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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**TWENTY THIRD ANNUAL REPORT**

---

**2016-2017**

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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<b>REGISTERED OFFICE:</b>	WOCKHARDT TOWERS, 2ND FLOOR, EAST WING, C-2, G BLOCK, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI – 400 051. TEL.No.: +91-22-42410400 FAX: +91-22-27566634
<b>ADMINISTRATIVE HEAD OFFICE &amp; CORRESPONDENCE:</b>	CK-6, 2ND FLOOR, SECTOR II, SALT LAKE CITY, KOLKATA- 700 091 TEL. NO.: +91-33-23373012 TELEFAX NO.: +91-33-23373014 Website: www.shriramamc.com
<b>BOARD OF DIRECTORS:</b>	MR. PRABHAKAR KARANDIKAR - CHAIRMAN MR. AKHILESH KUMAR SINGH - MANAGING DIRECTOR MR. R.SUNDARA RAJAN MR. DHIRUV MEHTA MR. ARINDOM MUKHERJEE MRS. JAYASHREE MAHESH MR. KSHITI RANJAN DAS MR. KALYANARAMAN CHANDRACHOODAN MRS. CHANDRA IYENGAR
<b>FUND MANAGER:</b>	MRS. GARGI BHATTACHARYYA BANERJEE
<b>CHIEF FINANCIAL OFFICER:</b>	MRS. CHANDANA DUTT
<b>COMPANY SECRETARY:</b>	MRS. REENA YADAV
<b>COMPLIANCE OFFICER FOR MUTUAL FUND:</b>	MR. TANMOY SENGUPTA
<b>AUDITORS:</b>	M/S K.S.AIYAR & CO. CHARTERED ACCOUNTANTS, 9, SYED AMIR ALI AVENUE, FLAT 2, 4TH FLOOR, KOLKATA -700 017
<b>REGISTRAR AND SHARE TRANSFER AGENTS:</b>	PURVA SHAREGISTRY (INDIA) PVT. LTD. 9, SHIV SHAKTI INDUSTRIAL ESTATE, J.R.BORICHA MARG, MUMBAI – 400 011 TEL.NO.: +91-22-23016761 TELEFAX NO.: +91-22-23012517

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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CIN: L65991MH1994PLC079874

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

Tel.No.: +91-22-42410400 Fax: +91-22-27566634

Email ID: srmf@shriramamc.com Website: www.shriramamc.com.

### NOTICE

Notice is hereby given that the TWENTY THIRD Annual General Meeting (AGM) of the Members of Shriram Asset Management Company Limited will be held at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai-400 057 on Thursday, August 10, 2017 at 3.00 P.M. to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2017 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. R. Sundara Rajan (DIN 00498404) who retires by rotation and being eligible, offers himself for reappointment;
3. To appoint M/s. G. D. Apte and Co., Chartered Accountants, Mumbai, (Registration No. 100515W), as Statutory Auditors of the Company, in place of retiring auditors, M/s. K. S. Aiyar and Co., Chartered Accountants, Kolkata, (Registration No. 100186W) to hold office from the conclusion of this meeting until the conclusion of 28th Annual General Meeting of the Company, to be held in the year 2022 and to fix their remuneration by considering and if thought fit, passing, with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force and subject to all the applicable laws and regulations, including but not limited to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Audit Committee of the Board of Directors of the Company, M/s. G. D. Apte and Co., Chartered Accountants, Mumbai, (Registration No. 100515W), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s. K. S. Aiyar and Co., Chartered Accountants, Kolkata, (Registration No. 100186W), Chartered Accountants, to hold office from the conclusion of this Annual General Meeting to the conclusion of 28th Annual General Meeting, to be held in the year 2022 subject to ratification of the appointment by the Members of the Company at every Annual General Meeting held after this Annual General Meeting on such remuneration as may be mutually agreed upon between the Statutory Auditors and the Board of Directors of the Company.”

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to Section 149, 150 (2), 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 (hereinafter referred to as the Act), Mr. Kshiti Ranjan Das (DIN 07212449), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 06, 2017 and who holds office up to the date of the Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Das as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to March 05, 2022, not liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to Section 149, 150 (2), 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 (hereinafter referred to as the Act), Mr. Kalyanaraman Chandrachoodan (DIN 07712306), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2017 and who holds office up to the date of the Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Chandrachoodan as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to March 30, 2022, not liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to Section 149, 150 (2), 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 (hereinafter referred to as the Act), Mrs. Chandra Iyengar (DIN 02821294), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2017 and who holds office up to the date of the Annual General Meeting, in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mrs. Iyengar as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to March 30, 2022, not liable to retire by rotation.”

By order of the Board of Directors  
**For Shriram Asset Management Company Limited**

Place: Mumbai  
Date: May 02, 2017

**Reena Yadav**  
Company Secretary

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from Monday, August 07, 2017 to Thursday, August 10, 2017 (both days inclusive).
4. Additional information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as 'Listing Regulations' in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
5. Members/ Proxies are requested to produce at the entrance, the attached admission slip for admission to the meeting hall. Duplicate admission slips will not be provided at the hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID nos. for easy identifications for attendance at the meeting.
6. In case of joint holders attending the meeting, only such joint holders who are higher in order of the names will be entitled to vote.
7. Members are requested to bring with them a copy of Annual Report dispatched to them by the Company.
8. Members are requested to notify change in address, if any, in case of shares held in electronic form to the concerned depository participants quoting their Client ID nos. and in case of physical shares, to the Registrar and Share Transfer Agents quoting their Folio Number.

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9. Pursuant to Section 72 of the Companies Act, 2013, facility for making nominations in the prescribed Form SH-13 is available to the Members in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialized form may approach their respective Depository Participants to avail and / or effect any change to the nomination facility.
10. The Annual Report 2016-17 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.shriramamc.com](http://www.shriramamc.com) and also on the website of Stock Exchange [www.bseindia.com](http://www.bseindia.com)
11. All documents referred to in the accompanying Notice and Statement setting out material facts are open for inspection at the Registered Office of the Company on all working days during working hours up to the date of the 23rd AGM.
12. Shareholders seeking any information with regards to Accounts are requested to write to the Registered Office of the Company at least 15 days in advance so as to keep the information ready at the Meeting.
13. Members holding shares in physical form under multiple folios are requested to send Company's Registrar and Share Transfer Agent details of such folios together with the Share Certificate to consolidate their holdings in a single folio so as to enable us to serve them in a better, most efficient and effective manner. The Share Certificate will be returned to the Members after making the requisite changes, thereon.
14. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company i.e. Purva Shareregistry (India) Pvt. Ltd., Mumbai -400 011.
15. Shareholders are requested to update their email ids with Registrar and Share Transfer Agents.
16. Shareholders are requested to bring along their photo ID proofs for attending the AGM.
17. A route map showing directions to reach the venue of the 23rd AGM is given at the end of the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meeting".
18. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and sub clause (1) and (2) of Regulation 44 of Listing Regulations, the Company is pleased to provide members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The procedure for voting at the AGM will be explained at the time of the poll at the venue of the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Registrars as on the cut-off date shall be entitled to vote. If a person has ceased to be the member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

The Company has appointed Mr. Suhas S. Ganpule, Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutinizer shall submit his report to the Chairman or any person authorised by him in writing. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.shriramamc.com](http://www.shriramamc.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) after the declaration of the result by the Chairman or by the person authorised by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

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It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

**The Procedure / Instructions to members for voting electronically are as under:**

- (i) The voting period begins on Monday, August 07, 2017 at 9.00 A.M. and ends on Wednesday, August 09, 2017 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, August 03, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders"/"Members".
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "SHRIRAM ASSET MANAGEMENT COMPANY LIMITED".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians:
  - Non Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By order of the Board of Directors  
**For Shriram Asset Management Company Limited**

Place: Mumbai  
Date: May 02, 2017

**Reena Yadav**  
Company Secretary

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

#### Item No. 3:

The explanatory statement for this item is being provided voluntarily though strictly not required as per Section 102 of the Companies Act, 2013 (hereinafter referred to as the Act).

The Members are informed that M/s. K. S. Aiyar and Co., Chartered Accountants, Kolkata, (Registration No. 100186W) are Statutory Auditors of the Company since 1994 and are retiring at the conclusion of this Annual General Meeting.

As per the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, an audit firm functioning as auditor of the Company for ten years or more after the commencement of provisions of Section 139(2) of the Act, may be appointed in the same Company for further period of three years from April 01, 2014. As maximum statutory tenure of M/s. K. S. Aiyar and Co., to continue as statutory auditors of the Company is about to end, they have requested not to be considered for reappointment at the conclusion of their present term of appointment, at this Annual General Meeting of the Company, which has been accepted by the Audit Committee and Board of Directors of the Company in their respective meetings held on May 02, 2017.

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In view of above, the Board of Directors of the Company on the recommendation of Audit Committee has appointed M/s. G. D. Apte and Co., Chartered Accountants, Mumbai, (Registration No. 100515W) as Statutory Auditors of the Company, subject to the approval of the members of the Company at this Annual General Meeting. M/s. G. D. Apte and Co., (Registration No. 100515W) being eligible, have indicated their willingness to serve as Statutory Auditors of the Company, if appointed at this Meeting. Their appointment as Statutory Auditors, if approved, by the members of the Company, will take effect from the conclusion of this Annual General Meeting. Further, as required under the provisions of Sections 139 and 141 of the Act, M/s. G. D. Apte and Co. have confirmed that their appointment, if made at this Annual General Meeting, shall be in accordance with the provisions of the Act.

The Board recommends the ordinary resolution set forth at item No. 3 of the Notice, for the approval of the members of the Company.

No director, key managerial personnel or their relatives, is interested or concerned, financial or otherwise in the resolution.

### Item No. 4

Mr. Kshiti Ranjan Das was appointed by the Board of Directors as an Additional Director of the Company with effect from March 06, 2017, pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act), read with the Articles of Association of the Company. In accordance with the provisions of Section 161 (1) of the Act, Mr. Das holds office up to the date of this Annual General Meeting. A notice has been received from a member proposing the candidature of Mr. Das for the office of Director of the Company.

The Company has received from Mr. Das (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration under Section 149 (7) of the Act to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of members for the appointment of Mr. Das as an Independent Director of the Company up to March 05, 2022 pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Das fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as Independent Director and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Das as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on working days during working hours up to the date of the 23rd AGM.

Mr. Das has overall experience of 34 years. He had an extensive career in Reserve Bank of India. He has also served as a Nominee Director of Reserve Bank of India on the Board of Syndicate Bank and also on the Board of Koraput Anchalik Gramya Bank and Kalahandi Anchalik Gramya Bank. Before joining RBI he worked as an Assistant Administrative Officer with The Oriental Insurance Company Ltd at Mumbai. He retired as Regional Director of Reserve Bank of India for Andhra Pradesh and Telengana especially during the troubled days of separation. He also served as Regional Director of Reserve Bank of India, Kanpur for the States of Uttar Pradesh and Uttarakhand. The Board considers that vast experience of Mr. Das will be of tremendous benefit to the Company.

No director, key managerial personnel or their relatives, except Mr. Das, to whom the resolution relates, is interested or concerned, financial or otherwise in the resolution.

The Board recommends the resolution set forth in Item No.4 for the approval of the members.

### Item No. 5

Mr. Kalyanaraman Chandrachoodan was appointed by the Board of Directors as an Additional Director of the Company with effect from March 31, 2017, pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act), read with the Articles of Association of the Company. In accordance with the provisions of Section 161 (1) of the Act, Mr. Chandrachoodan holds office up to the date of this Annual General Meeting. A notice has been received from a member proposing the candidature of Mr. Chandrachoodan for the office of Director of the Company.

The Company has received from Mr. Chandrachoodan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of

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Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration under Section 149 (7) of the Act to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of members for the appointment of Mr. Chandrachoodan as an Independent Director of the Company up to March 30, 2022 pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Chandrachoodan fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as Independent Director and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Chandrachoodan as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on working days during working hours up to the date of the 23rd AGM.

Mr. Chandrachoodan has overall 33 years of experience with Reserve Bank of India. He has successfully handled the gamut of Central Banking Operations (Regulations, Supervision, Payment Systems). He has also worked as a Regional Advisor (Banking Supervision) in the International Monetary Fund (IMF) AFRITAC West 2- Ghana working closely with the senior management of Central Banks of member countries to identify supervisory needs and providing Technical assistance.

He was on deputation from Reserve Bank of India, as Director Supervision with Bank of Mauritius, monitoring the regulations and supervision of 21 Banks, 8 Non-Bank deposit taking Institutions, 6 Forex Dealers and 10 Money Changers with total assets exceeding MUR 1020 billion. He was also posted as Banking Ombudsman for the States of Gujarat, Tamil Nadu and Karnataka to redress customer complaints against certain services rendered by banks, through mediation and settlement and also for popularizing the scheme in rural and under banked areas by conducting outreach activities. Prior to RBI, he was associated with State Bank of India as Probationary Officer handling all the Banking Functions for tenure of 4 years. The Board considers that vast experience of Mr. Chandrachoodan will be of tremendous benefit to the Company.

No director, key managerial personnel or their relatives, except Mr. Chandrachoodan, to whom the resolution relates, is interested or concerned, financial or otherwise in the resolution.

The Board recommends the resolution set forth in Item No.5 for the approval of the members.

### **Item No. 6**

Mrs. Chandra Iyengar was appointed by the Board of Directors as an Additional Director of the Company with effect from March 31, 2017, pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act), read with the Articles of Association of the Company. In accordance with the provisions of Section 161 (1) of the Act, Mrs. Iyengar holds office up to the date of this Annual General Meeting. A notice has been received from a member proposing the candidature of Mrs. Iyengar for the office of Director of the Company.

The Company has received from Mrs. Iyengar (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration under Section 149 (7) of the Act to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of members for the appointment of Mrs. Iyengar as an Independent Director of the Company up to March 30, 2022 pursuant to Section 149 and other applicable provisions of the Act and the Rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board, Mrs. Iyengar fulfils the conditions specified in the Act and the Rules made thereunder for her appointment as Independent Director and she is independent of the Management. A copy of the draft letter for the appointment of Mrs. Iyengar as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on working days during working hours up to the date of the 23rd AGM.

Mrs. Iyengar is an officer of the 1973 batch of the Indian Administrative Services (IAS). Over the course of her career she has led several departments in the Government of Maharashtra and the Government of India, such as Women & Child Development, Higher & Technical Education, Rural Development, and Public Health. As Secretary for Women &

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Child Development, Government of Maharashtra, she was responsible for drafting and implementing the first-ever state policy for women's empowerment in India.

Prior to retiring in 2010, Mrs. Iyengar was the Additional Chief Secretary for the Government of Maharashtra. She has served as a Director on the Board of Bharat Heavy Electricals Ltd. (BHEL) and also as Chairperson for the Maharashtra Energy Regulatory Commission. The Board considers that vast experience of Mrs. Iyengar will be of tremendous benefit to the Company.

No director, key managerial personnel or their relatives, except Mrs. Iyengar, to whom the resolution relates, is interested or concerned, financial or otherwise in the resolution.

The Board recommends the resolution set forth in Item No.6 for the approval of the members.

By order of the Board of Directors  
For Shriram Asset Management Company Limited

Place: Mumbai  
Date: May 02, 2017

**Reena Yadav**  
Company Secretary

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:-

Name of the Director	Mr. R. Sundara Rajan	Mr. Kshiti Ranjan Das	Mr. Kalyanaraman Chandrachoodan	Mrs. Chandra Iyengar
Date of Birth	April 28, 1948	January 11, 1955	January 06, 1956	November 10, 1950
Date of Appointment	April 01, 2007	March 06, 2017	March 31, 2017	March 31, 2017
Qualifications	He is a Mechanical Engineer from Jadavpur University and an MBA from Indian Institute of Management (Ahmedabad), Chartered Engineer and an Associate of Insurance Institute of India.	He is a Master of Arts (History)-from Utkal University, Master in Financial Management- Jamnalal Bajaj Institute of Management Studies, CAIB Indian Bank Institute and LLB from Utkal University	He is a Bachelor of Science from Birla Institute of Science & Technology (BITS-Pilani), Master of Science in Operational Research from Delhi University and Diploma in Management from Indira Gandhi Open University	She is a Bachelor of Arts from Ethiraj College, Chennai and a Master of Arts from Miranda House, New Delhi
Expertise in specific functional area	He has around 35 years experience in Pharmaceutical Industry of which 16 years was in a CEO role and 14 years as a Management Consultant. He has had experience of 6 years as a Los Assessor for General Insurance Industry in India specializing in Fire and Consequential Loss Insurance. In the last 12 years he has had been an Advisor to Shriram Group of Companies and on the Board of several Companies in the Group.	He has 2 years experience as a Rural Banker. Thereafter has three years experience as a General Insurance underwriter as well as claim settlement officer. He has 35 years of experience as a Central Banker contributing to policy formulation and compliance related to banking and non banking finance Companies	Banking, Finance and Risk Management.	Administration and Governance. Several years of experience in the Government of Maharashtra and Government of India as a senior IAS Officer managing a wide range of Government departments.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

<b>Directorships held in other companies</b>	<ul style="list-style-type: none"> <li>Namo Technology Ventures India Private Ltd.</li> <li>Visionary RCM InfoTech India Private Ltd.</li> <li>Tenshi Life Care Private Ltd.</li> <li>Take Solutions Ltd.</li> <li>Shriram EPC Ltd.</li> <li>Rambal Ltd.</li> <li>Shriram Credit Company Ltd.</li> <li>Orient Green Power Company Ltd.</li> <li>Medispan Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Kerala Ayurveda Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Samasta Microfinance Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Miracle Foundation India</li> </ul>
<b>Membership/ Chairmanship of Committees of other public companies (including only Audit Committee and Stakeholders Relationship Committee)</b>	<b>Audit Committee</b> <ul style="list-style-type: none"> <li>Take Solutions Ltd. *</li> <li>Shriram EPC Ltd.</li> <li>Orient Green Power Company Ltd.</li> <li>Rambal Ltd.</li> </ul> <b>Stakeholders Relationship Committee</b> <ul style="list-style-type: none"> <li>Take Solutions Ltd.</li> <li>Shriram EPC Ltd. *</li> <li>Orient Green Power Company Ltd. *</li> </ul>	NIL	NIL	NIL
<b>No. of Board Meetings attended during the last Financial Year 2016-2017</b>	4 (Four)	NIL	NIL	NIL
<b>No. of shares held in the Company</b>	14417 #	NIL	NIL	NIL
<b>Relationship with other Directors and Key Managerial Personnel</b>	Mr. R. Sundara Rajan is not related to any Director and Key Managerial Personnel	Mr. Kshiti Ranjan Das is not related to any Director and Key Managerial Personnel	Mr. Kalyanaraman Chandrachoodan is not related to any Director and Key Managerial Personnel	Mrs. Chandra Iyengar is not related to any Director and Key Managerial Personnel

\* Chairman of the Committee

# As on the date of Notice of AGM

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**DIRECTORS' REPORT**

**Dear Members,**

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

**Financial Highlights:**

Particulars	Year Ended March 31, 2017 (₹)	Year Ended March 31, 2016 (₹)
Gross Income for the year	20,949,050	17,975,343
Total Expenditure before Depreciation and Tax	27,596,316	29,000,785
<b>Profit /(Loss) before Depreciation and Tax</b>	<b>(6,647,266)</b>	<b>(11,024,442)</b>
Less: Depreciation	331,729	428,107
<b>Profit /(Loss) after Depreciation and Tax</b>	<b>(6,978,995)</b>	<b>(11,453,549)</b>
Balance brought forward from previous year	(40,872,798)	(29,419,249)
<b>Profit /(Loss) available for Appropriation</b>	<b>(47,851,793)</b>	<b>(40,872,798)</b>
<b>Balance carried to Balance Sheet</b>	<b>(47,851,793)</b>	<b>(40,872,798)</b>

**Dividend:**

In the absence of profits, your Directors do not recommend payment of any dividend for the Financial Year 2016-2017.

**State of Company's Affairs:**

Your Company has managed to bring down the loss during the financial year 2016-17 primarily by cutting down on its expenditures and taking effective measures to raise its income as compared to the last financial year.

Some highlights of your Company's performance during the year under review are:

- The gross loss (before depreciation and tax) for the year was ₹ 6,647,266 as against ₹ 11,024,442 during the last year.
- Net loss after taxation for the year was ₹ 6,978,995 as against ₹ 11,453,549 in the last year.
- The total asset under management was ₹ 41.14 Crore as against ₹ 38.06 Crore in the last year.

Your Company has complied with all the prescribed norms and regulations with respect to its fund management activities, risk management, customer service, employees' training, etc. The Company has laid down guidelines to be adhered by employees to ensure compliances with all applicable laws and regulations.

On the administrative controls side, your Company has a proper reporting structure, defined roles and responsibilities at all levels and rigorous. The Company has an Internal Financial Control System, commensurate with the nature of its business and the size and complexity of its operations.

The maiden scheme managed by your Company has delivered a return of 11.651% (at the end of March 2017) CAGR since inception accompanied by lower levels of volatility. The fund portfolio has been re-aligned to include stocks from sectors which hold promise in the current scenario. As a result, the fund has generated 10.8% return in the first quarter of CY2017 compared with benchmark return of 8.54%.

Mutual fund industry witnessed strong inflow of funds from domestic investors during FY17. Mutual fund investment in equities during FY17 stood at ₹ 55,000 crores in the backdrop of SIPs gaining popularity. Better penetration into smaller towns and falling interest rate in bank FDs attracted more investors to mutual funds. As a result, average AUMs of mutual funds increased a whopping 35% y/y to ₹ 18.29 lakh crores for the quarter January-March 2017.

In view of the strong potential of Indian equities and considering the prevailing market scenario, your Company intends to take significant steps by augmenting the capital. This will include launching of new schemes that will have a complementary objective to our existing offering and address the need of lower risk adjusted stable returns from the idle funds of investors without compromising liquidity.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### **Nature of Business:**

There was no change in the nature of the business.

### **Share Capital:**

The total paid up Share Capital as on March 31, 2017 was ₹ 20 Crores comprising of 60 Lakhs Equity Shares of ₹ 10/- each and 14 Lakhs Redeemable Non-Convertible Preference Shares of ₹ 100/- each.

### **Material Changes and Commitments:**

No material changes or commitments affecting the financial position of the Company have taken place from March 31, 2017 till the date of this report.

### **Particulars of Loans, Guarantees or Investments:**

Company has not given any guarantees or loans covered under the provisions of Section 186 of the Companies Act, 2013 (Act). As regards the details of the Investments covered under the provisions of Section 186 of the Act, the same are given in the notes to the financial statements.

### **Cash Flow Statement:**

The Cash Flow statement for the year 2016-17 is attached to the Balance Sheet.

### **Directors:**

The Board of Directors had appointed Mr. Kshiti Ranjan Das as an Additional Director of the Company w.e.f. March 06, 2017 and Mr. Kalyanaraman Chandrachoodan and Mrs. Chandra Iyengar as Additional Directors of the Company (in the category of Independent Director) with effect from March 31, 2017. Pursuant to Section 161 of the Act, they will hold the office only up to the date of the ensuing Annual General Meeting (AGM) of the Company. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Das, Mr. Chandrachoodan and Mrs. Iyengar for the office of Director. Suitable resolutions for appointment of Mr. Das as an Independent Director for period up to March 05, 2022 and Mr. Chandrachoodan and Mrs. Iyengar as Independent Directors for period up to March 30, 2022 are being proposed for adoption by the Members at this Annual General Meeting.

In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. R. Sundara Rajan retires by rotation at the ensuing AGM and being eligible, offers himself for reappointment.

Necessary proposals for appointment/ reappointment of the aforesaid Directors have been included in the notice convening the AGM and the respective Resolutions are recommended for your approval.

Requirement of Regulation 21 (1) (d) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 relating to composition of the Board in respect of Independent Directors has been complied with.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as 'Listing Regulations'.

Profile of the Directors, as required under Regulation 36 of the Listing Regulations, are given in the Notice of the 23rd Annual General Meeting.

### **Fixed Deposits:**

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

### **Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **Policy on Directors' Appointment and Remuneration:**

The Board has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

The key features of the policy are as follows:

1. Criteria for appointment and removal of Director, Key Managerial Personnel and Senior Management.
2. Criteria for performance evaluation.
3. Criteria for fixing the remuneration of Director, Key Managerial Personnel and Senior Management.

The details of this policy are explained in the Corporate Governance Report.

**Meetings:**

During the year 4 Board Meetings and 4 Audit Committee Meetings were convened and held. The details of the meetings are given in the Corporate Governance Report. The gap between the Meetings was within the period prescribed under the Act and as per Regulation 17(2) and 18 (2) of the Listing Regulations respectively.

**Risk Management:**

Pursuant to the requirement of Regulation 21 of the Listing Regulations, the Company has constituted Risk Management Committee. The Company has in place a Risk Management Policy, commensurate with its size of operations, which lays down a process for identification and mitigation of risks that could materially impact its performance.

**Corporate Social Responsibility:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**Directors' Responsibility Statement:**

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

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

**Related Party Transactions:**

During the year, the Company has not entered into any fresh related party agreements. All the previous related party transactions of the Company were at arm's length basis and were in the ordinary course of business. The particulars of contracts or arrangements with related parties in Form AOC -2 are annexed herewith as '**Annexure A**'.

**Significant and Material Orders Passed by the Regulators or Courts or Tribunals:**

During the year under report, there were no significant material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and Company's operations in future.

**Internal Financial Controls and their adequacy:**

The Company has put in place adequate internal financial controls with reference to the Financial Statements commensurate with the size of the Company.

**Disclosures:**

**Audit Committee:**

The Audit Committee comprises of Mr. Prabhakar Karandikar (Independent Director) as Chairman, Mr. Arindom Mukherjee (Independent Director) as Member, Mrs. Jayashree Mahesh (Non- Independent Director) as Member, Mr. Kshiti Ranjan Das (Independent Director) as Member and Mr. Kalyanaraman Chandrachoodan (Independent Director) as Member. All the recommendations made by the Audit Committee were accepted by the Board.

**Vigil Mechanism / Whistle Blower Policy:**

The Company has established a Vigil Mechanism to deal with instance of fraud and mismanagement, if any. The detail of the Vigil Mechanism is posted on the website of the Company i.e. [www.shriramamc.com](http://www.shriramamc.com).

**Establishment of Internal Complaints Committee:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints of sexual harassment were received during the year.

**Auditors and Auditor's Report:**

As per the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, an audit firm functioning as auditor of the Company for ten years or more after the commencement of provisions of Section 139 of the Act, may be appointed in the same Company for further period of three years from April 01, 2014. As the maximum statutory tenure of M/s. K.S. Aiyar and Co. (Firm Registration No. 100186W) is about to end, they have requested not to be considered for re-appointment at the conclusion of their present term of appointment, at this Annual General Meeting of the Company. The Board of Directors, on recommendation of the Audit Committee has appointed M/s. G. D. Apte and Co., Chartered Accountants, Mumbai, (Registration No. 100515W), as the Statutory Auditors of the Company subject to the approval of the members of the Company at this Annual General Meeting. M/s. G. D. Apte and Co., being eligible, have indicated their willingness to serve as Statutory Auditors of the Company, if appointed at this meeting. Their appointment as Statutory Auditors, if approved, by the members of the Company, will take effect from the conclusion of 23rd Annual General Meeting (subject to ratification by the Members every year in the Annual General Meeting) until the conclusion of 28th Annual General Meeting of the Company, to be held in the year 2022. A certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if made, would be according to the terms and conditions prescribed under Sections 139 and 141 of the Act. Members are requested to consider their appointment.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

**Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Suhas S. Ganpule, Practising Company Secretary, Proprietor of M/s. SG & Associates, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as '**Annexure B**'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**Subsidiaries, Joint Ventures or Associate Companies:**

During the year under report, there was no change in the associate company. The Company does not have any subsidiary or joint venture.

**Corporate Governance:**

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

As required by the Listing Regulations, Auditor's Report on Corporate Governance and a declaration by the Managing Director with regards to Code of Conduct are attached to the said Report.

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

As required under Listing Regulations, a detailed report on Corporate Governance along with the Certificate from the Company Auditor's confirming compliance forms an integral part of this Report and certificate duly signed by the Managing Director and Chief Financial Officer (CFO) on the Financial Statements of the Company for the year ended March 31, 2017 was submitted to the Board of Directors at their Meeting held on May 02, 2017. These certificates are attached to the Report on Corporate Governance.

**Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:**

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

**Extract of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as '**Annexure C**'.

**Particulars of Employees:**

During the year under report, your Company has not employed any person who was in receipt of remuneration in excess of the limits specified under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details required as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as '**Annexure D**'. As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual report excluding the information required as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on employee's particulars is being sent to the members which is, however, available for inspection at the Registered office of the Company during working hours of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining such information may write to the Company Secretary in this regard.

**Acknowledgement:**

The Board of Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation received from the Securities and Exchange Board of India, Association of Mutual Funds of India, Stock Exchange Authorities, Auditors, Bankers, Distributors, other Service providers and Board of Trustees of Shriram Mutual Fund.

The Directors wish to place on record the continued enthusiasm, total commitment, dedication and efforts of the employees of the Company at all levels.

We are also deeply grateful to the Shareholders of the Company and also to the large body of investors of scheme of Shriram Mutual Fund for the continued confidence and the faith reposed in the Fund and look forward to their continued patronage.

By Order of the Board  
**For Shriram Asset Management Company Limited**

Place: Mumbai  
Date: May 02, 2017

**Prabhakar Karandikar**  
Chairman

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Annexure 'A' to Directors' Report**

**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2)  
of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** Not Applicable
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**
  - (a) Name(s) of the related party and nature of relationship:
    - (1) Shriram Credit Company Limited (SCCL) - Holding Company
    - (2) Shriram Insight Share Brokers Limited (SISBL) - Fellow Subsidiary
  - (b) Nature of contracts/arrangements/transactions:
    - (1) SCCL - Infrastructure Sharing
    - (2) SISBL - (i) Rental Agreement  
(ii) Infrastructure Sharing
  - (c) Duration of the contracts / arrangements/transactions:
    - (1) SCCL - 3 years and 2 months
    - (2) SISBL- (i) Rental Agreement- Two premises have been sub-leased to the Company by SISBL for which two separate agreements have been executed. Duration of the two of the agreements is 38 months and 44 months respectively.  
(ii) Infrastructure Sharing - 4 years
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
    - (1) SCCL- Sharing of infrastructure such as office equipment, furniture and fixtures, manpower and administrative support- Reimbursement made on actual basis.
    - (2) SISBL- (i) Rental Agreement- The monthly rent for the two premises has been fixed at ₹ 38433/- and ₹ 9100/- respectively. Further, in respect of aforementioned rented properties the Company has agreed to increase the monthly rent from such date and at such rate as may be increased by the original landlord.  
(ii) Infrastructure Sharing- Reimbursement made on actual basis.
  - (e) Date(s) of approval by the Board, if any : April 29, 2015
  - (f) Amount paid as advances, if any : Nil

By Order of the Board  
**For Shriram Asset Management Company Limited**

Place: Mumbai  
Date: May 02, 2017

**Prabhakar Karandikar**  
Chairman

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Annexure 'B' to Directors' Report**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]  
For the Financial Year ended March 31, 2017

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shriram Asset Management Company Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable during the year under review)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - 1) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - 2) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - 3) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
  - 4) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We further state that there were no events / actions in pursuance of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- 1) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- 2) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- 3) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 4) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 5) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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6) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined Compliance with the Applicable Clauses/Regulations of the following:

- Secretarial Standards Issued by the Institute of Company Secretaries of India

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried out unanimously by the members of the Board and the same were duly recorded in the minutes of the meeting of the Board of Directors.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

- i. Public / Right / Preferential issue of shares / debentures / sweat equity.
- ii. Redemption / Buy-Back of securities.
- iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / Amalgamation / Reconstruction etc.
- v. Foreign technical collaborations.

**For SG & Associates**

**Suhas Ganpule**

Proprietor

Practicing Company Secretaries

Membership No: 12122

C. P No: 5722

Place: Mumbai

Date: May 02, 2017

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Annexure 'C' to the Directors' Report****FORM NO. MGT - 9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]**I. Registration and other Details:**

CIN	L65991MH1994PLC079874
Registration Date	July 27, 1994
Name of the Company	Shriram Asset Management Company Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051. Tel.No.: +91-22-42410400
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Mumbai-400 011 Tel.No.: +91-22-23016761

**II. Principal Business Activities of the Company:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Financial and related services	663 Fund Management Activities	100

**III. Particulars of Holding, Subsidiary and Associate Companies:**

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Shriram Credit Company Limited Shriram House, No 4, Burkit Road, T. Nagar, Chennai - 600 017	U65993TN1980PLC008215	Holding	68.67	2(46)
2	Ceylinco Shriram Capital Management Services Co. Pvt. Limited 97, Hyde Park Corner, Colombo -2	Company has been incorporated in Sri Lanka	Associate	30	2 (6)

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**IV. Share Holding Pattern (Equity Share Capital breakup as percentage of total equity):**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	4120010	0	4120010	68.67	4120010	0	4120010	68.67	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub total (A) (1):</b>	<b>4120010</b>	<b>0</b>	<b>4120010</b>	<b>68.67</b>	<b>4120010</b>	<b>0</b>	<b>4120010</b>	<b>68.67</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>4120010</b>	<b>0</b>	<b>4120010</b>	<b>68.67</b>	<b>4120010</b>	<b>0</b>	<b>4120010</b>	<b>68.67</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total(B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	148752	169830	318582	5.31	270256	24000	294256	4.91	(0.40)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

b) Individuals									
i) Individual Shareholders holding nominal share capital upto 1 lakh	417138	267093	684231	11.4	419787	259193	678980	11.32	(0.08)
ii) Individual Shareholders holding nominal share capital in excess of 1 lakh	789240	36738	825978	13.77	805224	36738	841962	14.03	0.26
c) Others (specify)									
i.NRI	20646	0	20646	0.34	9821	0	9821	0.16	(0.18)
ii.Hindu Undivided Family	24461	0	24461	0.41	27151	0	27151	0.45	0.04
iii.Clearing Members	6092	0	6092	0.10	27820	0	27820	0.46	0.36
<b>Sub-Total(B)(2):</b>	<b>1406329</b>	<b>473661</b>	<b>1879990</b>	<b>31.33</b>	<b>1560059</b>	<b>319931</b>	<b>1879990</b>	<b>31.33</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1406329</b>	<b>473661</b>	<b>1879990</b>	<b>31.33</b>	<b>1560059</b>	<b>319931</b>	<b>1879990</b>	<b>31.33</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>5526339</b>	<b>473661</b>	<b>6000000</b>	<b>100</b>	<b>5680069</b>	<b>319931</b>	<b>6000000</b>	<b>100</b>	<b>0.00</b>

**ii) Shareholding of Promoters**

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	
Shriram Credit Company Limited	4120010	68.67	0.00	4120010	68.67	0.00	0.00
<b>Total</b>	<b>4120010</b>	<b>68.67</b>	<b>0.00</b>	<b>4120010</b>	<b>68.67</b>	<b>0.00</b>	<b>0.00</b>

**Note:** Shriram Credit Company Limited, Promoter of the Company also holds 8,00,000 Redeemable Non- Convertible Preference Shares of ₹ 100 each which constitutes 57.14% of the Preference Share Capital of the Company.

**iii) Change in Promoter's Shareholding (Please specify, if there is no change)**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	4120010	68.67	4120010	68.67
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	No change during the year			
<b>At the end of the year</b>	<b>4120010</b>	<b>68.67</b>	<b>4120010</b>	<b>68.67</b>

**Note:** Shriram Credit Company Limited, Promoter of the Company also holds 8,00,000 Redeemable Non- Convertible Preference Shares of ₹ 100 each which constitutes 57.14% of the Preference Share Capital of the Company. There was no change in the Preference Shareholding of the Promoters during the year.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding during the year (No. of Shares)		Cumulative Shareholding during the year (Shareholding at the end of the year)	
	No. of Shares	% of total shares of the Company	Increase (Purchase)	Decrease (Sale)	No. of Shares	% of total shares of the Company
1. SFV Selvaraj	189921	3.17	0	0	189921	3.17
2. Hitesh Ramji Javeri	209500	3.49	0	0	209500	3.49
3. Discovery Financial Services Pvt. Ltd.	100000	1.67	0	0		
No. of Shares sold in the month of March 2017			0	25000	75000	1.25
4. Integrated Enterprises (India) Ltd.	60000	1.00	0	0	60000	1.00
5. Harsha Hitesh Javeri	50000	0.83	0	0	50000	0.83
6. Cipher Investments & Finance Pvt. Ltd.	42930	0.72	0	0	42930	0.72
7. Complete Systems & Management Services Pvt.Ltd.	42900	0.72	0	0	42900	0.72
8. Radhabai Ramji Javeri	40000	0.67	0	0	40000	0.67
9. Charly Xavier	31855	0.53				
No. of Shares Purchased in the month of April 2016			1206	0	33061	0.55
No. of Shares sold in the month of May 2016			0	3	33058	0.55
No. of Shares Purchased and sold in the month of June 2016			5461	2	38517	0.64
No. of Shares Purchased in the month of August 2016			500	0	39017	0.65
No. of Shares Purchased in the month of September 2016			334	0	39351	0.66
No. of Shares sold in the month of October 2016			0	346	39005	0.65
No. of Shares Purchased in the month of November 2016			1	0	39006	0.65
No. of Shares Purchased in the month of December 2016			1	0	39007	0.65
10. Rita K. Jethani	30200	0.50	0	0	30200	0.50

**Note:** Shriram Insight Share Brokers Limited (SISBL), fellow subsidiary of the Company, holds 600000 Redeemable Non Convertible Preference Shares of ₹ 100/- each constituting 42.86% of the Preference Share Capital of the Company. There was no change in the Preference Shareholding of SISBL during the year.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**v) Shareholding of Directors and Key Managerial Personnel**

For each of the Directors and KMP	Shareholding at the beginning of the year		Change in Shareholding during the year (No. of Shares)		Cumulative Shareholding during the year (Shareholding at the end of the year)	
	No. of Shares	% of total shares of the Company	Increase (Purchase)	Decrease (Sale)	No. of Shares	% of total shares of the Company
Mr. R. Sundara Rajan- Director	14417	0.24	0	0	14417	0.24
Mrs. Reena Yadav- Company Secretary	1	0.00	0	0	1	0.00
Mrs. Chandana Dutt -CFO	0	0.00	0	0	0	0.00

**V Indebtedness:**

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

**VI Remuneration of Directors and Key Managerial Personnel:**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars	Mr. Akhilesh Kumar Singh - M.D. (₹)	Total Amount (₹)
	Gross Salary		
1	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,267,568	2,267,568
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	25,480	25,480
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Options	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit	0	0
	- others, specify	0	0
5	Others, please specify:		
	EPF	253,440	253,440
	<b>Total (A)</b>	<b>2,546,488</b>	<b>2,546,488</b>
	<b>Ceiling as per the Act</b>	<b>₹ 84 Lakhs as per Schedule V of the Act</b>	

**B. Remuneration to other Directors:**

**1. Independent Directors:**

Sr. No.	Particular of Remuneration	Name of the Director					Total Amount (₹)
		Mr. Prabhakar Karandikar	Mr. Arindom Mukherjee	Mr. Kshiti Ranjan Das (w.e.f. 06.03.2017)	Mr. Kalyanaraman Chandra choodan (w.e.f. 31.03.2017)	Mrs. Chandra Iyengar (w.e.f. 31.03.2017)	
1	Fee for attending Board/Committee Meetings	62,000	66,000	0	0	0	128,000
2	Commission	0	0	0	0	0	0
3	Others, please Specify	0	0	0	0	0	0
	<b>Total (1)</b>	<b>62,000</b>	<b>66,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>128,000</b>

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**2. Other Non -Executive Directors:**

Sr. No.	Particular of Remuneration	Name of the Director			Total Amount (₹)
		Mr. R. Sundara Rajan	Mrs. Jayashree Mahesh	Mr. Dhruv Mehta	
1	Fee for attending Board/Committee Meetings	0	48,000	33,000	81,000
2	Commission	0	0	0	0
3	Others, please specify	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>48,000</b>	<b>33,000</b>	<b>81,000</b>
	<b>Total Managerial Remuneration TOTAL (B)=(1)+(2)</b>				<b>209,000</b>
	<b>Overall ceiling as per the Act</b>	Non- Executive Directors are not being paid remuneration except sitting fees which is within the limits prescribed under the Act			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sr. No.	Particular of Remuneration	Key Managerial Personnel		Total Amount (₹)
		Mrs. Chandana Dutt- CFO	Mrs. Reena Yadav- Company Secretary	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,131,008	1,273,248	2,404,256
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	15,000	0	15,000
	(c) Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others			
	-EPF	51,120	21,600	72,720
	<b>Total ( C )</b>	<b>1,197,128</b>	<b>1,294,848</b>	<b>2,491,976</b>

**VII. Penalties / Punishment/ Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Annexure 'D' to the Directors' Report****DISCLOSURE**

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

<b>Sr. No.</b>	<b>Particulars</b>	<b>Remarks</b>
(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	6.49:1
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; a) Managing Director b) Chief Financial Officer c) Company Secretary	0.54% 11.50% 3.98%
(iii)	the percentage increase in the median remuneration of employees in the financial year;	-2.21%
(iv)	the number of permanent employees on the rolls of Company;	16
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; a) Average % increase in Managerial personnel : b) Average % increase in other personnel:	3.85% -9.33%
(vi)	affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

**MANAGEMENT DISCUSSION AND ANALYSIS**

As FY17 comes to an end, the benchmark Nifty index has completed a full circle in two years - from 9,000 in March 2015 to 9,000 in March 2017. Over these two years, India's macroeconomic scenario underwent a sea change post government's decision to ban high denomination notes of ₹ 500 and ₹ 1,000 in November 2016. In addition, implementation of GST is expected to be a reality soon with consensus being arrived among the states and centre. These two steps should act as a catalyst towards formalization of the economy from the unorganized to the organized segment.

The macro economic scenario has been encouraging though inflation has started inching up recently. In addition, stability in domestic currency, twin deficits within acceptable level and government's resolution to stick to the fiscal consolidation path are factors favoring the economy. The BJP's strong mandate in the recent UP elections has led to the expectation of further reforms. However, earnings recovery is significant for holding current valuation.

Defying the impact of demonetization, economic growth in the third quarter of FY17 came in at 7%. Additionally advance estimates for FY17 was retained at 7.1% (versus 7.6% in the previous year), whereas the consensus was that of a downgrade given the impact that demonetization had on consumption and investment. Government is committed towards fiscal prudence and pegged fiscal deficit for FY18 at 3.2% of GDP, deviating marginally from the previous 3% guidance. With private investment not picking up, the finance ministry deemed it wise to push public expenditure and hence the marginal deviation of fiscal deficit target. The government was also able to reduce revenue deficit to 2.1% of GDP in FY17 from the budget estimate of 2.3%. It was fixed at 1.9% of GDP for FY18 compared with 2% of GDP as recommended by the Fiscal Responsibility and Budget Management Act.

We expect that India will continue to remain one of the leading investment destinations owing to its robust macroeconomic fundamentals. The steps taken by the central government so far such as implementation of GST, financial inclusion of all, demonetization move and focus on infrastructure augurs well for long term prospects of the economy. Besides, 7th pay commission recommendations and a good monsoon in 2016 should aid in improving consumption. Over the long term, the attempt to shift India's informal economy to the formal one will improve tax compliance thereby improving the fundamentals.

**Mutual Fund Industry as it was in FY 2016-17:**

The asset base of mutual fund industry in India surged 35 per cent to all-time high of ₹ 18.3 lakh crore in 2016-17, driven by growing participation from retail investors.

The assets under management (AUM) were at ₹ 13.53 lakh crore at the end of 2015-16. Industry experts attributed growing participation from retail investors, especially from small towns, huge inflows into equity schemes and several measures taken by market regulator SEBI as well as campaigns by asset management companies (AMCs).

The MF industry added more than 67 lakh investor accounts till February of last financial year which ended on March 31, taking the total number of folios to 5.4 crore.

MFs reported a net inflow of close to ₹ 4 lakh crore in the 11-month period of 2016-17. Of this, equity and equity-linked savings schemes accounted over ₹ 62,000 crore.

Besides, income funds witnessed an inflow of ₹ 1.77 lakh crore and liquid funds generated ₹ 1.11 lakh crore.

The contribution of the country's smaller towns known as beyond-15 cities (B15) to mutual funds' asset base surged around 44 per cent to over ₹ 3 lakh crore due to investor- friendly initiatives by SEBI.

In 41-member MF industry, 38 players witnessed an increase in AUM, while two saw a decline. Besides, Mahindra MF was the new entrant, while JP Morgan MF exited the club.

ICICI Prudential MF is the top fund house with an asset base of ₹ 2,42,961 crore (excluding fund of funds) followed by HDFC MF (₹ 2,37,177 crore) Reliance MF (₹ 2,10,890 crore), Birla Sun Life MF (₹ 1,95,049 crore) and SBI MF (₹ 1,57,025 crore). These top 5 players account for more than 50 per cent of the ₹ 18.3 lakh crore AUM.

**Mutual Fund Industry- Steps taken by the Regulators in FY 2016-17:**

There were some important changes in the regulation pertaining to the mutual fund industry during FY 2016-17; the highlights of some of the changes are as given below:

- **Amendment relating to Account Statement:** The Board has issued circular bringing some changes with respect to Consolidated Account Statement(CAS) issued for the half-year (September/ March): The changes are given below:

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme as well as the followings:

- a. The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme.
  - b. The scheme's average Total Expense Ratio (in percentage terms) for the half-year period, of both direct plan and regular plan, for each scheme where the concerned investor has invested in.
- **Restriction on Redemption:** Restriction on redemption may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
    - i. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
    - ii. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
    - iii. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
  - **Submitting of final copy of SID prior to launch of the scheme:** The Board has issued circular requiring an AMC to submit soft copy of SIDs alongwith printed/ final copy, seven working days prior to the launch of the scheme.
  - **Facilitating transaction in Mutual Fund schemes through the Stock Exchange Infrastructure:**  
In order to broad base the reach of this platform, SEBI has now decided to allow SEBI Registered Investment Advisors (RIAs) to use infrastructure of the recognized stock exchanges to purchase and redeem mutual fund units directly from Mutual Fund/Assets Management Companies on behalf of their clients, including direct plans.

### Performance of your Company:

The performance of the Company for year ended March 31, 2017 is given in brief below:-

Particulars	Year Ended March 31, 2017 (₹)	Year Ended March 31, 2016 (₹)
<b>Total Income</b>	<b>20,949,050</b>	17,975,343
<b>Total Expenditure</b>	<b>27,928,045</b>	29,428,892
<b>Profit Before Tax</b>	<b>(6,978,995)</b>	(11,453,549)
<b>Profit After Tax</b>	<b>(6,978,995)</b>	(11,453,549)
<b>Balance brought forward from previous year</b>	<b>(40,872,798)</b>	(29,419,249)
<b>Balance carried to Balance Sheet</b>	<b>(47,851,793)</b>	(40,872,798)

During the year 2016-17, the Company's total income increased by 16.54% to ₹ 20,949,050/- as compared to ₹ 17,975,343 /- in 2015-16. Consequently the Company's loss decreased by 39.07% to ₹ 6,978,995/- in 2016-17, as compared to ₹ 11,453,549/- in 2015-16.

The above increase in total income has been primarily derived from an interest income of ₹ 1.07 crores (shown under the head other income) against pending Arbitration Tribunal Award of BSE Limited which was finally disposed off during the current financial year. During the year the Company also earned Management Fees from Shriram Mutual Fund amounting to ₹ 8,642,030/- (from April 2016 to March 2017).

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Performance of Maiden Scheme “Shriram Equity and Debt Opportunities Fund”**

The performance of our maiden Scheme Shriram Equity and Debt Opportunities Fund as on March 31, 2017 is given below:

<b>Scheme</b>	<b>Returns for 3 years</b>	<b>Returns for 1 year</b>	<b>Returns since inception #</b>
Regular Plan - Growth	10.94	15.53	11.65
Direct Plan-Growth	11.59	16.25	12.31
Benchmark Returns % @	11.09	16.31	12.14

# Date of Inception/ Allotment November 29, 2013

@ Benchmark Index: 70% of Nifty Plus 30% CRISIL Composite Bond Fund Index.

Above returns are compounded annualized (CAGR)

Past Performance may or may not be sustained in the future and may not necessarily provide a basis for comparison with other investments.

**Risks and concern:**

The Risk Management Manual sets out an enterprise wise risk management framework for Shriram Asset Management Company Limited and Shriram Mutual Fund. This Manual is intended to serve as a model, which will help the AMC and the Mutual Fund to monitor and mitigate the risks faced by the Company in the discharge of its business and also use risk management to increase value for investors.

**Internal control system:**

The Company has adequate system of internal controls commensurate with its size and level of operations to ensure that all assets of the Company are safeguarded and protected and that transaction of the Company are authorised, recorded and reported correctly, and also to ensure the efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices. The internal control system is supplemented by internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financials and all other records to prepare financial statements and other data. The Audit Committee of the Board reviews internal audit reports given along with management comments. The Audit Committee also monitors the implementation of suggestions given by the Committee.

**Human Resources:**

During the financial year ended March 31, 2017, the human resources aspects and built in Management Team of the Company remain unchanged.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2017**

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

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

**II. BOARD OF DIRECTORS**

**Composition**

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

During the year under review, four meetings of the Board of Directors were held on 28.04.2016, 09.08.2016, 26.10.2016 and 30.01.2017. The maximum gap between any two meetings was not more than one hundred and twenty days. The Twenty Second Annual General Meeting was held on August 09, 2016.

As mandated by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter called as "Listing Regulations", as on March 31, 2017, none of the Directors is a Member of more than ten Board level Committees and no such Director is a Chairman of more than five Committees of the Listed Companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

There is no relationship between the Directors inter-se.

As of March 31, 2017, the Company's Board comprised of nine members. The Company has 8 Non-Executive Directors out of which 5 are Independent Directors. The Chairman of the Board is Non-Executive Director. The Managing Director is an Executive of the Company.

The agenda papers along with the explanatory notes for Board Meetings are sent in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings.

The information as specified in the Listing Regulations is made available to the Board, whenever applicable, for discussion and consideration.

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

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**Composition of Board**

Name of the Director and Category of Directorship	No. of Board Meetings attended	Whether attended the last AGM	Total No. of other Director ships	Total No. of Memberships of the Committees of Board		Total No. of Chairmanships of the Committees of Board	
				Membership in Audit / Stakeholders Relationship Committees	Membership in other Committees	Chairman ship in Audit/ Stakeholders Relationship Committees	Chairman ship in other Committees
Mr. Prabhakar Karandikar -Chairman Non Executive and Independent	4	YES	9	9	8	NIL	NIL
Mr. Akhilesh Kumar Singh- Executive and Non Independent	4	YES	6	NIL	4	NIL	NIL
Mr. R. Sundara Rajan - Non Executive and Non Independent	4	YES	9	3	2	3	1
Mr. Dhruv Mehta (*) -Non Executive and Non Independent	3	YES	6	NIL	2	NIL	NIL
Mr. Arindom Mukherjee - Non Executive and Independent	4	NO	NIL	NIL	NIL	NIL	NIL
Mrs. Jayashree Mahesh - Non Executive and Non Independent	3	YES	NIL	NIL	NIL	NIL	NIL
Mr. Kshiti Ranjan Das (#)- Non Executive and Independent	N.A.	N.A.	1	NIL	NIL	NIL	NIL
Mr. Kalyanaraman Chandrachoodan (\$) -Non Executive and Independent	N.A.	N.A.	1	NIL	NIL	NIL	NIL
Mrs. Chandra Iyengar (@) -Non Executive and Independent	N.A.	N.A.	1	NIL	NIL	NIL	NIL

**Notes:**

- While considering the total number of directorships, their directorships in private companies, Section 8 companies, if any, have been included and their directorship in the Company has been excluded.
- The memberships and chairmanships of Directors in committees do not include their memberships and chairmanships in the Company.

(\*) Designation of Mr. Dhruv Mehta changed from Independent Director to Non- Independent Director w.e.f. April 28, 2016 as per his desire.

(#) Mr. Kshiti Ranjan Das was appointed as an Additional Director in the category of Independent Director with effect from March 06, 2017.

(\$) Mr. Kalyanaraman Chandrachoodan was appointed as an Additional Director in the category of Independent Director with effect from March 31, 2017.

(@) Mrs. Chandra Iyengar was appointed as an Additional Director in the category of Independent Director with effect from March 31, 2017.

**Policy for prohibition of Insider Trading:**

In compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has formulated Code of Practices and procedure for fair disclosure of unpublished price sensitive information. It allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits trading of Company's shares by the Directors, Designated Employees, Connected Persons and Trustees, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

**III. COMMITTEES OF DIRECTORS****i) AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013.

**Terms of Reference**

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

- Overseeing the financial reporting process.
- To ensure proper disclosure in the quarterly, half yearly and Annual Financial Statements.
- To recommend appointment, re-appointment of Auditors and the fixing of their remuneration. Approval of payment to Statutory Auditors for any other services rendered by them.
- Reviewing, with the management, the Annual Financial Statements before submission to the Board with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report to the shareholders in terms of clause (3) (c) of Section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
- Reviewing, with the management, performance of Statutory and Internal Auditors, adequacies of internal control systems.
- Discussing with Internal Auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal examinations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussing with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- To discuss with management, the Internal Auditors and the Statutory Auditors the Company's major risk exposures and guidelines and policies to govern the processes by which risk assessment and risk management is undertaken by the Company, including discussing the Company's major financial risk exposures and steps taken by management to monitor and mitigate such exposures and from time to time conferring with another Committee/s of the Board about risk exposures and policies within the scope of such other Committee's oversight.
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors, if any.
- To review the functioning of the Whistle Blower Mechanism.
- Review of half yearly and yearly financials of Mutual Fund Schemes.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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- Scrutiny of Inter-corporate Loans and Investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.

The Audit Committee is vested with the necessary powers, as defined in its Charter, to achieve its objectives.

The Chairman of the Audit Committee was present at the 22nd Annual General Meeting held on August 09, 2016.

During the year under review, the Committee met four times on 28.04.2016, 09.08.2016, 26.10.2016 and 30.01.2017. The maximum gap between any two meetings was not more than one hundred and twenty days.

The necessary quorum was present for all the meetings.

### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Prabhakar Karandikar - Chairman	Non Executive and Independent	4
Mr. Arindom Mukherjee	Non Executive and Independent	4
Mrs. Jayashree Mahesh	Non Executive and Non Independent	3
Mr. Dhruv Mehta (*)	Non Executive and Non Independent	0
Mr. Kshiti Ranjan Das (#)	Non Executive and Independent	0
Mr.Kalyanaraman Chandrachoodan (\$)	Non Executive and Independent	0

### Note:

The Company Secretary acts as the Secretary for the Audit Committee. The Statutory Auditors and the Managing Director of the Company also attend and participate in the meetings of the Audit Committee.

(\*) Mr. Dhruv Mehta ceased to be member w.e.f. April 28, 2016.

(#) Mr. Kshiti Ranjan Das became Member w.e.f. May 02, 2017

(\$) Mr. Kalyanaraman Chandrachoodan became Member w.e.f. May 02, 2017

### ii) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

Not less than one half of the Members of the Committee, including the Chairman are Independent Directors.

### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee, inter alia includes:

### Executive Remuneration

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

- Identifying persons who are qualified to become the Directors / hold other senior management position and formulating criteria for determining qualities / positive attributes of Independent Directors.
- Recommending to the Board and periodically reviewing Remuneration Policy.
- Formulation of criteria for evaluation of Independent Directors and the Board and devising Board diversity policy.
- Determine the Company's policy on specific remuneration packages for Whole-time Directors / Executive Directors, Key Managerial Personnel and Senior Management Personnel.
- To provide independent oversight of and to consult with Company management regarding the Company's compensation, bonus, pension and other benefit plans, policies and practices applicable to the Company's executive management.
- To develop guidelines for and annually review and approve (a) the annual basic salary, (b) the annual incentive and bonus, including the specific goals and amount.
- To review and approve (a) Employment Agreement and severance arrangement (b) any other benefits, compensation or arrangement for the Managing Director.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

During the year under review, the Committee met on 30.01.2017.

The necessary quorum was present for the meeting.

### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Arindom Mukherjee - Chairman	Non Executive and Independent	1
Mr. Prabhakar Karandikar (**)	Non Executive and Independent	1
Mrs. Jayashree Mahesh	Non Executive and Non Independent	0
Mr. Dhruv Mehta (*)	Non Executive and Non Independent	0
Mr. Kshiti Ranjan Das (#)	Non Executive and Independent	0

(\*\*) Mr. Prabhakar Karandikar became member w.e.f. April 28, 2016.

(\*) Mr. Dhruv Mehta ceased to be member w.e.f. April 28, 2016.

(#) Mr. Kshiti Ranjan Das became member w.e.f. May 02, 2017.

### Notes:

#### Remuneration Policy of the Company

##### For Managing Director

The appointment and remuneration of Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration of the Managing Director comprises of salary, perquisites, allowance and contributions to provident fund, medical expenses, club fees and other retirement benefits as approved by the shareholders at the General Meetings. As per the Remuneration Policy the Committee shall take into consideration the experience, previous contributions, targets and market conditions while recommending the appointment and remuneration of the person as Managing Director.

##### For Non Executive Directors

##### Sitting Fees:

The Non- Executive Directors are compensated by way of sitting fees.

The Sitting Fees payable to the Directors for attending Board as well as Committee Meetings is as under:

- a) Board Meeting - ₹ 10,000/-
- b) Audit Committee - ₹ 5,000/-
- c) Other Committees - ₹ 1,000/-

The details of sitting fees/remuneration paid to the Directors during the year 2016-2017, are as under:

Sr. No.	Name of the Director	Sitting fees for attending Board Meeting (₹)	Salary, Perquisites (₹)	Commission (₹)	Total (₹)
1	Mr. Prabhakar Karandikar- Chairman	40,000	NIL	NIL	40,000
2	Mr. Akhilesh Kumar Singh- Managing Director *	NIL	2,546,488	NIL	2,546,488
3	Mr. R. Sundara Rajan	NIL	NIL	NIL	NIL
4	Mr. Dhruv Mehta	30,000	NIL	NIL	30,000
5	Mr. Arindom Mukherjee	40,000	NIL	NIL	40,000
6	Mrs. Jayashree Mahesh	30,000	NIL	NIL	30,000
7	Mr. Kshiti Ranjan Das (#)	NIL	NIL	NIL	NIL
8	Mr. Kalyanaraman Chandrachoodan (\$)	NIL	NIL	NIL	NIL
9	Mrs. Chandra Iyengar (@)	NIL	NIL	NIL	NIL

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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(\*) Mr. Akhilesh Kumar Singh was appointed as Managing Director for a period of 3 years with effect from February 14, 2015 by the shareholders by means of Postal Ballot. His remuneration includes salary of ₹ 22,67,568/-, Perquisites of ₹ 25,480/- and contribution to Provident Fund of ₹ 2,53,440/-. The appointment may be terminated by giving three months notice in writing or salary in lieu thereof.

(#) Mr. Kshiti Ranjan Das was appointed as an Additional Director in the category of Independent Director w.e.f. March 06, 2017.

(\$) Mr. Kalyanaraman Chandrachoodan was appointed as an Additional Director in the category of Independent Director w.e.f. March 31, 2017.

(@) Mrs. Chandra Iyengar was appointed as an Additional Director in the category of Independent Director w.e.f. March 31, 2017.

The Company does not have an ESOP Plan in operation.

Except the shares held, none of the Non-Executive Directors have any other pecuniary interest in the Company, as disclosed to us.

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

Name of the Director	Shareholdings
Mr. Prabhakar Karandikar - Chairman	NIL
Mr. Akhilesh Kumar Singh- Managing Director	NIL
Mr. R. Sundara Rajan	14417
Mr. Dhruv Mehta	NIL
Mr. Arindom Mukherjee	NIL
Mrs. Jayashree Mahesh	NIL
Mr. Kshiti Ranjan Das	NIL
Mr. Kalyanaraman Chandrachoodan	NIL
Mrs. Chandra Iyengar	NIL

The Company does not have any outstanding warrants.

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning primarily covering the following:

1. Adequacy of the composition of the Board and its Committees.
2. Board culture.
3. Execution and performance of Specific duties.
4. Attendance of Board Meetings and Board Committee Meetings.
5. Quality of contribution to Board deliberations.
6. Strategic perspectives or inputs regarding future growth of Company and its performance.
7. Providing perspectives and feedback going beyond information provided by the management.
8. Commitment to shareholder and other stakeholder interests.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman on parameters such as effectiveness of leadership, impartiality and ability to keep shareholders' interest in mind etc. and

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in line with the Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

The Committee comprises of two Independent Directors and two Non Independent Directors. Chairman of the Committee is Non Executive Director.

#### Terms of reference

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

#### The Committee in particular looks into:

- The Shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- The matters that can facilitate better investor services and relations.
- Attending to investors' queries and complaints regarding transfer, annual reports etc.
- Attending to complaints of investors routed by SEBI/ Stock Exchange.

During the year under review, the Committee met four times on 25.04.2016, 09.08.2016, 26.10.2016 and 30.01.2017.

The necessary quorum was present for all the meetings.

#### Composition

Name of the Member	Category	No. of Meetings Attended
Mr. Arindom Mukherjee - Chairman	Non Executive and Independent	4
Mr. Dhruv Mehta	Non Executive and Non Independent	3
Mrs. Jayashree Mahesh	Non Executive and Non Independent	3
Mrs. Chandra Iyengar (@)	Non Executive and Independent	0

(@) Mrs. Chandra Iyengar became Member w.e.f. May 02, 2017

#### Note:

The status of investor grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board. The complaints received from the Shareholder, SEBI, Stock Exchange and others are reviewed and they are replied to by the Company/ Share Transfer Agents regularly. The status of the pending complaints as well as the system of redressal mechanism is reviewed by the Committee periodically.

No complaints were received during the year and there were no complaints pending for redressal at the beginning of the year 2016-2017.

Mrs. Reena Yadav, Company Secretary is the "Compliance Officer" of the Company and Mr. Tanmoy Sengupta is the "Compliance Officer" for Mutual Fund Schemes.

### iv) RISK MANAGEMENT COMMITTEE

The Risk Management Committee is constituted in line with the Regulation 21 of Listing Regulations comprising of 3 Members.

The Risk Management Committee is inter-alia responsible for risk identification, evaluation and mitigation and control process for such risks, oversight the enterprise risk management system and internal control process; monitoring and reviewing risk management plan of the Company and reviewing the foreseeable trends that could significantly impact the Company's overall business objectives and mitigants thereof.

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**Composition**

<b>Name of the Member</b>	<b>Category</b>
Mr. Akhilesh Kumar Singh – Chairman	Executive and Non Independent
Mr. Arindom Mukherjee	Non Executive and Independent
Mr. Tanmoy Sengupta	Compliance Officer (Mutual Fund)

**v) OPERATIONS COMMITTEE****Terms of reference**

The Operations Committee has been formed to monitor and to ensure efficient and timely decisions required in the day to day management of the Company. The Committee meets regularly to discharge its functions.

During the year under review, the Committee met on 27.05.2016 and 01.12.2016

The necessary quorum was present for the meeting.

**Composition**

<b>Name of the Member</b>	<b>Category</b>
Mr. Akhilesh Kumar Singh-Chairman	Executive and Non Independent
Mr. Tanmoy Sengupta	Compliance Officer (Mutual Fund)
Mr. Rohit Kumar Chawda (**)	Chief Operating Officer

(\*\*) Mr. Rohit Kumar Chawda become Member w.e.f. May 02, 2017.

**vi) SECURITIES ISSUE COMMITTEE****Terms of reference**

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities in connection with the offer, invitation and allotment of Securities of the Company including deciding on the terms and conditions of the offer, invitation and allotment of securities, including the form, timing etc.

**Composition**

<b>Name of the Member</b>	<b>Category</b>
Mr. Akhilesh Kumar Singh-Chairman	Executive and Non Independent
Mr. R. Sundara Rajan	Non Executive and Non Independent
Mr. Arindom Mukherjee	Non Executive and Independent
Mrs. Jayashree Mahesh	Non Executive and Non Independent

**vii) INTERNAL COMPLAINTS COMMITTEE**

The Internal Complaints Committee as stipulated under Section 4 of CHAPTER II of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been constituted with object to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto.

During the year under review, the Committee met on 30.01.2017.

**viii) OTHER COMMITTEES**

Company also has other committees as Broker Empanelment Committee, Investment Committee, Valuation Committee and Risk Management Committee which have been formed as per Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

As required by Section 149(8) and Schedule IV of the Companies Act, 2013 and also by Regulation 25(3) of the Listing Regulations, the Independent Directors of the Company met on 30.01.2017.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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### GENERAL BODY MEETINGS

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

Year	AGM	Location	Date	Time
2013-2014	20 <sup>th</sup>	Hotel Parle International, Mumbai - 400 057	August 14, 2014	2.30 P.M.
2014-2015	21 <sup>st</sup>	Hotel Parle International, Mumbai - 400 057	August 13, 2015	2.30 P.M.
2015-2016	22 <sup>nd</sup>	Hotel Parle International, Mumbai - 400 057	August 09, 2016	2.30 P.M.

- A) At 20th AGM held on August 14, 2014- No Special Resolution was passed.
- B) At 21st AGM held on August 13, 2015- following Special Resolutions were passed:
- 1) Alteration of Articles of Association of the Company pursuant to Section 14 of the Companies Act, 2013.
  - 2) Increase and Reclassification of the Authorised Share Capital of the Company and alteration of the Capital Clause of Memorandum of Association.
  - 3) Issue of Redeemable Non-Convertible Preference Shares on Private Placement basis upto an amount not exceeding ₹10,00,00,000/- (Rupees Ten Crores).
  - 4) Authority to Invest as per the provisions of Section 186 of the Companies Act, 2013.

The above Special resolutions were passed unanimously.

- C) At 22nd AGM held on August 09, 2016- No Special Resolution was passed.
- D) Postal Ballot - During the year 2016-2017, no resolutions were passed through postal ballot. At ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

### SUBSIDIARY COMPANY

The Company does not have any subsidiary.

### DISCLOSURES

There are no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives, which may have potential conflict with the interest of the Company at large. The Company has framed policy on dealing with the related party transactions; the policy is available on the website of the company i.e. [www.shriramamc.com](http://www.shriramamc.com).

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

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

Company has complied with all applicable mandatory requirements of the Listing Regulations.

The paid up equity share capital and net worth of the Company as on the last day of previous financial year does not exceed the threshold limit for compliance with Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations.

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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However, for better corporate governance the Company has adopted the following non-mandatory requirements of Listing Regulations:

<b>I. Compliance with non-mandatory requirements</b>	
<b>Particulars</b>	<b>Regulation</b>
Board of Directors	17 (1) to (3) & (5) to (10)
Audit Committee	18
Nomination & Remuneration Committee	19 (1), (2) & (4)
Stakeholder Relationship Committee	20
Risk Management Committee	21 (1) to (4)
Vigil Mechanism	22
Related party Transactions	23 (1) and (2)
Obligations with respect to Independent Directors	25(1) to (4) & (6)
Obligations with respect to directors and senior management	26
Other Corporate Governance Requirements	27
<b>II. Disclosure on website in terms of Listing Regulations</b>	
Company has disseminated the information required under clauses (b) to (g) of sub-regulation (2) of Regulation 46 on its website.	
<b>III. Compliance with Schedule V of the Listing Regulations</b>	
<b>Particulars</b>	<b>Paragraph</b>
Corporate Governance Report	Para C
Declaration regarding compliance by board members and senior management personnel with the company's code of conduct	Para D
Auditors Certificate on Corporate Governance	Para E

Disclosures with regards to compliances with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 have been given above.

The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 26(3) of the Listing Regulations. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the Company.

**ADOPTION OF DISCRETIONARY REQUIREMENTS:**

- A. **The Board:** The Company does not maintain separate office for Non- Executive Chairman however the expenses incurred by him in connection with the performance of his duties as Chairman are reimbursed.
- B. **Shareholders Rights:** The Quarterly financial results are published in the newspaper and not sent to individual shareholders on a half-yearly basis. Financial Results are also available on the website of the Company and of Stock Exchange where the Equity shares of the Company are listed.
- C. **Modified Opinion(s) in Audit Report:** There are no modified opinions in audit report.
- D. **Separate Posts of Chairman and CEO:** The Board of Directors of Shriram Asset Management Company Limited has a Non-executive Chairman (Independent Director) i.e. Mr. Prabhakar Karandikar and Mr. Akhilesh Kumar Singh is the Managing Director who also functions as Chief Executive Officer.
- E. **Reporting of Internal Auditor:** M/s. Datta Roy & Associates, Chartered Accountants, Kolkata, acts as the Internal Auditor of the Company pursuant to Section 138 of the Act read with the Companies (Accounts) Rules, 2014. The Internal Auditors directly present their report to the Audit Committee for its consideration.

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (the Whistleblower Policy)/ Vigil Mechanism:

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to report unethical behaviour and actual or suspected frauds, the Company has adopted the Whistleblower Policy/ Vigil Mechanism in line with Regulation 22 of the Listing Regulations. No personnel have been denied access to the Audit Committee. The Whistleblower Policy/ Vigil Mechanism broadly cover a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities / unethical behaviour.

### CAPITAL AUDIT

As required under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31/12/2002 and SEBI Circular No. CIR/MRD/DP/30/2010, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the report thereon is submitted to the BSE Limited and to the Board of Directors.

### RISK MANAGEMENT

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

### CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

Certification by the Managing Director and the Chief Financial Officer (CFO) in their capacity as such is provided elsewhere in the Annual Report.

### MEANS OF COMMUNICATION

All important information relating to the Company, its performance, shareholding pattern, business, quarterly results, other information as per the Listing Regulations, are regularly posted on Company's website and also forwarded to the stock exchange. The quarterly, half-yearly and annual financial results of the Company are published in one English (Free Press Journal, Mumbai) and in one Marathi newspaper (Navashakti, Mumbai). They are also available on the Company's Website: [www.shriramamc.com](http://www.shriramamc.com) and website of BSE Limited: [www.bseindia.com](http://www.bseindia.com).

### GENERAL SHAREHOLDER INFORMATION

(As required by Regulation 34(3) of the Listing Regulations)

#### 23rd Annual General Meeting

<b>a. Date and Time</b>	August 10, 2017 at 3.00 P.M.
<b>b. Venue</b>	Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai - 400 057
<b>c. Book Closure Date</b>	From August 07, 2017 to August 10, 2017 (both days inclusive)
<b>d. Dividend</b>	The Board of Directors has not recommended any dividend for the year 2016-2017
<b>e. Name and Address of Stock Exchange where Company's shares are listed</b>	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
<b>f. Financial Calendar</b>	2017-2018
Annual General Meeting	September 2018
Unaudited results for the quarter ending June 30, 2017	Last week of July 2017
Unaudited results for the quarter/ half - year ending September 30, 2017	Last week of October 2017
Unaudited results for the quarter ending December 31, 2017	Last week of January 2018
Audited results for the year ending March 31, 2018	May 2018
<b>g. Stock Code</b>	
BSE Limited (BSE)	531359
Demat ISIN in NSDL & CDSL	INE777G01012

## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

### Payment of Listing Fees

The Company has paid the annual listing fees for the financial year 2017-18 to the above stock exchange.

### Custodial Fees to Depositories

The annual custodial fees for the financial year 2017-18 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

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

### h. Stock Market Data

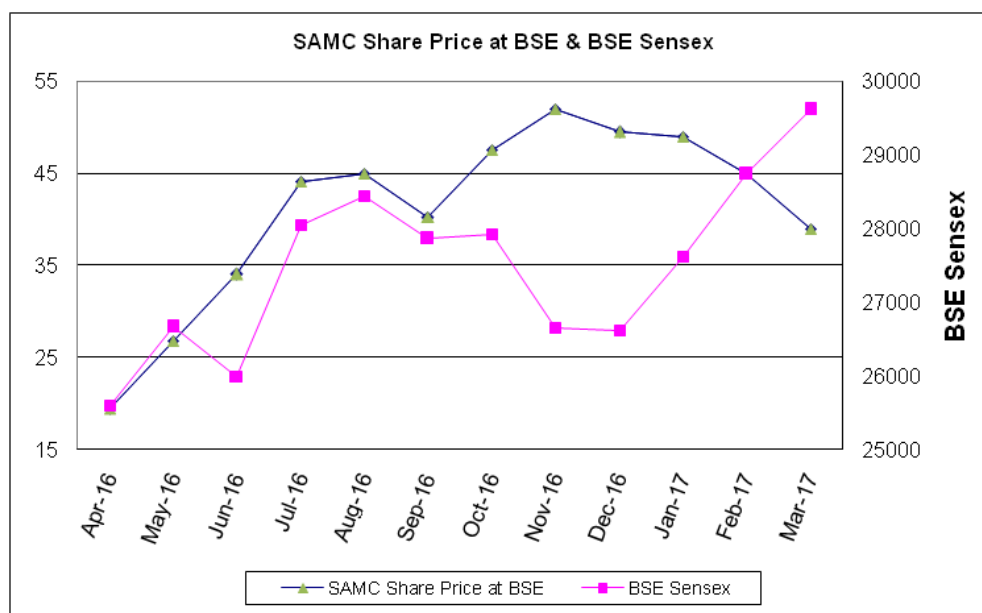
The high and low of the closing market price and volume of shares traded during each month of the financial year ended March 31, 2017 are given below:

#### BSE Limited

Month	Share price		Volume
	High (₹)	Low (₹)	
April-16	20.35	19.45	505
May-16	26.80	20.00	4258
June-16	34.05	28.10	17620
July-16	46.30	35.75	14663
August -16	50.00	41.10	18106
September-16	43.55	38.25	13114
October-16	50.15	41.50	2473
November-16	55.00	49.40	3208
December-16	52.00	47.50	3962
January-17	52.90	49.00	1232
February -17	50.80	45.00	638
March-17	45.00	38.00	33368

### i. SAMC Share Price performance in comparison to BSE Sensex

The Company's closing share price movement during the Financial Year 2016-2017 on BSE Sensex:



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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**j. Registrar and Share Transfer Agents**

The Registrar and Share Transfer Agents of the Company are:

Purva Sharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Mumbai - 400 011

Tel. No.: +91-22-23016761, Fax: +91-22-23012517

**k. Share Transfer System**

The authority to approve share transfers/transmissions has been delegated by the Board of Directors to the Registrar and Share Transfer Agents. Requests received for transfer of shares are processed within 30 days of receipt.

**l. Distribution of Shareholdings as on March 31, 2017**

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	650	64.04	137241	2.29
501-1000	202	19.90	178246	2.97
1001-2000	62	6.11	97275	1.62
2001-3000	24	2.36	59388	0.99
3001- 4000	10	0.99	35353	0.59
4001- 5000	10	0.99	45765	0.76
5001- 10000	24	2.36	176904	2.95
10001 and above	33	3.25	5269828	87.83
<b>Total</b>	<b>1015</b>	<b>100.00</b>	<b>6000000</b>	<b>100.00</b>

**m. Category of Shareholders as on March 31, 2017**

Category of Shareholders	No. of Shares held	% of Shareholding
Promoters and Promoter Group	4120010	68.67
Individuals	1520942	25.35
Bodies Corporate	294256	4.91
NRI	9821	0.16
HUF	27151	0.45
Clearing Members	27820	0.46
<b>Total</b>	<b>6000000</b>	<b>100</b>

**n. Dematerialisation of shares and liquidity**

The Company's scrip forms part of the compulsory demat segment for all investors effective January 20, 2005. To facilitate investors in having an easy access to the demat system, the Company has signed up with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through Purva Sharegistry (India) Pvt. Ltd. As on March 31, 2017 total of 5680069 equity shares constituting 94.67% of the paid up capital, have been dematerialised.

The Company has not issued any GDRs/ADRs, warrants or other instruments which are pending for conversion.

**o. Address for correspondence and Registered Office**

**Registered Office:** Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Tel. No.: +91-22-4241 0400.

Website: [www.shriramamc.com](http://www.shriramamc.com), Email ID: [srmf@shriramamc.com](mailto:srmf@shriramamc.com)

CIN No.: L65991MH1994PLC079874

**Administrative Head Office:** CK-6, 2nd Floor, Sector II, Salt Lake City, Kolkata-700 091,

Tel. No.: +91 -33-2337 3012, Fax No.: +91-33-2337 3014.

E-mail ID for investor grievance: [srmf@shriramamc.com](mailto:srmf@shriramamc.com)

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**CEO (MANAGING DIRECTOR)**

I, Akhilesh Kumar Singh, in my capacity as the Managing Director and, to the best of my knowledge and belief, certify that:

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

Place: Mumbai  
Date: May 02, 2017

**Akhilesh Kumar Singh**  
Managing Director

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**CHIEF FINANCIAL OFFICER**

I, Chandana Dutt, in my capacity as the Chief Financial Officer, to the best of my knowledge and belief, certify that:

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

Place: Mumbai  
Date: May 02, 2017

**Chandana Dutt**  
Chief Financial Officer

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2017.

Place: Mumbai  
Date: May 02, 2017

**Akhilesh Kumar Singh**  
Managing Director

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### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by Shriram Asset Management Company Limited for the financial year ended March 31, 2017, as stipulated in provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion, and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For K.S.Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No. 100186W)

Place: Kolkata  
Date: May 02, 2017

**S. Ghosh**  
(Partner)  
(Membership No.050927)

INDEPENDENT AUDITOR'S REPORT

To,  
The Members of Shriram Asset Management Company Limited

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Shriram Asset Management Company Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the '**Annexure A**', a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:

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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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- (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 and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company does not have any pending litigations before any court of law which would impact its financial position. Disputes pending before various appellate authorities are disclosed in Note number 20.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has made requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 12.

**For K. S. Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No.100186W)

Place: Kolkata  
Date: May 02, 2017

**S. Ghosh**  
(Partner)  
(Membership No. 050927)

**ANNEXURE - A TO THE AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has physically verified its fixed assets and no material discrepancies were noticed on such verification. The periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) On the basis of our examination of the title deeds of immovable properties, the same are held in the name of the Company.
- (ii) The Company is an Asset Management Services Company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loan to any of its directors, hence provisions of Section of 185 of the Companies Act 2013 is not applicable. However, the company has complied with the provisions of Section 186 of the Companies Act with respect to investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

- (b) (i) According to the information and explanations given to us, there are no material dues of duty of customs, sales tax, duty of excise, service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes given below:

Nature of Dues	Year	Amount Involved (₹/ Lacs) #	From where Dispute is pending
Income Tax	A.Y.2010-11	19.59	CIT (Appeal)

# Dues to the extent not deposited (Refer Note No. 20)

- (ii) Company's appeal against disallowance made by CIT (A) of an amount of ₹27.10 lacs in respect of Assessment Year 2007-08 has been allowed by ITAT in favour of the Company. No adjustment has been carried out in the books of account pending receipt of the Order from the Income Tax Department for giving effect to the ITAT Order.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has issued 10,00,000 (0.01%) Redeemable Non Convertible Preference Shares of ₹100/- each in the year 2015-16 on Private Placement basis to its holding and associate company to comply with SEBI Regulations. The amount so raised is parked in liquid fund investments.
- (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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For K. S. Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No.100186W)

**S. Ghosh**  
(Partner)  
(Membership No. 050927)

Place: Kolkata  
Date: May 02, 2017

### ANNEXURE - B TO THE AUDITORS' REPORT

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Shriram Asset Management Company Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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## SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For K. S. Aiyar & Co.**  
Chartered Accountants  
(Firm Registration No.100186W)

**S. Ghosh**  
(Partner)  
(Membership No. 050927)

Place: Kolkata  
Date: May 02, 2017

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2017**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at March 31, 2017 (₹)</b>	<b>As at March 31, 2016 (₹)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	<b>2</b>	<b>200,000,000</b>	200,000,000
Reserves and Surplus	<b>3</b>	<b>(7,851,793)</b>	(872,798)
<b>Non-Current Liabilities</b>			
Long term liabilities	<b>4</b>	<b>105,334,730</b>	94,800,106
Long term provisions	<b>5</b>	<b>2,129,455</b>	2,035,385
<b>Current Liabilities</b>			
Current liabilities	<b>6</b>	<b>3,648,006</b>	3,690,867
Short-term provisions	<b>7</b>	<b>62,896</b>	79,976
<b>Total</b>		<b>303,323,294</b>	299,733,536
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
Tangible assets	<b>8</b>	<b>2,612,984</b>	2,868,957
Intangible assets	<b>8</b>	<b>-</b>	99,000
Non-current investments	<b>9</b>	<b>100,518,764</b>	91,037,602
Long term loans and advances	<b>10</b>	<b>301,885</b>	61,885
<b>Current Assets</b>			
Current investments	<b>11</b>	<b>188,258,466</b>	190,091,968
Cash and cash equivalents	<b>12</b>	<b>1,397,907</b>	1,779,043
Short-term loans and advances	<b>13</b>	<b>7,948,798</b>	4,814,789
Other current assets	<b>14</b>	<b>2,284,490</b>	8,980,292
<b>Total</b>		<b>303,323,294</b>	299,733,536

Summary of Significant Accounting Policies **1**

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

As per our report of even date attached

**FOR K.S.AIYAR & CO.**

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**AKHILESH KUMAR SINGH**  
MANAGING DIRECTOR  
DIN No.00421577

**R.SUNDARA RAJAN**  
DIRECTOR  
DIN No.00498404

**S.GHOSH**  
PARTNER  
MEMBERSHIP NO.050927

**REENA YADAV**  
COMPANY SECRETARY

**CHANDANA DUTT**  
CHIEF FINANCIAL OFFICER

Place : Kolkata  
Date : May 02, 2017

Place : Mumbai  
Date : May 02, 2017

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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

<b>PARTICULARS</b>	<b>Note No.</b>	<b>For the year ended March 31, 2017 (₹)</b>	<b>For the year ended March 31, 2016 (₹)</b>
<b>I. Revenue from operations</b>	<b>15</b>	<b>8,642,030</b>	7,694,790
<b>II. Other income</b>	<b>16</b>	<b>12,307,020</b>	10,280,553
<b>III. Total Revenue (I +II)</b>		<b>20,949,050</b>	17,975,343
<b>IV. Expenses:</b>			
Employee benefit expense	<b>17</b>	<b>15,052,321</b>	14,625,688
Depreciation and amortization expense	<b>8</b>	<b>331,729</b>	428,107
Other expenses	<b>18</b>	<b>8,199,919</b>	8,986,830
Mutual fund expenses	<b>18</b>	<b>4,344,076</b>	5,388,267
<b>Total Expenses</b>		<b>27,928,045</b>	29,428,892
<b>V. Profit/(Loss) before tax (III - IV)</b>		<b>(6,978,995)</b>	(11,453,549)
<b>VI. Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax asset	<b>22</b>	-	-
<b>VII. Profit/(Loss) after tax (V-VI)</b>		<b>(6,978,995)</b>	(11,453,549)
<b>VIII. Earning per equity share:</b>			
(1) Basic	<b>26</b>	<b>(1.16)</b>	(1.91)
(2) Diluted		<b>(1.16)</b>	(1.91)

Summary of Significant Accounting Policies

**1**

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

As per our report of even date attached

**FOR K.S.AIYAR & CO.**

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**AKHILESH KUMAR SINGH**  
MANAGING DIRECTOR  
DIN No.00421577

**R.SUNDARA RAJAN**  
DIRECTOR  
DIN No.00498404

**S.GHOSH**  
PARTNER  
MEMBERSHIP NO.050927

**REENA YADAV**  
COMPANY SECRETARY

**CHANDANA DUTT**  
CHIEF FINANCIAL OFFICER

Place : Kolkata  
Date : May 02, 2017

Place : Mumbai  
Date : May 02, 2017

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2017**

PARTICULARS	Year ended March 31, 2017		Year ended March 31, 2016	
	(₹)	(₹)	(₹)	(₹)
<b>Cash Flow From Operating Activities</b>				
<b>Profit as per Profit and Loss Account</b>		(6,978,995)		(11,453,549)
Depreciation	331,729		428,107	
Interest Income	(10,779,689)		(29,814)	
Capital Gain MF	(1,174,498)		(10,047,236)	
Write Off of Fixed Assets	23,243		-	
Dividend Income	(1,500)		(1,500)	
Profit on Redemption of NCD	-		(3,453)	
<b>Operating Profit Before Change in Working Capital</b>		(11,600,715)		(9,653,897)
<b>Movement in Working Capital</b>				
Decrease / (Increase) in Loans and Advances	(3,374,009)		(1,643,169)	
Decrease / (Increase) in Other Current Assets	6,695,802		(792,447)	
Increase / (Decrease) in Liabilities	10,491,763		10,230,393	
Increase / (Decrease) in Provisions	3,264,961		1,991,116	
<b>Net Change in Working Capital</b>		17,078,517		9,785,893
Direct Taxes Paid		(3,187,971)		(1,718,501)
<b>Net Cash From Operation</b>		(4,689,165)		(13,040,054)
<b>Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	-		(2,010)	
Net purchase of Investment	(6,473,162)		(86,425,487)	
Interest Received	10,779,689		57,443	
Dividend Received	1,500		1,500	
<b>Net Cash From Investment Activities</b>		4,308,028		(86,368,554)
<b>Cash Flow From Financing Activities</b>				
Issue of Preference Share	-		100,000,000	
<b>Net Cash from Financing Activities</b>		-		100,000,000
Net Change in Cash Balance		(381,136)		591,392
Opening Cash & Cash Equivalents		1,779,043		1,187,651
<b>Closing Cash &amp; Cash Equivalents</b>		1,397,907		1,779,043

As per our report of even date attached

**FOR K.S.AIYAR & CO.**

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**AKHILESH KUMAR SINGH**  
MANAGING DIRECTOR  
DIN No.00421577

**R.SUNDARA RAJAN**  
DIRECTOR  
DIN No.00498404

**S.GHOSH**  
PARTNER  
MEMBERSHIP NO.050927

**REENA YADAV**  
COMPANY SECRETARY

**CHANDANA DUTT**  
CHIEF FINANCIAL OFFICER

Place : Kolkata  
Date : May 02, 2017

Place : Mumbai  
Date : May 02, 2017

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### NOTE NO. 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Presentation and disclosure

##### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. 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.

- (b) The accounts have been prepared primarily on historical cost convention and on accrual basis of accounting and comply with the provisions of the Companies Act, 2013.

#### 1.2 Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation. Depreciation is provided on Written Down Value method in the manner and at the rates specified in Schedule II to the Companies Act, 2013.

#### 1.3 Intangible Assets and Amortisation

Intangible Assets are stated at cost less amortisation. Amortisation is provided on straight line method as per AS-26 issued by ICAI. Considering the level of technological changes in software, the management has ascertained the useful life of the Intangible Assets to be five years.

#### 1.4 Investments

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

#### 1.5 Employee Benefits

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

1.5.2 The provision for leave encashment and provision for gratuity is made as per actuarial valuation.

#### 1.6 Revenue Recognition

Revenue is recognized as per Accounting Standard 9 of ICAI.

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

#### 1.7 Income Taxes

1.7.1. Tax expense includes current and deferred tax measured in accordance with the Income Tax Act, 1961 as is prevailing or subsequently enacted as at the reporting date. Current income tax relating to items recognized directly in equity are adjusted against such equity and not through statement of profit and loss.

1.7.2. Deferred Tax Assets and Liabilities arising on account of timing differences are recognised in the statement of Profit and Loss. Deferred tax assets have been recognized only to the extent there is virtual certainty of realization of the assets in future.

#### 1.8 Earnings Per Share

Basic earnings per share are calculated by dividing the net Profit and Loss for the period by the weighted average number of equity shares outstanding during the period.

#### 1.9 Provisions

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

#### 1.10 Revenue from operation & Mutual Fund Expenses

Mutual Fund Expenses and corresponding Management Fees are accounted for in the books of the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	March 31, 2017 (₹)	March 31, 2016 (₹)
<b>2 SHARE CAPITAL</b>		
<b>2.1) Authorised Shares</b>		
90,00,000 (P.Y. 90,00,000) Equity Shares of ₹ 10/- each	90,000,000	90,000,000
16,00,000 (P.Y. 16,00,000) Preference Shares of ₹ 100/- each	160,000,000	160,000,000
<b>Total</b>	<b>250,000,000</b>	<b>250,000,000</b>

**2.2) Issued, subscribed and fully paid-up shares**

60,00,000 (P.Y. 60,00,000) Equity Shares of ₹ 10/- each *	60,000,000	60,000,000
14,00,000 (P.Y. 14,00,000) Preference Shares of ₹ 100/- each	140,000,000	140,000,000
<b>Total</b>	<b>200,000,000</b>	<b>200,000,000</b>

\* Note : Shriram Credit Company Limited (Holding Company) holds 68.67%

**2.3) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	March 31, 2017		March 31, 2016	
	Quantity	(₹)	Quantity	(₹)
At the beginning of the year	6,000,000	60,000,000	6,000,000	60,000,000
<b>Outstanding at the end of the year</b>	<b>6,000,000</b>	<b>60,000,000</b>	<b>6,000,000</b>	<b>60,000,000</b>

**2.4) Preference Shares**

14,00,000 (P.Y. 14,00,000) 0.01% Redeemable Non Convertible Preference Shares of ₹ 100/- each.

	March 31, 2017		March 31, 2016	
	Quantity	(₹)	Quantity	(₹)
At the beginning of the year	1,400,000	140,000,000	400,000	40,000,000
Issued during the year	-	-	1,000,000	100,000,000
<b>Outstanding at the end of the year</b>	<b>1,400,000</b>	<b>140,000,000</b>	<b>1,400,000</b>	<b>140,000,000</b>

**2.5) Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. Dividend, as and when recommended by the Board of Directors, is subject to approval of the shareholders in their Annual General Meeting. The Directors have not recommended any dividend for the year ended March 31, 2017.

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.

**2.6) Terms/rights attached to Redeemable Non Convertible Preference Shares (RNCPS)**

During the financial year 2015-16 the Company issued additional 1000000 (Ten lakh) (0.01%) RNCPS of ₹ 100/- each fully paid up, over and above 400000 (Four lakh) issued in earlier Financial Years, taking the total amount of RNCPS to ₹ 14,00,00,000/- These RNCPS carry non cumulative dividend @ 0.01% p.a. Each holder of RNCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to RNCPS. The RNCPS shall be redeemed by the Company at par on expiry of five years/ten years from the date of allotment /issue of Preference Shares as per norms attached with the issue. The Company shall, however, has the right to redeem the RNCPS before the due date. Subject to the applicable laws, and the approvals/consents as may be necessary or required, the date of redemption of RNCPS can be extended for such further term as may be mutually agreed to between the Company and the holder of RNCPS. During the period no provision has been made for dividend on Preference Shares.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	March 31, 2017		March 31, 2016	
	Quantity	% holding in the class	Quantity	% holding in the class
<b>2.7) Details of shareholders holding more than 5% equity shares in the Company</b>				
<b>Equity share of ₹ 10/- each fully paid</b>				
Shriram Credit Company Limited	4,120,010	68.67%	4,120,010	68.67%
<b>2.8) Details of shareholders holding more than 5% preference shares in the Company</b>				
<b>Redeemable Non Convertible Preference Shares of ₹ 100/- each fully paid</b>				
Shriram Credit Company Limited	800,000	57.14%	800,000	57.14%
Shriram Insight Share Brokers Ltd.	600,000	42.86%	600,000	42.86%
	March 31, 2017 (₹)		March 31, 2016 (₹)	
<b>3 RESERVES AND SURPLUS</b>				
<b>3.1) Capital Redemption Reserve</b>	40,000,000		40,000,000	
<b>(Deficit) in the statement of Profit and Loss</b>				
Balance as per last financial statements	(40,872,798)		(29,419,249)	
Profit/(Loss) for the year ended	(6,978,995)		(11,453,549)	
Net deficit in the statement of profit and loss	(47,851,793)		(40,872,798)	
<b>Total</b>	<b>(7,851,793)</b>		<b>(872,798)</b>	
<b>4 LONG TERM LIABILITIES</b>				
Payable to the rightful owner (Original amount due) (Note no. 4.1)	22,785,000		22,785,000	
Add: Contingency provision for interest payable to the rightful owner (Net of Tax)	82,549,730		72,015,106	
<b>Total</b>	<b>105,334,730</b>		<b>94,800,106</b>	
<b>4.1) An amount of ₹ 22,785,000/- representing disputed redemption money on 35,00,000 units of “Risk Guardian 95” is held by the Company in trust to be paid to the rightful owner when the dispute is settled by the appropriate court/forum. This amount has been deployed in subordinated bond and along with interest accrued thereon, the present value of which is ₹ 10,53,34,730/- (inclusive of tax of ₹ 11,122,842/- for the period from 2001-02 to 2010-11). The disputed amount of ₹ 22,785,000/- along with interest accrued thereon has been recognised in the accounts as payable to the rightful owner.</b>				
<b>5 LONG TERM PROVISIONS</b>				
Provision for gratuity	1,545,649		1,502,382	
Provision for leave benefit	583,806		533,003	
<b>Total</b>	<b>2,129,455</b>		<b>2,035,385</b>	

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)**

Disclosure as per revised Accounting Standard (AS 15)

	Gratuity non- funded - As at March 31, 2017	Gratuity non- funded - As at March 31, 2016
<b>I. Table showing change in benefit obligation</b>		
Liability at the beginning of the current period	1,543,978	1,374,517
Current service cost	105,618	112,691
Interest cost	122,901	109,824
Benefits Paid Directly by the Employer	(190,731)	(67,644)
Actuarial (gain)/loss on obligations	8,981	14,590
<b>Liability at the end of the current period</b>	<b>1,590,747</b>	<b>1,543,978</b>
<b>II. Table of recognition of transitional liability</b>		
Unrecognised transitional liability at the start of the period	-	-
Transitional liability recognised during the period	-	-
<b>Unrecognised transitional liability at the end of the period</b>	<b>-</b>	<b>-</b>
<b>III. Amount recognised in the Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(1,590,747)	(1,543,978)
Fair value of plan assets at the end of the period	-	-
Funded Status (Surplus/ (Deficit))	(1,590,747)	(1,543,978)
Unrecognised past service cost at the end of the period	-	-
<b>Net amount recognised in the Balance Sheet</b>	<b>(1,590,747)</b>	<b>(1,543,978)</b>
<b>IV. Expenses recognised in the income statement</b>		
Current service cost	105,618	112,691
Net Interest cost	122,901	109,824
Actuarial (Gain)/Loss	8,981	14,590
Past service cost (Non vested benefits) recognised during the period	-	-
Past service cost (Vested benefits) recognised during the period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
<b>Expense recognised in Profit and Loss</b>	<b>237,500</b>	<b>237,105</b>
<b>V. Balance Sheet reconciliation</b>		
Opening net liability	1,543,978	1,374,517
Expense Recognized in Statement of Profit and Loss	237,500	237,105
Benefits Paid Directly by the Employer	(190,731)	(67,644)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
Employers' contribution	-	-
<b>Amount recognised in the Balance Sheet</b>	<b>1,590,747</b>	<b>1,543,978</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	Gratuity non- funded - As at March 31, 2017	Gratuity non- funded - As at March 31, 2016
<b>VI. Other details</b>		
No. of members	16	18
Per Month Salary For Active Members	457,212	487,862
<b>Notes:</b> Gratuity is payable as per Company's scheme as detailed in the report. Actuarial gain/loss is accounted for in the period of occurrence. Salary escalation and attrition rate are considered as advised by the Company, they appear to be in line with the industry practice considering promotion and demand and supply of the employees.		
<b>VII. Assumptions</b>		
Discount rate - previous	7.96%	7.99%
Salary escalation - previous	5.00%	5.00%
Attrition rate - previous	2.00%	2.00%
Discount rate - current	7.29%	7.96%
Salary escalation - current	5.00%	5.00%
Attrition rate - current	2.00%	2.00%
<b>VIII. Experience adjustment</b>		
On plan liability (gain)/loss	-	-
	<b>March 31, 2017</b> (₹)	<b>March 31, 2016</b> (₹)
<b>6 OTHER CURRENT LIABILITIES</b>		
Sundry creditors	1,099,705	1,635,613
ESIC	1,057	658
Profession Tax	2,720	3,010
Provident Fund	47,663	55,873
TDS Payable	-	480
Medical insurance premium	-	31,440
Service Tax	-	68,962
TDS Payable FY 2015-16	-	210,507
TDS Payable FY 2016-17	4,101	-
Incentive Payable	-	1,000,000
Swachh Bharat Cess	122	429
Outstanding Expenses	692,638	683,895
Advance Recd From Anthony Raj	1,800,000	-
<b>Total</b>	<b>3,648,006</b>	<b>3,690,867</b>
<b>7 SHORT TERM PROVISIONS</b>		
Provision for gratuity	45,098	41,596
Provision for leave benefits	17,798	38,380
<b>Total</b>	<b>62,896</b>	<b>79,976</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

## 8) FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	BALANCE AS ON 01.04.2016 (₹)	ADDITIONS DURING THE YEAR (₹)	SALE / TRANSFER DURING THE YEAR (₹)	BALANCE AS ON 31.03.2017 (₹)	BALANCE AS ON 01.04.2016 (₹)	FOR THE YEAR (₹)	SALE / TRANSFER DURING THE YEAR (₹)	BALANCE AS ON 31.03.2017 (₹)	BALANCE AS ON 31.03.2016 (₹)
A. TANGIBLE ASSETS									
1) Office Premises	4,573,907	-	-	4,573,907	2,295,773	133,672	-	2,429,445	2,278,134
2) Plant and Equipment									
a) Air conditioner	85,759	-	9,300	76,459	21,005	5,668	-	26,673	64,754
b) Computers	1,341,343	-	-	1,341,343	1,281,334	8,877	-	1,290,211	60,009
c) Electrical fitting and Installations	78,263	-	9,633	68,630	18,683	5,028	-	23,711	59,580
3) Furniture and Fixtures	2,617,411	-	-	2,617,411	2,301,300	28,883	-	2,330,183	316,111
4) Office Equipments	235,005	-	4,311	230,694	144,636	50,601	-	195,237	90,369
TOTAL (A)	8,931,688	-	23,244	8,908,444	6,062,731	232,729	-	6,295,460	2,868,957
AMORTISATION									
B. INTANGIBLE ASSETS									
Software and Solutions	495,000	-	-	495,000	396,000	99,000	-	495,000	99,000
TOTAL (B)	495,000	-	-	495,000	396,000	99,000	-	495,000	99,000
TOTAL (A+B)	9,426,688	-	23,244	9,403,444	6,458,731	331,729	-	6,790,460	2,967,957
AS ON 31.03.2016	9,424,678	2,010	-	9,426,688	6,030,624	428,107	-	2,967,957	3,394,054

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)**

	March 31, 2017 (₹)	March 31, 2016 (₹)
<b>9 NON-CURRENT INVESTMENTS (AT COST)</b>		
<b>9.1) Trade investments (Unquoted)</b>		
Investment in associates		
600,000 (P.Y.600,000) Equity Shares of ₹ 10/- each of Ceylinco Shriram Capital Management Services Co. Pvt. Ltd.	3,878,332	3,878,332
<b>Sub Total</b>	<b>3,878,332</b>	<b>3,878,332</b>
<b>9.2) Non-trade investments (Unquoted)</b>		
Investment in subordinate bond with STFC (Original investment)	22,785,000	22,785,000
Add: Additional amount invested on 30.08.2013	114	114
Add:- Interest accrued till date (net of TDS of ₹ 70,09,751/-)	77,723,650	68,242,488
<b>Sub Total</b>	<b>100,508,764</b>	<b>91,027,602</b>
<b>9.3) Equity instruments (Unquoted)</b>		
1,000 (P.Y.1,000) Equity Shares of ₹10/- each of The Saraswat Co-operative Bank Ltd	10,000	10,000
<b>Sub Total</b>	<b>10,000</b>	<b>10,000</b>
<b>Total (9.1+9.2+9.3)</b>	<b>104,397,096</b>	<b>94,915,934</b>
Less: Provision for diminution in value of investment	3,878,332	3,878,332
<b>Total</b>	<b>100,518,764</b>	<b>91,037,602</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	104,397,096	94,915,934
Aggregate provision for diminution in value of long term investments	3,878,332	3,878,332
<b>10 LONG TERM LOANS AND ADVANCES</b>		
<b>Security Deposit</b>		
Secured, considered good	301,885	61,885
<b>Total</b>	<b>301,885</b>	<b>61,885</b>
<b>11 CURRENT INVESTMENTS (valued at lower of cost and net realisable value)</b>		
<b>Quoted Mutual Fund Investments</b>		
35446.667 (P.Y. 36500.3320 ) SBI Premier Liquid Fund Growth	83,258,466	85,091,968
455168.00 (P.Y.455168.00) ICICI Prudential Liquid Fund	100,000,000	100,000,000
500000.00 (P.Y. 500000) Shriram Equity and Debt Opportunities Fund	5,000,000	5,000,000
<b>Total</b>	<b>188,258,466</b>	<b>190,091,968</b>
Aggregate amount of quoted investments (Market value ₹ 207,402,711/-)	188,258,466	190,091,968

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

March 31, 2017      March 31, 2016  
(₹)                                  (₹)

**12 CASH AND CASH EQUIVALENTS****Balances with banks**

On current accounts	1,388,464	1,756,352
Cash in hand - CBD Belapur * (see table below)	6,030	3,449
Cash in hand - Kolkata * (see table below)	3,413	19,242
<b>Total</b>	<b>1,397,907</b>	<b>1,779,043</b>

\* Disclosure of Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016 as per notification dated March 30, 2017 of Ministry of Corporate Affairs:

Particulars	Amount (₹)				
	SBN's		Other Denomination notes		Total
	Kolkata	Belapur	Kolkata	Belapur	
Total Closing Cash In hand as on November 08, 2016	15,000.00	NIL	5,324.00	1,381.50	<b>21,705.50</b>
Add: Permitted Receipts-Amount withdrawn for Office use	NIL	NIL	10,000.00	5,000.00	<b>15,000.00</b>
Less: Permitted Payments -Expenses for Office purpose during the period	NIL	NIL	3,266.00	1,726.00	<b>4,992.00</b>
Amount Deposited in Banks on November 15, 2016	15,000.00	NIL	NIL	NIL	<b>15,000.00</b>
Closing Cash in Hand as on December 30, 2016	NIL	NIL	12,058.00	4,655.50	<b>16,713.50</b>

**13 SHORT TERM LOANS AND ADVANCES**

March 31, 2017      March 31, 2016  
(₹)                                  (₹)

**13.1) Advances recoverable in cash or kind**

Unsecured considered good	44,857	82,712
<b>Sub Total</b>	<b>44,857</b>	<b>82,712</b>

**13.2) Other Loans and Advances**

Prepaid expenses	111,959	90,209
Loans to employees	220,266	258,123
Advance to Income Tax (net of provision for taxation)	7,571,716	4,383,745
<b>Sub Total</b>	<b>7,903,941</b>	<b>4,732,077</b>
<b>Total (13.1 + 13.2)</b>	<b>7,948,798</b>	<b>4,814,789</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	March 31, 2017 (₹)	March 31, 2016 (₹)
<b>14 OTHER CURRENT ASSETS</b>		
Education Cess Input	13,473	13,582
Secondary Edu Cess Input	6,681	6,735
Service Tax Input	1,294,898	1,230,178
Receivable from broker #	-	6,910,351
Income Tax Paid On Demand(A.Y.2010-11)	200,000	200,000
Shriram Mutual Fund	750,411	619,446
Medical Insurance Premium (For Employees)	9,861	-
K. K. Cess Input	9,166	-
<b>Total</b>	<b>2,284,490</b>	<b>8,980,292</b>
<b># Receivable from broker</b>		
The Company's claim for recovery of a principal amount of ₹ 7,210,351.23 ( of which ₹ 3 lakhs was received on 12.01.2011) together with interest there on from a broker has since been upheld by the Arbitration Tribunal of BSE Limited and is resolved. The company has received a sum of ₹ 16,392,995.57 in terms of such award including principal of ₹ 6,910,351.23 and interest of ₹ 10,752,948.34 net of TDS of ₹ 1,270,304.00 vide letter ref no. DIS/ABMC/RP/1870 dated June 17, 2016.		
<b>15 INCOME FROM OPERATION</b>		
Management Fees	8,642,030	7,694,790
<b>Total</b>	<b>8,642,030</b>	<b>7,694,790</b>
<b>16 OTHER INCOME</b>		
Interest on fixed deposits	-	5,389
Interest received on NCD	-	2,089
Interest received on staff loan	26,741	22,336
Dividend Income - Equity	1,500	1,500
Rent received (Bangalore property)	180,000	180,000
Income on Sale of Mutual Fund Units	1,174,498	10,047,236
Liability no longer required	171,000	18,549
Profit on redemption of NCD (STFC)	-	3,453
Interest Income on Arbitration Award	10,752,948	-
Miscellaneous Income	333	-
Interest Received on Subordinate Bond (Gross) for the year ended 31.03.2017 **	10,534,624	9,490,235
	<b>10,534,624</b>	<b>9,490,235</b>
<b>Less: Contingency provision for interest payable to the rightful owner</b>	<b>10,534,624</b>	<b>9,490,235</b>
<b>Total</b>	<b>12,307,020</b>	<b>10,280,553</b>
<b>16.1) Interest income on subordinate bond</b>		

\*\* Interest of ₹ 10,534,624/- (net of tax, if any) for the period from 01.04.2016 to 31.03.2017 has been recognised as interest received in the accounts.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	March 31, 2017 (₹)	March 31, 2016 (₹)
<b>17 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries,wages and bonus	14,012,410	13,504,234
Contribution to provident and other fund	690,287	730,878
Gratuity expense	237,500	237,105
Medical Expenses	90,786	129,039
Staff welfare expenses	21,338	24,432
<b>Total</b>	<b>15,052,321</b>	<b>14,625,688</b>
<b>18 OTHER EXPENSES</b>		
Advertisement and Business Promotion Expenses	156,666	1,054,436
Annual Custodial Fees	37,500	45,000
Auditors' Remuneration	314,290	310,895
Board and General Meeting expenses	58,239	81,595
Depository fees	70,132	48,154
Directors' Sitting Fees	209,000	220,000
Telephone, Courier and Postage Expenses	209,653	248,664
Membership Subscription	400,000	100,000
Annual Fees	128,750	31,250
Insurance Premium	67,977	61,735
Professional Charges	595,513	922,542
Filing Fees	11,710	990,795
Listing Fees	200,000	200,000
Printing & Stationery	119,307	438,194
Sundry Expenses	121,499	130,532
Trustee Meeting Fees	270,000	280,000
Travelling, Hotel and Conveyance expenses	466,998	805,219
HR IT & Network Support	342,054	337,275
Retainership Fees	1,670,000	-
Rent	1,367,162	1,244,596
Repairs & Maintenance	378,691	388,596
Share of Common Infrastructure Costs	835,794	844,966
Rates & Taxes	21,948	21,948
Car hire Charges	92,411	141,401
Write Off of Fixed Assets	23,243	-
General Expenses	31,382	39,037
<b>Total</b>	<b>8,199,919</b>	<b>8,986,830</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)

	March 31, 2017 (₹)	March 31, 2016 (₹)
<b>18.1) Auditors' Remuneration</b>		
Statutory Audit fee	228,000	228,000
Tax audit fee	60,000	60,000
Corporate Governance and Other Certification Fees	20,500	18,000
Out of pocket expenses	5,790	4,895
<b>Total</b>	<b>314,290</b>	<b>310,895</b>
<b>18.2) Mutual Fund Expenses</b>		
Mutual Fund Expense	539,957	1,106,731
Brokerage	2,706,198	2,810,468
RTA Expenses	879,379	1,035,243
Fund Accounting Charges	114,543	374,846
DMAT Rolling and Safe Custody Charges	103,999	60,979
<b>Total</b>	<b>4,344,076</b>	<b>5,388,267</b>

**18.2.1)** In terms of decision by the Operations Committee as delegated to it by Board, Mutual Fund Expenses of ₹ 43.44 Lakhs representing total expenditure absorbed during current year against ₹ 53.88 Lakhs of previous year. The overall revenue from operation amounted to ₹ 86.42 Lakhs from ₹ 76.95 Lakhs of previous year. Such accounting has the effect of decreasing the loss for the year by ₹ 19.91 Lakhs over the previous year.

- 19.** The Scheme Risk Guardian'95 has been wound up, effective 7th July 2000 and the three tax saving schemes Tax Guardian'95, Tax Guardian'96, Tax Guardian'97 have been wound up with effect from 30th April 2001 and Interval Fund 97 with effect from 1st December 2001, with the approval of SEBI. For the unclaimed redemption money of these schemes the company has been following the provisions laid down under Regulation 59 of SEBI (Mutual Funds) Regulations, 1996. Further, as the unclaimed redemption money being managed by the Company is very small amounting to ₹ 367,888/-, it has been decided not to charge asset management fees from 01.04.2004 to Shriram Mutual Fund with regard to the old schemes mentioned above.

**20. Contingent Liabilities not provided for:**

The Company received an order dated 26.03.15 from CIT(A) for A.Y. 2010-11, in which the decision of the A.O to treat interest income of ₹ 1,15,19,591/- as income from other sources was determined instead of the head business. The company being aggrieved has filed an appeal with ITAT against the said order on 23.06.2015 which is pending disposal.

The Company received an Order dated 10.03.2013 U/S 143 (3) of the IT Act for the assessment year 2010 -11 along with a demand notice of ₹ 21,59,460/- and paid ₹ 2,00,000/- on protest towards the demand which is pending disposal. The Company has already filed an appeal with the CIT(A) against the order.

- 21.** As regards A.Y. 2007-08, the Company has received a favourable order from ITAT allowing bad debts amounting to ₹ 27,10,000/- in respect of dues from Ahmedabad Urban Co-operative Bank Ltd., which was previously disallowed by CIT (A). There will be a refund due to the Company if the order giving effect to the decision of the ITAT is issued which is awaited.

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017 (contd.)**

**22. The components of Deferred Tax Liability and Assets as at March 31, 2017 are as under:**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Deferred tax liability :</b>		
(i) W.D.V on fixed assets	(520,553)	(585,271)
	(520,553)	(585,271)
<b>Deferred tax assets :</b>		
(i) Provision for Gratuity and Leave encashment	677,436	653,647
(ii) Diminution in value of investments	798,936	798,936
(iii) Contingency provision for interest payable to rightful owner	26,182,621	22,927,422
(iv) Provision for Bonus	71,070	38,018
	27,730,063	24,418,023
Net Deferred Tax Asset/(Liability)	# 27,209,510	# 23,832,752

# Deferred tax asset has not been recognized in the accounts on the basis of prudence as per AS 22 for the financial year 2016-17.

**23.** In view of the loss incurred during the period, no provision for Income Tax is considered necessary.

**24.** The Company operates in only one segment. Hence segment reporting under AS17 is not applicable to the Company.

**25.** Related party disclosure as required by Accounting Standard (AS)-18 "Related Party Disclosure" as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013.

Name	Relationship
a) Shriram Credit Company Ltd.	Holding Company
b) Ceylinco Shriram Capital Management Services Co. Pvt. Ltd.	Associate Co.
c) Mr. Akhilesh Kumar Singh (M.D.)	Key Management Personnel
d) Shriram Insight Share Brokers Ltd.	Associate Co.
e) Shriram Fortune Solutions Ltd.	Associate Co.

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

Particulars	Holding Company		Associates		Key Management Personnel		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
<b>Payments :</b>								
Rent	-	-	807,162	1,004,596	-	-	807,162	1,004,596
<b>Brokerage:</b>								
Shriram Insight Share Brokers Ltd.	-	-	2,007,113	1,874,273	-	-	2,007,113	1,874,273
Shriram Fortune Solutions Ltd.	-	-	212,326	166,999	-	-	212,326	166,999
Other Expenses	-	-	22,600	230,600	-	-	22,600	230,600
Share of Common Infrastructure Costs	-	-	475,794	484,966	-	-	475,794	484,966
Reimbursement of actual Salary	884,000	1,636,000	2,500,000	-	-	-	3,384,000	1,636,000
<b>Employee Benefits for Key Management Personnel</b>	-	-	-	-	2,546,488	2,532,880	2,546,488	2,532,880
<b>Balance Outstanding :</b>								
Investment in equity shares of Ceylinco Shriram Capital Management Services Co Pvt. Ltd.	-	-	3,878,332	3,878,332	-	-	3,878,332	3,878,332
Shriram Insight Share Brokers Ltd.	-	-	518,442	466,308	-	-	518,442	466,308
Shriram Fortune Solutions Ltd.	-	-	-	3,663	-	-	-	3,663
Shriram Credit Company Ltd.	-	409,000	-	-	-	-	-	409,000

**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**26. Earnings per share (EPS) computed in accordance with Accounting Standard 20 “ Earning per Share” Basic and Diluted**

Particulars		March 31, 2017 (₹)	March 31, 2016 (₹)
Profit after tax as per accounts (₹)		<b>(6,978,995)</b>	(11,453,549)
Add/(Less):Prior Period Adjustment/ (Excess provision w/back)		-	-
Profit attributable to Equity share holders	(A)	<b>(6,978,995)</b>	(11,453,549)
Number of shares issued	(B)	<b>6,000,000</b>	6,000,000
Basic EPS (₹) (Face value ₹10 each)	(A)/(B)	<b>(1.16)</b>	(1.91)

**27.** The Company does not have ‘suppliers’ registered under the Micro, Small and Medium Enterprises Development (“MSMED”) Act, 2006. Accordingly, no disclosure relating to amounts unpaid as at the year end, together with interest paid / payable are required to be furnished.

**28.** No dividend is proposed on 14,00,000 (Fourteen Lakhs) (0.01%) RNCPS of ₹ 100/-each fully paid up in view of loss incurred by the Company.

**29.** Previous year’s figures have been re-grouped and re-arranged, wherever considered necessary.

As per our report of even date attached

**FOR K.S.AIYAR & CO.**

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.100186W

**FOR SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

**AKHILESH KUMAR SINGH**

MANAGING DIRECTOR

DIN No.00421577

**R.SUNDARA RAJAN**

DIRECTOR

DIN No.00498404

**S.GHOSH**

PARTNER

MEMBERSHIP NO.050927

**REENA YADAV**

COMPANY SECRETARY

**CHANDANA DUTT**

CHIEF FINANCIAL OFFICER

Place : Kolkata

Date : May 02, 2017

Place : Mumbai

Date : May 02, 2017

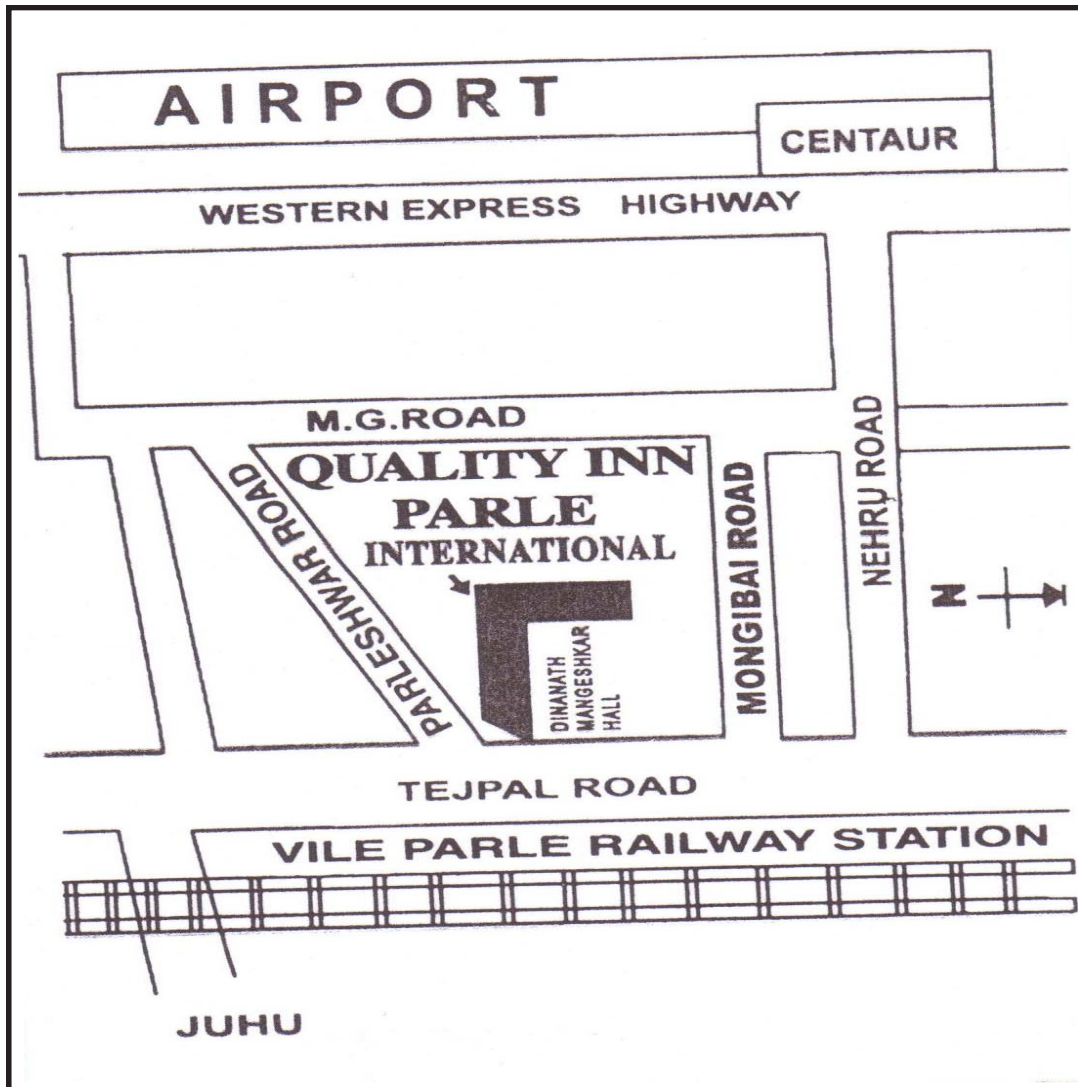
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**SHRIRAM ASSET MANAGEMENT COMPANY LIMITED**

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**MAP SHOWING LOCATION OF THE VENUE OF 23RD ANNUAL GENERAL MEETING OF SHRIRAM ASSET MANAGEMENT COMPANY LIMITED.**

**VENUE:** Hotel Parle International, Agarwal Market,  
Vile Parle (East), Mumbai 400 057



- Distance approximate 15 kms from Dadar station and approximate 22 kms from Mumbai CST.
- Distance Approximate 1.5 kms from Domestic Airport and approximate 5 kms from International Airport.

# SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

CIN: L65991MH1994PLC079874

Registered Office: Wockhardt Towers, 2<sup>nd</sup> Floor, East Wing, C-2, G Block,

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

Tel. No.: +91-22-42410400 Fax: +91-22-27566634

Email ID: srmf@shriramamc.com Website: www.shriramamc.com

## ATTENDANCE SLIP

23<sup>rd</sup> Annual General Meeting - Thursday, August 10, 2017

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the Company at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai-400 057 on Thursday, August 10, 2017 at 3.00 P.M.

Name of the Member/ Proxy (In Block Letters)

Signature of the Member/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

# SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

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Email ID: srmf@shriramamc.com Website: www.shriramamc.com

## FORM MGT-11

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014

## PROXY FORM

23<sup>rd</sup> Annual General Meeting - Thursday, August 10, 2017

Name of the member (s): \_\_\_\_\_ Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Folio No. / DP ID No. & Client ID \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: \_\_\_\_\_ 2. Name: \_\_\_\_\_ 3. Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him /her Signature: \_\_\_\_\_ or failing him/her Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting (AGM) of the Company, to be held on Thursday, August 10, 2017 at 3.00 P.M., at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai- 400 057 and at any adjournment thereof in respect of such resolutions as indicated below.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017 Signature of Member \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

### Notes:

1. This form of proxy in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for holding the aforesaid Meeting.
2. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of 23<sup>rd</sup> Annual General Meeting.
3. The proxy need not be a member of the Company.
4. Please complete all details including details of member (s) in above box before submission.

ORDINARY BUSINESS	
1	Adoption of Annual Accounts for the year ended March 31, 2017.
2	Appoint a Director in place of Mr. R. Sundara Rajan, who retires by rotation and being eligible, seeks re-appointment.
3	Appointment of Statutory Auditors.
SPECIAL BUSINESS	
4	Appointment of Mr. Kshiti Ranjan Das as Independent Director.
5	Appointment of Mr. Kalyanaraman Chandrachoodan as Independent Director.
6	Appointment of Mrs. Chandra lyengar as Independent Director.

