs stood at 9.0% for fiscal 2019. The average incremental borrowing costs for fourth quarter (excluding the cost of dollar bond issue) stood at 9.5%. For the dollar denominated bond issuance of USD 400 million, the borrowing cost (including full hedging costs) stood at around 10%. Ability to diversify resource profile and maintain competitive borrowing cost will remain key rating monitorables over the medium term.

Liquidity

Shriram's liquidity position is adequate. The structural Asset Liability Maturity (ALM) statement of STFCL as on March 31, 2019 shows that ALM position is adequate with cumulative positive gaps across all maturity buckets indicating that business inflows also support repayments. As of May 31, 2019, the company had scheduled debt and loan repayments of about Rs 11,794 crore over next three months (of which Rs 840 crore are for commercial paper embedded with NCDs). Additionally, as on June 17, 2019, the company had liquidity of Rs 8,886 crore which include free cash of Rs 40 crore, fixed deposits of Rs 4,111 crore, sanctioned but un-utilized bank lines of Rs 2,875 crore, G-sec investments and other investments of Rs 1,860 crore.

For the quarter ending March 31, 2019, the company has been able to raise Rs 13,603 crore (including structured CP of Rs 2930 crore and Rs 3638 crore via securitization). STFC is one of the largest players in the securitisation market and regularly raises funds through this route. CRISIL also notes the company's ability to tap diversified alternatives funding sources as evidenced by the recent dollar bond issue of USD 400 million in February 2019 and of USD 500 million in April 2019.

Outlook: Stable

CRISIL believes STFCL will sustain its strong market position in the pre-owned CV financing segment, and its comfortable capitalisation and earnings profile, over the medium term. The outlook may be revised to 'Positive' if the company maintains its high scale while significantly de-risking business, improving asset quality and financial risk profile. Conversely, the outlook may be revised to 'Negative' if asset quality and earnings weaken significantly.

About the Company

STFCL, incorporated in 1979, is the flagship company of the Shriram group. It is registered with RBI as a deposit-taking, asset-financing non-banking financial company. STFCL provides financing for vehicles such as CVs (both pre-owned and new), tractors, and passenger vehicles. It has pan-India presence, with about 1,545 branches and 838 rural centres as on March 31, 2019. In April 2018, STFCL completed the sale of its majority stake in wholly owned subsidiary Shriram Automall to MXC Solutions India Pvt Ltd (MXC, owner of CarTrade.com) for Rs 156.38 crore.

STFCL's reported total income (net of interest expense) and profit after tax (PAT) of Rs.7908 crore and Rs.2564 crore respectively, for fiscal 2019 against Rs. 7015 crore and Rs. 2461 crore, respectively, for fiscal 2018.

Key Financial Indicators

Particulars	Unit	March 2019	March 2018
Total assets	Rs. Cr.	1,05,292	97,245
Total income (net of interest expenses)	Rs. Cr.	7,908	7,015
Profit after tax	Rs. Cr	2,564	2,461
Gross NPA (per IGAAP)	%	8.29	9.15
Overall capital adequacy ratio	%	20.27	17.38
Return on average managed assets	%	2.5	2.7

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of the Instrument	Date of Allotment	Coupon rate (%)	Maturity Date	Amount (Rs. crore)	Rating assigned with Outlook
INE721A07MQ1	Debentures	18-Jul-17	0%	18-Jul-22	750	CRISIL AA+/Stable
INE721A07MO6	Debentures	27-Jun-17	0%	26-Jun-20	10	CRISIL AA+/Stable
INE468M08102	Debentures	12-Aug-14	10.60%	12-Aug-24	10	CRISIL AA+/Stable
INE721A07ME7	Debentures	29-May-17	7.95%	29-May-20	5	CRISIL AA+/Stable
INE721A07MY5	Debentures	19-Sep-17	7.60%	17-Sep-21	50	CRISIL AA+/Stable

INE721A07MZ2	Debentures	13-Nov-17	0.0773	13-Nov-20	80	CRISIL AA+/Stable
INE721A07NA3	Debentures	30-Nov-17	0.08	30-Nov-22	70	CRISIL AA+/Stable
INE721A07NH8	Debentures	20-Mar-18	8.155	16-Sep-19	750	CRISIL AA+/Stable
INE721A07NN6	Debentures	26-Mar-18	BENCHMARK RATE LINKED (REFER REMARKS)	23-Sep-19	750	CRISIL AA+/Stable
INE721A08DB0	Debentures	28-Mar-18	0.0895	28-Apr-25	40	CRISIL AA+/Stable
INE721A07NW7	Debentures	12-Jul-18	9.30%	12-Jul-23	3648.519	CRISIL AA+/Stable
INE721A07NX5	Debentures	12-Jul-18	9.40%	12-Jul-28	3648.519	CRISIL AA+/Stable
INE721A07NY3	Debentures	12-Jul-18	Zero Interest	12-Jul-21	3648.519	CRISIL AA+/Stable
INE721A07NZ0	Debentures	12-Jul-18	Zero Interest	12-Jul-23	3648.519	CRISIL AA+/Stable
INE721A08DD6	Debentures	12-Dec-18	10.51%	12-Dec-28	10	CRISIL AA+/Stable
INE721A07OM6	Debentures	06-Feb-19	9.12%	06-Feb-24	87.701	CRISIL AA+/Stable
INE721A07NT3	Debentures	27-Jul-18	8.93	27-Jul-23	5000	CRISIL AA+/Stable
INE721A07BK7	Debentures	14-Sep-11	10.60%	13-Sep-21	125	CRISIL AA+/Stable
INE721A07FT9	Debentures	05-Jul-13	9.60%	05-Jul-23	50	CRISIL AA+/Stable
INE721A07FZ6	Debentures	15-Jul-13	9.60%	15-Jul-23	10	CRISIL AA+/Stable
INE721A07GD1	Debentures	14-Aug-13	10.50%	14-Aug-23	26	CRISIL AA+/Stable
INE721A07GD1	Debentures	14-Aug-13	10.50%	14-Aug-23	4	CRISIL AA+/Stable
INE721A07GD1	Debentures	14-Aug-13	10.50%	14-Aug-23	1	CRISIL AA+/Stable
INE721A07GE9	Debentures	21-Aug-13	10.75%	21-Aug-20	1000	CRISIL AA+/Stable
INE721A07GF6	Debentures	27-Aug-13	10.50%	27-Aug-23	5	CRISIL AA+/Stable
INE721A07GF6	Debentures	27-Aug-13	10.50%	27-Aug-23	1	CRISIL AA+/Stable
INE721A07GF6	Debentures	27-Aug-13	10.50%	27-Aug-23	13	CRISIL AA+/Stable
INE721A07GH2	Debentures	13-Sep-13	10.60%	13-Sep-20	5	CRISIL AA+/Stable
INE721A07GN0	Debentures	30-Sep-13	10.75%	30-Sep-23	5	CRISIL AA+/Stable
INE721A07GN0	Debentures	30-Sep-13	10.75%	30-Sep-23	5	CRISIL AA+/Stable
INE721A07GO8	Debentures	30-Sep-13	10.75%	30-Sep-23	15	CRISIL AA+/Stable
INE721A07GQ3	Debentures	09-Oct-13	10.75%	09-Oct-23	10	CRISIL AA+/Stable
INE721A07HE7	Debentures	28-Mar-14	10.60%	28-Mar-24	10	CRISIL AA+/Stable
INE721A07JS3	Debentures	04-Dec-15	8.80% p.a.	04-Dec-20	15	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	25	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	10	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	15	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	30	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	5	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	5	CRISIL AA+/Stable

INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	10	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	30	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	5	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	15	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	35	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	15	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	25	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	15	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	35	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	90	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	25	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	25	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	95	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	40	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	30	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	19	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	15	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	2	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-26	94	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-26	35	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-26	30	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-26	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-26	10	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	9	CRISIL AA+/Stable

INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	2	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	10	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	5	CRISIL AA+/Stable
INE721A07KF8	Debentures	29-Apr-16	9.05% p.a.	29-Apr-21	15	CRISIL AA+/Stable
INE721A07KG6	Debentures	25-May-16	9.05% p.a.	25-May-23	50	CRISIL AA+/Stable
INE721A07KI2	Debentures	09-Jun-16	9.05% p.a.	09-Jun-23	13	CRISIL AA+/Stable
INE721A07KJ0	Debentures	10-Jun-16	Zero Coupon @8.92% p.a.	10-Jun-21	5	CRISIL AA+/Stable
INE721A07JS3	Debentures	04-Dec-15	8.80% p.a.	04-Dec-20	15	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	25	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	10	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	15	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	30	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	5	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	5	CRISIL AA+/Stable
INE721A07JW5	Debentures	18-Mar-16	9.25% p.a.	18-Mar-21	10	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	30	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	5	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	15	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	35	CRISIL AA+/Stable
INE721A07JX3	Debentures	18-Mar-16	9.30% p.a.	18-Mar-26	15	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	25	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	15	CRISIL AA+/Stable
INE721A07KA9	Debentures	29-Mar-16	9.25% p.a.	29-Mar-21	35	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	90	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	25	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	25	CRISIL AA+/Stable
INE721A07KB7	Debentures	29-Mar-16	9.30% p.a.	27-Mar-26	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	95	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	50	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	40	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	30	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	19	CRISIL AA+/Stable

INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	15	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	10	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	5	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	2	CRISIL AA+/Stable
INE721A07KC5	Debentures	13-Apr-16	9.15% p.a.	13-Apr-21	25	CRISIL AA+/Stable
INE721A07KD3	Debentures	13-Apr-16	9.22% p.a.	13-Apr-26	94	CRISIL AA+/Stable
INE721A07KD3	Debentures	13-Apr-16	9.22% p.a.	13-Apr-26	35	CRISIL AA+/Stable
INE721A07KD3	Debentures	13-Apr-16	9.22% p.a.	13-Apr-26	30	CRISIL AA+/Stable
INE721A07KD3	Debentures	13-Apr-16	9.22% p.a.	13-Apr-26	10	CRISIL AA+/Stable
INE721A07KD3	Debentures	13-Apr-16	9.22% p.a.	13-Apr-26	10	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	9	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	2	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	10	CRISIL AA+/Stable
INE721A07KE1	Debentures	22-Apr-16	9.20% p.a.	22-Apr-26	5	CRISIL AA+/Stable
INE721A07KF8	Debentures	29-Apr-16	9.05% p.a.	29-Apr-21	15	CRISIL AA+/Stable
INE721A07KG6	Debentures	25-May-16	9.05% p.a.	25-May-23	50	CRISIL AA+/Stable
INE721A07KI2	Debentures	09-Jun-16	9.05% p.a.	09-Jun-23	13	CRISIL AA+/Stable
INE721A07KJ0	Debentures	10-Jun-16	Zero Coupon @8.92% p.a.	10-Jun-21	5	CRISIL AA+/Stable
INE721A07KK8	Debentures	30-Jun-16	9.05%	30-Jun-21	75	CRISIL AA+/Stable
INE721A07KK8	Debentures	30-Jun-16	9.05%	30-Jun-21	10	CRISIL AA+/Stable
INE721A07KM4	Debentures	05-Jul-16	9.00%	05-Jul-19	25	CRISIL AA+/Stable
INE721A07KM4	Debentures	05-Jul-16	9.00%	05-Jul-19	25	CRISIL AA+/Stable
INE721A07KM4	Debentures	05-Jul-16	9.00%	05-Jul-19	25	CRISIL AA+/Stable
INE721A07KM4	Debentures	05-Jul-16	9.00%	05-Jul-19	5	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	44	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	1	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	3	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	1	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	2	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	10	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	15	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	5	CRISIL AA+/Stable
INE721A07KN2	Debentures	05-Jul-16	9.00%	05-Aug-19	5	CRISIL AA+/Stable

INE721A07MV1	Debentures	15-Jul-16	8.61%	15-Jul-19	700	CRISIL AA+/Stable
INE721A07KP7	Debentures	19-Jul-16	9.05%	19-Jul-23	75	CRISIL AA+/Stable
INE721A07KR3	Debentures	26-Jul-16	Zero Coupon	20-Sep-19	15	CRISIL AA+/Stable
INE721A07KS1	Debentures	28-Jul-16	Zero Coupon	20-Sep-19	10	CRISIL AA+/Stable
INE721A07KV5	Debentures	29-Jul-16	8.80%	29-Jul-19	375	CRISIL AA+/Stable
INE721A07KX1	Debentures	01-Aug-16	8.82%	27-Apr-20	20	CRISIL AA+/Stable
INE721A07KX1	Debentures	01-Aug-16	8.82%	27-Apr-20	22	CRISIL AA+/Stable
INE721A07KX1	Debentures	01-Aug-16	8.82%	27-Apr-20	8	CRISIL AA+/Stable
INE721A07KY9	Debentures	02-Aug-16	8.80%	02-Aug-19	100	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	50	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	15	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	160	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	10	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	50	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	10	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	5	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	80	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	10	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	25	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	25	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	5	CRISIL AA+/Stable
INE721A07KZ6	Debentures	03-Aug-16	8.85%	03-Aug-21	5	CRISIL AA+/Stable
INE721A07LD1	Debentures	08-Aug-16	8.87%	08-Aug-26	50	CRISIL AA+/Stable
INE721A07LD1	Debentures	08-Aug-16	8.87%	08-Aug-26	50	CRISIL AA+/Stable
INE721A07LD1	Debentures	08-Aug-16	8.87%	08-Aug-26	10	CRISIL AA+/Stable
INE721A07LE9	Debentures	16-Aug-16	8.50%	16-Aug-21	25	CRISIL AA+/Stable
INE721A07LF6	Debentures	19-Aug-16	8.50%	19-Aug-19	50	CRISIL AA+/Stable
INE721A07LF6	Debentures	19-Aug-16	8.50%	19-Aug-19	100	CRISIL AA+/Stable
INE721A07LG4	Debentures	22-Aug-16	Zero Coupon @ XIRR 8.50%	23-Jul-19	25	CRISIL AA+/Stable
INE721A07LH2	Debentures	30-Aug-16	8.45%	30-Aug-21	20	CRISIL AA+/Stable
INE721A07LJ8	Debentures	14-Sep-16	Zero Coupon @ XIRR 8.35%	12-Sep-19	70	CRISIL AA+/Stable
INE721A07LK6	Debentures	22-Sep-16	8.25%	20-Sep-19	30	CRISIL AA+/Stable
INE721A07LK6	Debentures	22-Sep-16	8.25%	20-Sep-19	100	CRISIL AA+/Stable
INE721A07LL4	Debentures	30-Sep-16	8.15%	30-Sep-19	10	CRISIL AA+/Stable
INE721A07LN0	Debentures	30-Sep-16	8.25%	27-Sep-19	100	CRISIL AA+/Stable
INE721A07LN0	Debentures	30-Sep-16	8.25%	27-Sep-19	200	CRISIL AA+/Stable

INE721A07LO8	Debentures	25-Nov-16	7.92%	25-Nov-19	50	CRISIL AA+/Stable
INE721A07LO8	Debentures	25-Nov-16	7.92%	25-Nov-19	5	CRISIL AA+/Stable
INE721A07LO8	Debentures	25-Nov-16	7.92%	25-Nov-19	10	CRISIL AA+/Stable
INE721A07LO8	Debentures	25-Nov-16	7.92%	25-Nov-19	10	CRISIL AA+/Stable
INE721A07LO8	Debentures	25-Nov-16	7.92%	25-Nov-19	100	CRISIL AA+/Stable
INE721A07LP5	Debentures	27-Feb-17	8.00%	27-Feb-20	15	CRISIL AA+/Stable
INE721A07LP5	Debentures	27-Feb-17	8.00%	27-Feb-20	25	CRISIL AA+/Stable
INE721A07LQ3	Debentures	27-Feb-17	Zero Coupon @ 8%	16-Apr-20	100	CRISIL AA+/Stable
INE721A07LS9	Debentures	24-Mar-17	8.10%	24-Mar-20	10	CRISIL AA+/Stable
INE721A07KL6	Debentures	05-Jul-16	8.30%	05-Jun-21	660	CRISIL AA+/Stable
INE721A07LR1	Debentures	23-Mar-17	8.10%	23-Mar-22	600	CRISIL AA+/Stable
INE721A07MB3	Debentures	30-Mar-17	8.15%	30-Mar-22	5	CRISIL AA+/Stable
INE721A07MD9	Debentures	31-Mar-17	8.15%	31-Mar-22	45	CRISIL AA+/Stable
INE721A07GT7	Debentures	24-Oct-13	Individual - 11.75% and Non Individual 10.75%	24-Oct-20	78	CRISIL AA+/Stable
INE721A07GW1	Debentures	24-Oct-13	NA	24-Oct-20	14	CRISIL AA+/Stable
INE721A07HI8	Debentures	15-Jul-14	($) 10.00% per annum. (Note: NCD Holders who are Individuals on any Record Date shall receive an additional incentive on Coupon @ 1.25% p.a. for the amount outstanding) (*)	15-Jul-19	384	CRISIL AA+/Stable
INE721A07HJ6	Debentures	15-Jul-14	($) 10.15% per annum. (Note: NCD Holders who are Individuals on any Record Date shall receive an additional incentive on Coupon @ 1.35% p.a. for the amount outstanding) (*)	15-Jul-21	136	CRISIL AA+/Stable

INE721A07HK4	Debentures	15-Jul-14	($$) 9.57% per annum. (*) (Note: NCD Holders who are Individuals on any Record Date shall receive an additional incentive on Coupon @ 1.14% p.a. for the amount outstanding) (^) (Note: NCD Holders who are Non- Individuals on any Record Date the interest will be calculated on Coupon @ 9.57% p.a. for the amount outstanding)	15-Jul-19	28	CRISIL AA+/Stable
INE721A07HL2	Debentures	15-Jul-14	($$) 9.71% per annum. (*) (Note: NCD Holders who are Individuals on any Record Date shall receive an additional incentive on Coupon @ 1.23% p.a. for the amount outstanding) (^) (Note: NCD Holders who are Non- Individuals on any Record Date the interest will be calculated on Coupon @ 9.71% p.a. for the amount outstanding)	15-Jul-21	35	CRISIL AA+/Stable
INE721A07HN8	Debentures	15-Jul-14	NA	15-Jul-19	15	CRISIL AA+/Stable

INE721A07HO6	Debentures	15-Jul-14	NA	15-Jul-21	28	CRISIL AA+/Stable
NA	Debentures#	NA	NA	NA	10003	CRISIL AA+/Stable
INE721A08927	Subordinated debt	03-May-10	10.75%	03-May-20	1	CRISIL AA+/Stable
INE721A08AD2	Subordinated debt	28-May-10	10.75%	28-May-20	50	CRISIL AA+/Stable
INE721A08AE0	Subordinated debt	04-Jun-10	10.60%	04-Jun-20	5	CRISIL AA+/Stable
INE721A08AE0	Subordinated debt	04-Jun-10	10.60%	04-Jun-20	5	CRISIL AA+/Stable
INE721A08AE0	Subordinated debt	04-Jun-10	10.60%	04-Jun-20	10	CRISIL AA+/Stable
INE721A08AE0	Subordinated debt	04-Jun-10	10.60%	04-Jun-20	5	CRISIL AA+/Stable
INE721A08AH3	Subordinated debt	30-Aug-10	11.00%	30-Aug-25	0.2	CRISIL AA+/Stable
INE721A08AH3	Subordinated debt	30-Aug-10	11.00%	30-Aug-25	11	CRISIL AA+/Stable
INE721A08AH3	Subordinated debt	30-Aug-10	11.00%	30-Aug-25	18	CRISIL AA+/Stable
INE721A08AI1	Subordinated debt	09-Sep-10	11.00%	09-Sep-25	25	CRISIL AA+/Stable
INE721A08AI1	Subordinated debt	31-Mar-11	11.50%	31-Mar-21	25	CRISIL AA+/Stable
INE721A08AK7	Subordinated debt	15-Oct-10	11.05%	15-Oct-28	3	CRISIL AA+/Stable
INE721A08AK7	Subordinated debt	15-Oct-10	11.05%	15-Oct-28	2	CRISIL AA+/Stable
INE721A08AK7	Subordinated debt	15-Oct-10	11.05%	15-Oct-28	20	CRISIL AA+/Stable
INE721A08BS8	Subordinated debt	07-Mar-13	10.65%	07-Mar-23	33	CRISIL AA+/Stable
INE721A08BT6	Subordinated debt	08-Mar-13	10.65%	08-Mar-23	2.5	CRISIL AA+/Stable
INE721A08BV2	Subordinated debt	13-Mar-13	10.65%	13-Mar-23	1.5	CRISIL AA+/Stable
INE721A08CC0	Subordinated debt	28-Mar-13	10.65%	28-Mar-23	0.1	CRISIL AA+/Stable
INE721A08CC0	Subordinated debt	28-Mar-13	10.65%	28-Mar-23	0.4	CRISIL AA+/Stable
INE721A08CC0	Subordinated debt	28-Mar-13	10.65%	28-Mar-23	0.2	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	2	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	0.1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	0.1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	0.1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	0.1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	0.1	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	5	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	5	CRISIL AA+/Stable
INE721A08CE6	Subordinated debt	02-May-13	10.65%	02-May-23	10	CRISIL AA+/Stable
INE721S08BN9	Subordinated debt	30-Jan-13	10.65%	30-Jan-23	2.7	CRISIL AA+/Stable
INE721A08BZ3	Subordinated debt	28-Mar-13	10.65%	28-Mar-23	25	CRISIL AA+/Stable
INE721A08BZ3	Subordinated debt	28-Mar-13	10.65%	28-Mar-23	10	CRISIL AA+/Stable
INE721A08CI7	Subordinated debt	20-May-13	10.25%	20-May-23	10	CRISIL AA+/Stable
INE721A08CJ5	Subordinated debt	21-May-13	10.25%	19-May-23	20	CRISIL AA+/Stable

INE721A08CK3	Subordinated debt	29-May-13	10.00%	29-May-28	15	CRISIL AA+/Stable
INE721A08CM9	Subordinated debt	24-Jun-13	10.15%	24-Jun-23	50	CRISIL AA+/Stable
INE721A08CO5	Subordinated debt	05-Jul-13	10.25%	05-Jul-23	25	CRISIL AA+/Stable
INE721A08CU2	Subordinated debt	30-Sep-15	10.10%	29-Sep-23	67	CRISIL AA+/Stable
INE721A08CV0	Subordinated debt	01-Dec-16	8.50%	30-May-24	40	CRISIL AA+/Stable
INE721A08CW8	Subordinated debt	01-Dec-16	8.50%	01-Dec-26	60	CRISIL AA+/Stable
INE721A08CX6	Subordinated debt	29-Dec-16	8.50%	29-Dec-26	75	CRISIL AA+/Stable
NA	Subordinated debt#	NA	NA	NA	2711.107	CRISIL AA+/Stable
NA	Subordinated debt#	NA	NA	NA	1000	CRISIL AA+/Stable
NA	Subordinated debt#	NA	NA	NA	1000	CRISIL AA+/Stable
NA	Commercial paper	NA	NA	Upto 365 days	7500	CRISIL A1+
NA	Long-Term Bank Facility@	NA	NA	NA	12593.3	CRISIL AA+/Stable
NA	Cash Credit & Working Capital demand loan	NA	NA	NA	5927.5	CRISIL AA+/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	13,858.29	CRISIL AA+/Stable
NA	Short-Term Bank Facility	NA	NA	NA	1799.3	CRISIL A1+
NA	Bank Guarantee	NA	NA	NA	1029.63	CRISIL A1+
NA	Bank Guarantee	NA	NA	NA	1035	CRISIL AA+/Stable
NA	Fixed Deposit Programme	NA	NA	NA	0	CRISIL FAAA/Stable
NA	Long Term Principal Protected Market Linked Debentures#	NA	NA	NA	500	CRISIL PP-MLD AA+r/Stable

@Long term bank facilities of Rs 1243 crore transferred from Shriram Equipment Finance Company Limited to Shriram Transport Finance Company Limited upon amalgamation of the former with latter
#rated but unutilized

Annexure - Details of Rating Withdrawn

ISIN	Name of the Instrument	Date of Allotment	Coupon rate (%)	Maturity Date	Amount (Rs. crore)
INE721A07KH4	Debentures	09-Jun-16	8.85% p.a.	10-Jun-19	20
INE721A07KH4	Debentures	09-Jun-16	8.85% p.a.	10-Jun-19	20

Annexure - Rating History for last 3 Years

	Current			2019 (History)		2018		2017		2016		Start of 2016
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	7500.00	CRISIL A1+	10-05-19	CRISIL A1+	14-12-18	CRISIL A1+		--		--	--
						13-12-18	CRISIL A1+					
						06-08-18	CRISIL A1+					
						31-07-18	CRISIL A1+					
						08-06-18	CRISIL A1+					

						28-03-18	CRISIL A1+					
						27-03-18	CRISIL A1+					
						21-03-18	CRISIL A1+					
Fixed Deposits	FD	0.00	FAAA/Stable	10-05-19	FAAA/Stable	14-12-18	FAAA/Stable	31-10-17	FAAA/Stable	31-12-16	FAAA/Stable	FAAA/Stable
						13-12-18	FAAA/Stable	31-07-17	FAAA/Stable	07-11-16	FAAA/Stable	
						06-08-18	FAAA/Stable	11-07-17	FAAA/Stable	05-07-16	FAAA/Stable	
						31-07-18	FAAA/Stable	23-06-17	FAAA/Stable	18-03-16	FAAA/Stable	
						08-06-18	FAAA/Stable	05-06-17	FAAA/Stable	16-02-16	FAAA/Stable	
						28-03-18	FAAA/Stable					
						27-03-18	FAAA/Stable					
						21-03-18	FAAA/Stable					
						01-03-18	FAAA/Stable					
Long Term Principal Protected Market Linked Debentures	LT	500.00 26-06-19	CRISIL PP-MLD AA+r/Stable	10-05-19	CRISIL PP-MLD AA+r/Stable		--		--		--	--
Non Convertible Debentures	LT	31191.78 26-06-19	CRISIL AA+/Stable	10-05-19	CRISIL AA+/Stable	14-12-18	CRISIL AA+/Stable	31-10-17	CRISIL AA+/Stable	31-12-16	CRISIL AA+/Stable	CRISIL AA+/Stable
						13-12-18	CRISIL AA+/Stable	31-07-17	CRISIL AA+/Stable	07-11-16	CRISIL AA+/Stable	
						06-08-18	CRISIL AA+/Stable	11-07-17	CRISIL AA+/Stable	05-07-16	CRISIL AA+/Stable	
						31-07-18	CRISIL AA+/Stable	23-06-17	CRISIL AA+/Stable	18-03-16	CRISIL AA+/Stable	
						08-06-18	CRISIL AA+/Stable	05-06-17	CRISIL AA+/Stable	16-02-16	CRISIL AA+/Stable	
						28-03-18	CRISIL AA+/Stable					
						27-03-18	CRISIL AA+/Stable					
						21-03-18	CRISIL AA+/Stable					
						01-03-18	CRISIL AA+/Stable					
Short Term Debt	ST					01-03-18	CRISIL A1+	31-10-17	CRISIL A1+	31-12-16	CRISIL A1+	--
								31-07-17	CRISIL A1+	07-11-16	CRISIL A1+	
								11-07-17	CRISIL A1+	05-07-16	CRISIL A1+	
								23-06-17	CRISIL A1+	18-03-16	CRISIL A1+	
								05-06-17	CRISIL A1+	16-02-16	CRISIL A1+	
Subordinated Debt	LT	5352.21 26-06-19	CRISIL AA+/Stable	10-05-19	CRISIL AA+/Stable	14-12-18	CRISIL AA+/Stable	31-10-17	CRISIL AA+/Stable	31-12-16	CRISIL AA+/Stable	CRISIL AA+/Stable
						13-12-18	CRISIL AA+/Stable	31-07-17	CRISIL AA+/Stable	07-11-16	CRISIL AA+/Stable	

						06-08-18	CRISIL AA+/Stable	11-07-17	CRISIL AA+/Stable	05-07-16	CRISIL AA+/Stable	
						31-07-18	CRISIL AA+/Stable	23-06-17	CRISIL AA+/Stable	18-03-16	CRISIL AA+/Stable	
						08-06-18	CRISIL AA+/Stable	05-06-17	CRISIL AA+/Stable	16-02-16	CRISIL AA+/Stable	
						28-03-18	CRISIL AA+/Stable					
						27-03-18	CRISIL AA+/Stable					
						21-03-18	CRISIL AA+/Stable					
						01-03-18	CRISIL AA+/Stable					
Fund-based Bank Facilities	LT/ST	34178.37	CRISIL AA+/Stable/ CRISIL A1+	10-05-19	CRISIL AA+/Stable/ CRISIL A1+	14-12-18	CRISIL AA+/Stable/ CRISIL A1+	31-10-17	CRISIL AA+/Stable/ CRISIL A1+	31-12-16	CRISIL AA+/Stable/ CRISIL A1+	CRISIL AA+/Stable/ CRISIL A1+
						13-12-18	CRISIL AA+/Stable/ CRISIL A1+	31-07-17	CRISIL AA+/Stable/ CRISIL A1+	07-11-16	CRISIL AA+/Stable/ CRISIL A1+	
						06-08-18	CRISIL AA+/Stable/ CRISIL A1+	11-07-17	CRISIL AA+/Stable/ CRISIL A1+	05-07-16	CRISIL AA+/Stable/ CRISIL A1+	
						31-07-18	CRISIL AA+/Stable/ CRISIL A1+	23-06-17	CRISIL AA+/Stable/ CRISIL A1+	18-03-16	CRISIL AA+/Stable/ CRISIL A1+	
						08-06-18	CRISIL AA+/Stable/ CRISIL A1+	05-06-17	CRISIL AA+/Stable/ CRISIL A1+	16-02-16	CRISIL AA+/Stable/ CRISIL A1+	
						28-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						27-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						21-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						01-03-18	CRISIL AA+/Stable/ CRISIL A1+					
Non Fund-based Bank Facilities	LT/ST	2064.63	CRISIL AA+/Stable/ CRISIL A1+	10-05-19	CRISIL AA+/Stable/ CRISIL A1+	14-12-18	CRISIL AA+/Stable/ CRISIL A1+	31-10-17	CRISIL AA+/Stable/ CRISIL A1+	31-12-16	CRISIL AA+/Stable/ CRISIL A1+	CRISIL AA+/Stable
						13-12-18	CRISIL AA+/Stable/ CRISIL A1+	31-07-17	CRISIL AA+/Stable/ CRISIL A1+	07-11-16	CRISIL AA+/Stable/ CRISIL A1+	
						06-08-18	CRISIL AA+/Stable/ CRISIL A1+	11-07-17	CRISIL AA+/Stable/ CRISIL A1+	05-07-16	CRISIL AA+/Stable/ CRISIL A1+	
						31-07-18	CRISIL AA+/Stable/ CRISIL A1+	23-06-17	CRISIL AA+/Stable/ CRISIL A1+	18-03-16	CRISIL AA+/Stable/ CRISIL A1+	
						08-06-18	CRISIL	05-06-17	CRISIL	16-02-16	CRISIL A1+	

							AA+/Stable/ CRISIL A1+		AA+/Stable/ CRISIL A1+			
						28-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						27-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						21-03-18	CRISIL AA+/Stable/ CRISIL A1+					
						01-03-18	CRISIL AA+/Stable/ CRISIL A1+					

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Bank Guarantee	1029.63	CRISIL A1+	Bank Guarantee	1029.63	CRISIL A1+
Bank Guarantee	1035	CRISIL AA+/Stable	Bank Guarantee	1035	CRISIL AA+/Stable
Cash Credit & Working Capital demand loan	5927.5	CRISIL AA+/Stable	Cash Credit & Working Capital demand loan	5927.5	CRISIL AA+/Stable
Long Term Bank Facility@	12593.28	CRISIL AA+/Stable	Long Term Bank Facility@	12593.28	CRISIL AA+/Stable
Proposed Long Term Bank Loan Facility	13858.29	CRISIL AA+/Stable	Proposed Long Term Bank Loan Facility	13858.29	CRISIL AA+/Stable
Short Term Bank Facility	1799.3	CRISIL A1+	Short Term Bank Facility	1799.3	CRISIL A1+
Total	36243	--	Total	36243	--

@Long term bank facilities of Rs 1243 crore transferred from Shriram Equipment Finance Company Limited to Shriram Transport Finance Company Limited upon amalgamation of the former with latter

Links to related criteria
Rating Criteria for Banks and Financial Institutions
Rating Criteria for Finance Companies

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ANNEXURE B – INDIA RATINGS RATING AND RATIONALE

For the annexure, please see the next page.

India Ratings & Research

Fitch Group

Mr. Parag Sharma
Executive Director & CFO
Shriram Transport Finance Company Limited
C-2, Level 3, West Wing, Wockhardt Towers,
Bandra Kurla Complex, Bandra (E),
2, NSC Bose Road,
Mumbai-400 051

June 25, 2019

Dear Sir,

Re: Rating of Shriram Transport Finance Company Limited (STFCL) of Retail Non-convertible debentures

India Ratings (see definition below) assigns the following ratings:

INR 100billion of Retail Non-Convertible Debentures: IND AA+; Outlook Stable

This takes the total quantum of Non-Convertible Debentures rated by India Ratings to INR345billion: IND AA+; Outlook Stable

Out of the above rated amount STFCL has already raised INR 214.24billion

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings & Research

Fitch Group

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at 91 22 4000 1700.

Sincerely,

India Ratings

Rakesh Valecha
Senior Director

Prakash Agarwal
Director

Login

India Ratings & Research
A Fitch Group Company

India Ratings Assigns Shriram Transport Finance Company's Retail NCDs 'IND AA+'; Outlook Stable

25

JUN 2019

By Karan Gupta

India Ratings and Research (Ind-Ra) has rated Shriram Transport Finance Company Limited's (STFC) public issue of non-convertible debentures as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Retail NCDs*	-	-	-	INR100,000	IND AA+/Stable	Assigned

*Details in Annexure

KEY RATING DRIVERS

Market Dominance in Used CV Financing Space: STFC is the largest financier of used vehicles in India. Ind-Ra estimates the company to have three-fourths of the market share in the organised used vehicle financing segment. STFC has experience in managing loan portfolios over multiple business cycles, marked by numerous headwinds. The company is skilled in financing commercial vehicles (CVs) through its vast experience and efficient management of credit costs despite operating mainly in an arguably weak credit profile customer category in the used vehicle financing segment. STFC's expertise lies in the valuation of used assets, and an effective collection mechanism enables the company to manage its credit costs. However, STFC faces tough competition, as many non-banking finance companies are trying to expand into the used CV financing space.

Credit Cost Moderated in FY19 but Sustainability Remains to be Seen: STFC adopted Indian Accounting Standards from 1QFY19, leading to the softening of credit cost (FY19: 2.5%; FY18: 4.1%; FY17: 3.6%) based on the probability of default and loss given default estimates. Gross NPA also declined to 8.37% in FY19 (FY18: 9.39%) on Ind AS basis, and to 8.29% (9.15%) on IGAAP basis.

However, it remains to be seen whether lower provisioning on loans is a permanent structural shift. STFC's profile has been shifting towards newer used vehicles, leading to an increasing focus on customers with strong credit profiles. This transition has resulted in pressure on yields. At the same time, STFC has been concentrating on deeper rural geographies to grow its books; this could result in higher yields. However, the company's ability to manage credit cost remains to be seen.

The Indian Meteorological Department (IMD) has forecast normal monsoons for 2019, which bodes well for the rural economy. However, the South West Monsoon has been delayed, and overall rainfall deficiency has been pegged at 43% in the first half of June. The agency believes that, while it is too early to factor in the impact of the monsoon, rainfall deficiency in certain geographies would affect rural cash flows, which would impact STFC's portfolio growth as well as asset quality.

Capitalisation Remains at Reasonable Levels: STFC's tier I ratio was at 15.6% in FY19 (FY18: 14.2%). The capital adequacy ratio (CAR) also improved to 20.3% in FY19 from 16.9% in FY18, mainly because of an increase in tier II capital; the increase in tier I capital was due to higher internal accrual with an improvement in profitability on a yoy basis. Given the continuing tight liquidity conditions in the capital markets and elevated premium for longer term funds, STFC's growth plans would be calibrated. Ind-Ra believes internal accruals would be largely sufficient to support modest growth over the medium term. The company plans to operate with a moderate leverage, with a policy to maintain tier I ratio above 14%, on a steady state basis.

Reasonable Liquidity: STFC had a positive cumulative surplus in the one-year time frame of structural liquidity statement as on 31 March 2019. The company also maintains sizeable unutilised bank lines (INR28.8 billion of cash credit limits as of mid-June 2019) from a variety of banks. The on-balance sheet liquidity (liquid investments and unencumbered cash) stood at INR60.1 billion as of mid-June 2019 against a scheduled debt repayment of INR117.9 billion during June 2019-August 2019. STFC can also mobilise funds by way of securitisation; however, the pricing in this market has hardened. Having said that, in the current tight liquidity environment, excessive reliance on short-term debt could lead to asset-liability mismatch, giving rise to a refinancing risk.

STFC has diluted its policy of maintaining large on-balance sheet liquidity by way of cash and investment in liquid mutual funds, which could have provided strong buffers in the event of a sudden liquidity crisis. The company endeavours to maintain a matched asset-liability maturity profile by restricting its reliance on short-term borrowings to a maximum of 7%-8% of the total borrowings.

Moderate Profitability: STFC's profitability recovered modestly in FY19 after having been under pressure over the past few years (pre-provisioning operating profit/credit costs in FY19: 2.6x; FY18: 1.8x; FY17: 1.8x; FY11-FY16: average 3.2x), primarily due to a decline in credit costs. Ind-Ra believes the slowdown in AUM growth on a yoy basis in the new vehicles segment provided tailwinds to yields in FY19. The company's net interest margin was under pressure in FY19,

as it faced challenges with respect to borrowing costs owing to the hardening of interest rates in capital markets and costlier bank funding. the agency believes that STFC's accelerated expansion in rural geographies that offer higher yields could support margins over the near-to-medium term.

RATING SENSITIVITIES

Positive: A significantly strengthened stable funding profile that could emerge through enhanced granular retail funding or/and significantly increased credit costs absorbing buffers, while maintaining the dominant franchise in the used CV financing segment, could be positive for the ratings.

Negative: Through-the-cycle rise in credit cost, leading to depletion in operating and/or capital buffers, reduced resource raising ability impacting the liquidity, and/or a significant loss of franchise could result in a negative rating action.

COMPANY PROFILE

STFC is the largest non-banking finance company in the asset finance segment in India. It is the flagship company of Chennai-based Shriram Group, which operates in consumer finance and insurance segments.

FINANCIAL SUMMARY

Particulars	FY19	FY18
Total tangible assets (INR million)	1,052,168	828,418
Total tangible equity (INR million)	157,606	121,433
Net income (INR million)	25,640	15,680
Return on average assets (%)	2.53	2.05
Tier 1 capital (%)	15.62	14.24
Source: STFC, Ind-Ra		

Note: All financial numbers for FY18 are on IGAAP basis and for FY19 on IND AS basis

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating	24 December 2018	26 December 2018	31 March 2017
Issuer rating	Long-term/Short-term	-	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+
NCDs*	Long-term	INR345,000	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable
Bank loans	Long-term/Short-term	INR130,000	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+	IND AA+/Stable/IND A1+
Subordinated debt*	Long-term	INR66,200	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable
Short-term debt/CP programme*	Short-term	INR75,000	IND A1+	IND A1+	IND A1+	IND A1+
Term deposit	Long-term	-	IND tAA+/Stable	IND tAA+/Stable	IND tAA+/Stable	IND tAA+/Stable

*Details in annexure

ANNEXURE

SUBORDINATED DEBT

ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
INE721A08CV0	1 December 2016	8.50	30 May 2024	INR400	IND AA+/Stable
INE721A08CW8	1 December 2016	8.50	1 December 2026	INR600	IND AA+/Stable
INE721A08CX6	29 December 2016	8.50	29 December 2026	INR750	IND AA+/Stable
INE721A08CY4	17 October 2017	8.20	15 October 2027	INR3,940	IND AA+/Stable
INE721A08DA2	28 March 2018	9.00	28 March 2028	INR9,950	IND AA+/Stable
INE721A08DB0	28 March 2018	8.95	28 April 2025	INR400	IND AA+/Stable

INE721A08DC8	28 November 2018	10.25	26 April 2024	INR17,750	IND AA+/Stable
INE721A08DD6	12 December 2018	10.51	12 December 2028	INR350	IND AA+/Stable
			Total utilised	**INR34,140**	
			Total unutilised	**INR32,060**	
			Total	**INR66,200**	

NCDs

ISIN	Date of Allotment	Coupon (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
INE721A07JP9	17 April 2015	9.15	13 March 2019	INR 3,000.00	WD (paid in full)
INE721A07JV7	15 March 2016	9.1	15 March 2019	INR 100.00	WD (paid in full)
INE721A07MC1	31 March 2017	8.00^	28 March 2019	INR 500.00	WD (paid in full)
INE721A07JT1	14 December 2015	8.75^	11 April 2019	INR 350.00	WD (paid in full)
INE721A07KH4	9 June 2016	8.85	10 June 2019	INR 200.00	WD (paid in full)
INE721A07ML2	16 June 2017	7.92	14 June 2019	INR 1,000.00	WD (paid in full)
INE721A07KM4	05 July 2016	9	05 July 2019	INR 800.00	IND AA+/Stable
INE721A07HI8	15 July 2014	10	15 July 2019	INR 3,841.00	IND AA+/Stable
INE721A07HK4	15 July 2014	9.57	15 July 2019	INR 278.00	IND AA+/Stable
INE721A07HN8	15 July 2014	10.00^	15 July 2019	INR 152.00	IND AA+/Stable
INE721A07HP3	21 July 2014	10	19 July 2019	INR 5,000.00	IND AA+/Stable
INE721A07HQ1	5 August 2014	10	5 August 2019	INR 5,000.00	IND AA+/Stable
INE721A07KN2	5 July 2016	9	5 August 2019	INR 850.00	IND AA+/Stable
INE721A07HR9	28 August 2014	10	28 August 2019	INR 2,500.00	IND AA+/Stable
INE721A07HV1	12 September 2014	10	12 September 2019	INR 1,250.00	IND AA+/Stable
INE721A07HZ2	19 September 2014	9.75	19 September 2019	INR 500.00	IND AA+/Stable
INE721A07IS5	28 November 2014	9.95	28 November 2019	INR 750.00	IND AA+/Stable
INE721A07JC7	19 January 2015	9.35	17 January 2020	INR 150.00	IND AA+/Stable
INE721A07JE3	4 February 2015	9.15	4 February 2020	INR 300.00	IND AA+/Stable

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INE721A07LS9	24 March 2017	8.1	24 March 2020	INR 100.00	IND AA+/Stable
INE721A07LX9	29 March 2017	8.1	27 March 2020	INR 2,500.00	IND AA+/Stable
INE721A07NR7	27 March 2018	8.45	27 March 2020	INR 5,600.00	IND AA+/Stable
INE721A07MA5	30 March 2017	1st year coupon= 8.10% p.a. 2nd and 3rd year coupon = 1 year CD rate +1.50% p.a.	30 March 2020	INR 2,500.00	IND AA+/Stable
INE721A07LZ4	30 March 2017	8.1	29 May 2020	INR 1,250.00	IND AA+/Stable
INE721A07MN8	27 June 2017	7.84	26 June 2020	INR 350.00	IND AA+/Stable
INE721A07JS3	4 December 2015	8.8	4 December 2020	INR 150.00	IND AA+/Stable
INE721A07JW5	18 March 2016	9.25	18 March 2021	INR 1,000.00	IND AA+/Stable
INE721A07KA9	29 March 2016	9.25	29 March 2021	INR 750.00	IND AA+/Stable
INE721A07KC5	13 April 2016	9.15	13 April 2021	INR 5,160.00	IND AA+/Stable
INE721A07KF8	29 April 2016	9.05	29 April 2021	INR 150.00	IND AA+/Stable
INE721A07KJ0	10 June 2016	8.92^	10 June 2021	INR 50.00	IND AA+/Stable
INE721A07KK8	30 June 2016	9.05	30 June 2021	INR 850.00	IND AA+/Stable
INE721A07NV9	12 July 2018	9.1	12 July 2021	INR 22,130.00	IND AA+/Stable
INE721A07NY3	12 July 2018	9.10^	12 July 2021	INR 724.00	IND AA+/Stable
INE721A07HJ6	15 July 2014	10.15	15 July 2021	INR 1,361.00	IND AA+/Stable
INE721A07HL2	15 July 2014	9.71	15 July 2021	INR 352.00	IND AA+/Stable
INE721A07HO6	15 July 2014	10.15^	15 July 2021	INR 281.00	IND AA+/Stable
INE721A07KZ6	3 August 2016	8.85	3 August 2021	INR 4,500.00	IND AA+/Stable
INE721A07LH2	30 August 2016	8.45	30 August 2021	INR 200.00	IND AA+/Stable
INE721A07IA3	19 September 2014	9.85	19 September 2021	INR 500.00	IND AA+/Stable
INE721A07OD5	2 November 2018	9.4	2 November 2021	INR 2,077.70	IND AA+/Stable
INE721A07OG8	2 November 2018	9.40^	2 November 2021	INR 766.20	IND AA+/Stable
INE721A07JB9	5 January 2015	Benchmark + Spread (payable monthly), i.e. 10.00%-0.10% resulting into yield of 9.90% payable monthly	5 January 2022	INR 5,000.00	IND AA+/Stable
INE721A07OO2	6 February 2019	9.40	6 February 2022	INR 1,799.98	IND AA+/Stable
INE721A07OR5	6 February 2019	Cumulative (Effective Yield (per annum)-9.40%)	6 February 2022	INR 670.39	IND AA+/Stable
INE721A07MB3	30 March 2017	8.15	30 March 2022	INR 50.00	IND AA+/Stable

INE721A07MD9	31 March 2017	8.15	31 March 2022	INR 450.00	IND AA+/Stable
INE721A07OJ2	6 December 2018	9.85	15 April 2022	INR 1,500.00	IND AA+/Stable
INE721A07MX7	22 August 2017	7.73	22 August 2022	INR 2,750.00	IND AA+/Stable
INE721A07NA3	30 November 2017	8	30 November 2022	INR 700.00	IND AA+/Stable
INE721A07NL0	22 March 2018	8.72	22 March 2023	INR 2,415.00	IND AA+/Stable
INE721A07NS5	27 March 2018	8.72	27 March 2023	INR 9,200.00	IND AA+/Stable
INE721A07KG6	25 May 2016	9.05	25 May 2023	INR 500.00	IND AA+/Stable
INE721A07KI2	9 June 2016	9.05	9 June 2023	INR 125.00	IND AA+/Stable
INE721A07NT3	12 July 2018	8.93	12 July 2023	INR 1,504.00	IND AA+/Stable
INE721A07NW7	12 July 2018	9.3	12 July 2023	INR 5,402.00	IND AA+/Stable
INE721A07NZ0	12 July 2018	9.30^	12 July 2023	INR 903.00	IND AA+/Stable
INE721A07KP7	19 July 2016	9.05	19 July 2023	INR 750.00	IND AA+/Stable
INE721A07OB9	2 November 2018	9.12	2 November 2023	INR 946.30	IND AA+/Stable
INE721A07OE3	2 November 2018	9.5	2 November 2023	INR 1,143.20	IND AA+/Stable
INE721A07OH6	2 November 2018	9.50^	2 November 2023	INR 421.30	IND AA+/Stable
INE721A07OM6	6 February 2019	9.12	6 February 2024	INR 877.02	IND AA+/Stable
INE721A07OP9	6 February 2019	9.50	6 February 2024	INR 1,001.12	IND AA+/Stable
INE721A07OS3	6 February 2019	Cumulative (Effective Yield (per annum)- 9.50%)	6 February 2024	INR 419.39	IND AA+/Stable
INE721A08DF1	22 January 2019	9.9	21 June 2024	INR 5,000.00	IND AA+/Stable
INE721A07HY5	18 September 2014	10.25	18 September 2024	INR 3,000.00	IND AA+/Stable
INE721A07IG0	10 October 2014	10.25	10 October 2024	INR 4,750.00	IND AA+/Stable
INE721A07II6	31 October 2014	10.1	31 October 2024	INR 250.00	IND AA+/Stable
INE721A07IO4	13 November 2014	10	13 November 2024	INR 3,580.00	IND AA+/Stable
INE721A07IR7	28 November 2014	9.9	28 November 2024	INR 1,000.00	IND AA+/Stable
INE721A07NO4	26 March 2018	8.72	26 May 2025	INR 350.00	IND AA+/Stable
INE721A07JX3	18 March 2016	9.3	18 March 2026	INR 1,000.00	IND AA+/Stable
INE721A07KB7	29 March 2016	9.3	27 March 2026	INR 1,450.00	IND AA+/Stable
INE721A07KD3	13 April 2016	9.22	13 April 2026	INR 1,790.00	IND AA+/Stable
INE721A07KE1	22 April 2016	9.2	22 April 2026	INR 260.00	IND AA+/Stable
INE721A07LD1	8 August 2016	8.87	8 August 2026	INR 1,100.00	IND AA+/Stable

INE721A07NU1	12 July 2018	9.03	12 July 2028	INR 499.00	IND AA+/Stable
INE721A07NX5	12 July 2018	9.4	12 July 2028	INR 5,323.00	IND AA+/Stable
INE721A07OC7	2 November 2018	9.3	2 November 2028	INR 323.40	IND AA+/Stable
INE721A07OF0	2 November 2018	9.7	2 November 2028	INR 389.80	IND AA+/Stable
INE721A07ON4	6 February 2019	9.3	6 February 2029	INR 263.80	IND AA+/Stable
INE721A07OQ7	6 February 2019	9.7	6 February 2029	INR 341.49	IND AA+/Stable
	Total			INR 143,871.09	
	NCDs raised under the rated limit but redeemed			INR 70,368.26	
	Unutilised NCD limit			INR 130,760.65	
	Total rated Limit			INR 345,000.00	

^ Zero coupon bond

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating
CP	7 February 2019	8.48	15 July 2019	INR 1,400	IND A1+
CP	8 February 2019	8.48	15 July 2019	INR 1,350	IND A1+
CP	15 May 2019	7.95	14 August 2019	INR 7,050	IND A1+
CP	24 May 2019	7.3	29 July 2019	INR 5,000	IND A1+
CP	28 May 2019	7.3	27 August 2019	INR 1,350	IND A1+
		Total		**INR 16,150.00**	
		Unutilised		**INR 58,850.00**	
		Total limit Rated		**INR 75,000.00**	

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

SOLICITATION DISCLOSURES

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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For more information, visit www.indiaratings.co.in.

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Applicable Criteria

Financial Institutions Rating Criteria
Non-Bank Finance Companies Criteria

Analyst Names

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ANNEXURE C – CARE RATING AND RATIONALE

For the annexure, please see the next page.

CARE Ratings
Professional Risk Opinion

No. CARE/HO/RL/2019-20/1738
Mr. Parag Sharma
Executive Director & CFO
Shriram Transport Finance Co. Ltd.
Wockhardt Towers, Level 3
West Wing, C-2, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051

June 28, 2019

Confidential

Dear Sir,

Credit rating for proposed Public Issue of Non-Convertible Debentures

Please refer to your request for rating of proposed public issue of non-convertible debentures (NCD) aggregating to Rs.10,000 crore of your company.

The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Proposed Non-Convertible Debentures (Public Issue)	10,000 (Rs. Ten Thousand crore only)	**CARE AA+; Stable (Double A Plus; Outlook: Stable)**	**Assigned**

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is June 28, 2019).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

[1] *Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)
4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 01, 2019, we will proceed on the basis that you have no any comments to offer.

8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

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10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

11. CARE ratings are not recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

[Ashwitha Nandagopalan]
Analyst
ashwitha.n@careratings.com

[Aditya Acharekar]
Associate Director
aditya.acharekar@careratings.com

Encl.: As above

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Annexure – Press Release
Shriram Transport Finance Company Limited

Ratings

Instruments	Amount (Rs. crore)	Ratings[2]	Rating Action
Proposed Non-convertible debentures (Public Issue)	10,000 (Rs. Ten Thousand crore only)	**CARE AA+; Stable [Double A Plus; Outlook: Stable]**	Assigned

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the various debt instruments of Shriram Transport Finance Company Limited (STFCL) factor in the company's leadership position and more than three decades of experience in the pre-owned commercial vehicle (CV) financing segment, experienced management team, adequate capitalization levels, comfortable liquidity profile and good resource raising capabilities with diversified funding profile. The rating is constrained by STFCL's moderate asset quality and the underlying industry risk linked with its target customer segment of small truck operators, who have relatively high vulnerability to economic downturns. Asset quality, capital adequacy and profitability are key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Strengths

Leadership position and over three decades of experience in the pre-owned Commercial Vehicle (CV) financing segment: STFCL is one of the largest asset financing NBFCs in India with assets under management (AUM) of Rs.1,04,482 crore as on March 31, 2019 (AUM as on March 31, 2018: Rs.96,261 crore) with a mix of 83% Used CV financing; 11% of New CV and 6% of other loans. Over its 38 years of experience in CV financing, STFCL has garnered a significant market share in used (pre-owned) CV financing and developed a strong relationship with its customers where in major part of its lending is being done through 'reference based' model.

Experienced management team: STFCL is a part of the Shriram group and is led by Mr. Umesh Revankar (Managing Director), who has been with the Shriram group for more than 28 years. The management team includes Mr. Parag Sharma (Executive Director and Chief Financial Officer) and several others, who have been associated with STFCL for several years. The senior management of the company is equipped with a rich experience of operating the CV financing business.

Adequate capitalization levels: STFCL's tangible net-worth stood at Rs.15,759 crore as on March 31, 2019. STFCL reported total Capital Adequacy Ratio (CAR) of 20.27% [P.Y.: 17.38%] with Tier I CAR of 15.62% as on March 31, 2019 [P.Y.: 14.47%]. To augment further business growth and maintain operating

[1] *Complete definitions of the ratings assigned are available at www.careratings.com and other CARE publications.*

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leverage levels, the management plans to maintain Tier I capital above 14% on a steady state basis. As on March 31, 2018, the company contingent liabilities by way of guarantees given amounting to Rs.1,000 crore [P.Y.: Rs.2,214 crore]. In October, 2018, STFCL terminated the guarantee having redemption value of Rs.995 crore given to SVL Limited (unlisted holding company for the non-financial businesses of the Shriram group).

Good resource raising capabilities and diversified funding profile: STFCL has continuously been diversifying its resource profile which has a mix of retail/wholesale borrowings that include bonds [35.0% of total borrowings], term loans & working capital from banks [20.5%], subordinated debt [7.1%], public deposits (FDs) [11.7%], Commercial Paper [4%] and other borrowings [1.5%] as on March 31, 2019. The borrowing profile is further diversified with securitization route available to the company which constituted 20.2% of the total borrowings. STFCL being a deposit taking NBFC, has over the years, developed a strong depositor base of over 2 lakh depositors till date. However, the company has a diversified funding profile and its dependence on FDs is limited. STFCL's overall gearing stood at 5.58 times as on March 31, 2019 [P.Y.: 6.07 times].

Adequate liquidity profile: STFCL's liquidity profile was comfortable with well-matched asset liability maturity profile as the company's loan portfolio has a relatively shorter tenure as compared to the tenure of its borrowings. The asset liability maturity (ALM) profile as on March 31, 2019, had no negative mismatches up to one year. Furthermore, STFCL has good resource raising abilities/capacity to match any immediate requirements in the future.

Financial performance: STFC reported Profit after Tax (PAT) of Rs.2,564 crore on a total income of Rs.15,546 crore as on March 31, 2019 as against PAT of Rs.2,461 crore on a total income of Rs.13,362 crore. The company is in a transition phase to move towards financing lower vintage used vehicles and vehicles with higher capacity. As a result of this transition and increasing competition in this segment, the yields are expected to be lower. The company's strong competitive position in the high yielding used CV segment helps it to maintain stable margins. Correspondingly, the Net Interest Margin (including off-balance sheet assets) [NIM] and Return on Total Assets (ROTA) (including off-balance sheet assets) was 7.69% and 2.51% respectively during FY19.

Key Rating Weaknesses

Moderate but improving asset quality: STFCL has historically maintained comfortable asset quality due to its relationship-based model. However, over the past few years, STFCL has seen a rise in slippages on account of overall economic slowdown. The company reported Gross NPA and Net NPA ratio of 8.42% [P.Y.: 9.29 %] and 5.68% [P.Y.: 6.27%] respectively as on March 31, 2019. The Net NPA to tangible net-worth stood at 35.55% as on March 31, 2019 (March 31, 2018: 42.83%). With a pick-up in the economic activity, the credit costs are expected to decline over a medium term resulting into further improvement in the asset quality.

Underlying industry risk linked with its target customer segment of small truck operators: STFCL is primarily into financing of pre-owned commercial vehicles. In an environment of economic slowdown, STFCL's asset quality comes under pressure since it has high exposure to small fleet operators and first-

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time buyers who are more vulnerable to the negative effects of an economic downturn. However, past cyclical behaviour suggests that the used CV sales pick-up before new CV sales in an improving cycle.

Analytical approach: Standalone

Applicable Criteria:
Criteria on assigning Outlook to Credit Ratings
CARE Policy on Default Recognition
CARE's criteria on Short Term Instruments
Rating Methodology- Non-Banking Finance Companies
Financial ratios - Financial Sector

Liquidity profile
The liquidity profile of STFCL was comfortable with well-matched maturity profile of assets and liabilities. The ALM profile as on March 31, 2019 had no negative cumulative mismatches up to 1 year. As per the ALM profile as on March 31, 2019, STFCL had debt repayments of Rs.27,357 crore due to be paid in the next one year, against inflows from loan portfolio of Rs.36,655 crore. STFCL also had unutilized bank limits amounting Rs.840 crore, and cash and cash equivalents of Rs.1,029 crore as on March 31, 2019.

About the Company
Shriram Transport Finance Company Ltd (STFCL) is the flagship company of the Chennai-based Shriram Group and was founded by Mr R. Thyagarajan, Mr T. Jayaraman and Mr. A. V. S. Raja. It is classified as a deposit-taking Asset Financing NBFC. The company was incorporated in 1979, with an objective to provide hire purchase and lease finance for the medium and heavy commercial vehicles to individual truck operators. It is the largest asset financing NBFC in India, concentrated mainly in the pre-owned vehicle financing business. Presently, STFCL has a network of 1,301 branches with a mix of 50:50 rural and urban areas and 864 rural centres (with 500+ private financiers).
On February 06, 2018 STFCL has 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.156.38 crore to MXC Solutions India Private Limited (MXC). Consequently, SAMIL has ceased to be a subsidiary and is now an associate of the Company from February 07, 2018.

Brief Financials (Rs. crore) (as per IndAS)	FY18 (A)	FY19 (A)
Total income	13,506	15,546
PAT	2,549	2,576
Total Assets (tangible)	97,306	1,05,341
Net NPA (%)	6.27	5.68
ROTA (%)	2.86	2.54

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Analyst Contact:
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Email: aditya.acharekar@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non Convertible Debentures – Proposed	-	-	-	10000.00	CARE AA+; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Debt-Subordinate Debt	LT	1493.90	CARE AA+; Stable	-	1)CARE AA+; Stable (08-Jan-19)	1)CARE AA+; Stable (23-Mar-18) 2)CARE AA+; Stable (08-Feb-18) 3)CARE AA+; Stable (04-Oct-17) 4)CARE AA+; Stable (14-Jul-17)	1)CARE AA+ (16-Nov-16)
2.	Debentures-Non Convertible Debentures	LT	2905.34	CARE AA+; Stable	-	1)CARE AA+; Stable (08-Jan-19)	1)CARE AA+; Stable (23-Mar-18) 2)CARE AA+; Stable (08-Feb-18) 3)CARE AA+; Stable (04-Oct-17) 4)CARE AA+; Stable (14-Jul-17)	1)CARE AA+ (16-Nov-16)
3.	Commercial Paper	ST	7500.00	CARE A1+	-	1)CARE A1+ (08-Jan-19)	1)CARE A1+ (23-Mar-18) 2)CARE A1+ (08-Feb-18) 3)CARE A1+ (04-Oct-17)	-
4.	Debentures-Non Convertible Debentures	LT	10000.00	CARE AA+; Stable	-	-	-	-

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Shriram Transport Finance Company Limited

June 29, 2019

Ratings

Instruments	Amount (Rs. crore)	Ratings[1]	Rating Action
Proposed Non-convertible debentures (Public Issue)	10,000 (Rs. Ten Thousand crore only)	**CARE AA+; Stable [Double A Plus; Outlook: Stable]**	Assigned

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings assigned to the various debt instruments of Shriram Transport Finance Company Limited (STFCL) factor in the company's leadership position and more than three decades of experience in the pre-owned commercial vehicle (CV) financing segment, experienced management team, adequate capitalization levels, comfortable liquidity profile and good resource raising capabilities with diversified funding profile. The rating is constrained by STFCL's moderate asset quality and the underlying industry risk linked with its target customer segment of small truck operators, who have relatively high vulnerability to economic downturns. Asset quality, capital adequacy and profitability are key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Strengths

Leadership position and over three decades of experience in the pre-owned Commercial Vehicle (CV) financing segment: STFCL is one of the largest asset financing NBFCs in India with assets under management (AUM) of Rs.1,04,482 crore as on March 31, 2019 (AUM as on March 31, 2018: Rs.96,261 crore) with a mix of 83% Used CV financing; 11% of New CV and 6% of other loans. Over its 38 years of experience in CV financing, STFCL has garnered a significant market share in used (pre-owned) CV financing and developed a strong relationship with its customers where in major part of its lending is being done through 'reference based' model.

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Key Rating Weaknesses

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Analytical approach: Standalone

Applicable Criteria:
Criteria on assigning Outlook to Credit Ratings
CARE Policy on Default Recognition
CARE's criteria on Short Term Instruments
Rating Methodology- Non-Banking Finance Companies
Financial ratios - Financial Sector

Liquidity profile
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Total Assets (tangible)	97,306	1,05,341
Net NPA (%)	6.27	5.68
ROTA (%)	2.86	2.54

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non Convertible Debentures – Proposed	-	-	-	10000.00	CARE AA+; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Debt-Subordinate Debt	LT	1493.90	CARE AA+; Stable	-	1)CARE AA+; Stable (08-Jan-19)	1)CARE AA+; Stable (23-Mar-18) 2)CARE AA+; Stable (08-Feb-18) 3)CARE AA+; Stable (04-Oct-17) 4)CARE AA+; Stable (14-Jul-17)	1)CARE AA+ (16-Nov-16)
2.	Debentures-Non Convertible Debentures	LT	2905.34	CARE AA+; Stable	-	1)CARE AA+; Stable (08-Jan-19)	1)CARE AA+; Stable (23-Mar-18) 2)CARE AA+; Stable (08-Feb-18) 3)CARE AA+; Stable (04-Oct-17) 4)CARE AA+;	1)CARE AA+ (16-Nov-16)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
							Stable (14-Jul-17)	
3.	Commercial Paper	ST	7500.00	CARE A1+	-	1)CARE A1+ (08-Jan-19)	1)CARE A1+ (23-Mar-18) 2)CARE A1+ (08-Feb-18) 3)CARE A1+ (04-Oct-17)	-
4.	Debentures-Non Convertible Debentures	LT	10000.00	CARE AA+; Stable	-	-	-	-

ANNEXURE D – DEBENTURE TRUSTEE CONSENT

For the annexure, please see the next page.

CATALYST
Believe in yourself... Trust us!

Ref. No. CL/MUM/19-20/DEB/3740 **Date: June 20, 2019**

To,
Shriram Transport Finance Company Limited
Wockhardt Towers, Level-3, West Wing
C-2, G- Block, Bandra Kurla Complex
Bandra (East), Mumbai- 400 051

Dear Sir/ Madam,

Sub: Proposed public issue ("Issue") of secured, redeemable, non-convertible debentures ("NCDs") by Shriram Transport Finance Company Limited ("Company") for an amount not exceeding Rs. 10,000 crores (Rupees Ten Thousand Crores Only)

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue pursuant to Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with the BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**") and Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus / Tranche Prospectus to be filed with the Registrar of Companies, Chennai, Tamil Nadu ("**RoC**"), Stock Exchanges and SEBI in respect of the Issue and in all related advertisements and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to this Issue.

The following details with respect to us may be disclosed:

Name:	Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited)
Address:	'GDA House', Plot No 85, Bhusari Colony (Right), Kothrud, Pune – 411038
Tel:	022 - 49220543
Fax:	022 - 49220505
Email:	ComplianceCTL-Mumbai@ctltrustee.com
Website:	www.catalysttrustee.com
Contact Person:	Umesh Salvi
Investor Grievance e-mail:	grievance@ctltrustee.com
SEBI Registration No:	IND000000034

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format, attached herewith and marked as Annexure A. We also certify that we have not been prohibited from SEBI to act as an intermediary in capital market issues. We also authorize you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory authority or stock exchanges as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

CATALYST TRUSTEESHIP LIMITED

We shall immediately intimate the Company of any alterations in respect of the matters covered in this certificate till the date when the securities of the Company, offered, issued and allotted pursuant to the Issue, are traded on the Indian stock exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the NCDs on the stock exchanges.

Yours faithfully,

For **Catalyst Trusteeship Limited.**

Authorised Signatory

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED) An ISO:9001 Company

Mumbai Office Office No. 83 - 87, 8th Floor, B Wing, Mittal Tower, Nariman Point, Mumbai 400 021 **Tel** +91 (022) 4922 0555 **Fax** +91 (022) 4922 0505
Regd. Office GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 **Tel** +91 (020) 25280081 **Fax** +91 (020) 25280275
Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 **Tel** 011 43029101.
CIN No. U74999PN1997PLC110262 **Email** dt@ctltrustee.com **Website** www.catalysttrustee.com
Pune | Mumbai | Bengaluru | Delhi | Chennai

Annexure A

Date: June 20, 2019

To,
Shriram Transport Finance Company Limited
Wockhardt Towers, Level-3, West Wing
C-2, G- Block, Bandra Kurla Complex
Bandra (East), Mumbai- 400 051

Dear Sir/ Madam,

Sub: Proposed public issue ("Issue") of secured, redeemable, non-convertible debentures ("NCDs") by Shriram Transport Finance Company Limited ("Company") for an amount not exceeding Rs. 10,000 crores (Rupees Ten Thousand Crores Only)

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee are true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND000000034
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	July 29,2016
3.	Date of expiry of registration	Permanent Registration
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NIL
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NIL
6.	Details of any penalty imposed by SEBI	NIL

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Non-convertible Debentures on the Stock Exchange.

Yours faithfully,
For **Catalyst Trusteeship Ltd.**

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

डिबेंचर न्यासी

फॉर्म बी
FORM B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000258

(विनियम 6)
(Regulation 6)

(Regulation 8A)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

PERMANENT REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित इस अधिनियम की धारा 12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

CATALYST TRUSTEESHIP LIMITED
GDA HOUSE, PLOT NO. 85,
BHUSARI COLONY (RIGHT), PAUD ROAD
PUNE – 411 038
MAHARASHTRA

को नियमों में, उनमें के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000034**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

3) This Certificate of Registration shall be valid for permanent, unless suspended or cancelled by the Board.

आदेश से,
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से,
By order,
For and on behalf of
Securities and Exchange Board of India

स्थान Place : MUMBAI

दिनांक Date : JULY 29, 2016

MJSonparote

MEDHA SONPAROTE
अधिकृत हस्ताक्षरकर्ता / Authorised Signatory

CATALYST TRUSTEESHIP LIMITED