

AUDITORS' REPORT

To,

The members

Shriram Transport Finance Company Limited

1. We have audited the attached Balance Sheet of Shriram Transport Finance Company Limited ('the Company') as at March 31, 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. In these financial statements are incorporated the audited statements of Northern Region, Western Region, Eastern Region and Southern Region which have been audited by Branch Auditors and have been relied upon by us. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. 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 and proper returns adequate for the purposes of our audit have been received from Regions not visited by us. The Branch Auditors' Reports have been forwarded to us and have been appropriately dealt with;

- iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited financial statements received from Regions;
- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act.
- v. On the basis of the written representations received from the directors, as on March 31, 2009, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2009 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Act.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **S.R.BATLIBOI & Co.**
Chartered Accountants
per Shrawan Jalan
Partner
Membership No.: 102102
Mumbai, May 13, 2009

For **G. D. Apte & Co.**
Chartered Accountants
U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, May 13, 2009

Annexure referred to in paragraph 3 of our report of even date

Re: Shriram Transport Finance Company Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) As informed, the Company has not granted or taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) According to the information and explanation provided by the management, we are of the opinion that there are no transactions with reference to contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301.
- (vi) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other undisputed statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs in lacs) | Years to which the amount relates | Forum where dispute is pending |
|---------------------------------|---|---------------------|-----------------------------------|--|
| Income Tax Act, 1961 | Income Tax demands | 35.11 | A.Y. 1999-2000 | CIT (Appeals) |
| Income Tax Act, 1961 | Income Tax demands | 15.72 | A.Y. 2000-2001 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax demands | 16.23 | A.Y. 2001-2002 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax demands | 179.65 | A.Y. 2006-2007 | CIT (Appeals) |
| Finance Act, 1994 (Service Tax) | Service tax on hire purchase and lease transactions | 8,406.10 | 2001-02 to 2007-08 | Before Madras High Court |
| Finance Act, 1994 (Service Tax) | Service Tax demands | 299.00 | 2003-04 & 2004-05 | Commissioner of Central Excise and Customs |

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) Based on our examination of documents and records, we are of the opinion that the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained other than funds temporarily invested pending utilization of the funds for the intended use.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company and considering the nature of the business and activity being carried on, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued secured non convertible debentures amounting to Rs. 296,401.91 lacs. The Company has created security or charge in respect of debentures issued.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit except fraud on the Company of Rs. 389.45 lakhs by a franchisee. The Company has initiated legal proceeding in the court of law by filing a criminal suit alleging fraud. Full provision has been made in the books of account and the company is in the process of recovery of the amount.

For **S.R.BATLIBOI & Co.**
Chartered Accountants
per Shrawan Jalan
Partner
Membership No.: 102102
Mumbai, May 13, 2009

For **G. D. Apte & Co.**
Chartered Accountants
U. S. Abhyankar
Partner
Membership No: 113053
Mumbai, May 13, 2009

BALANCE SHEET

as at March 31, 2009

| | | (Rs. in lacs) | |
|--|----------|-------------------------|-------------------------|
| | Schedule | As at March 31, 2009 | As at March 31, 2008 |
| SOURCES OF FUNDS | | | |
| Shareholders' Funds | | | |
| Share capital | 1 | 20,353.56 | 20,315.94 |
| Stock option outstanding | 2 | 2,138.90 | 1,826.64 |
| Optionally convertible warrants | | 2,400.00 | 2,400.00 |
| Share application money pending allotment | | 13.80 | 21.37 |
| Reserves and surplus | 3 | 206,757.34 | 157,071.95 |
| Loan Funds | | | |
| Secured loans | 4 | 1,677,459.31 | 1,154,494.87 |
| Unsecured loans | 5 | 334,671.85 | 322,807.83 |
| Deferred tax liabilities (net) (Refer note 10 of Schedule 20) | | - | 3,592.21 |
| Total | | 2,243,794.76 | 1,662,530.81 |
| APPLICATION OF FUNDS | | | |
| Fixed assets | | | |
| Gross block | 6 | 24,050.08 | 21,008.90 |
| Less : Accumulated depreciation | | 10,051.63 | 6,733.45 |
| Less : Impairment provision | | 571.88 | 11.01 |
| Net block | | 13,426.57 | 14,264.44 |
| Investments | 7 | 65,476.33 | 138,512.02 |
| Deferred tax Assets (net) (Refer note 10 of Schedule 20) | | 2,639.48 | - |
| Current Assets, Loans and Advances | | | |
| Current assets | | | |
| Inventories | 8 | 126.81 | 66.53 |
| Receivables under financing activities | | 1,790,311.88 | 1,507,266.51 |
| Sundry debtors | | 399.24 | 248.11 |
| Cash and Bank Balances | | 578,489.69 | 137,420.45 |
| Other current assets | | 3,733.95 | 2,956.86 |
| | | 2,373,061.57 | 1,647,958.46 |
| Loans and advances | 9 | 44,369.28 | 26,125.93 |
| | | 2,417,430.85 | 1,674,084.39 |
| Less : Current Liabilities & Provisions | | | |
| Current liabilities | 10 | 211,907.94 | 137,279.30 |
| Provisions | 11 | 43,270.53 | 27,050.74 |
| | | 255,178.47 | 164,330.04 |
| Net Current Assets | | 2,162,252.38 | 1,509,754.35 |
| Total | | 2,243,794.76 | 1,662,530.81 |
| Significant Accounting Policies and Notes to Accounts | 20 | | |
| The schedules referred to above form an integral part of the Balance Sheet | | | |

As per our report of even date

For S.R.BATLIBOI & Co.
Chartered Accountants

For G. D. Apte & Co.
Chartered Accountants

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

per Shrawan Jalan
Partner
Membership No. 102102

U. S. Abhyankar
Partner
Membership No. 113053

R Sridhar
Managing Director

S. Venkatakrishnan
Director

Mumbai
May 13, 2009

K. Prakash
Vice President (Corporate Affairs) & Company Secretary

PROFIT & LOSS ACCOUNT

for the year ended March 31, 2009

| | | (Rs. in lacs) | |
|--|----------|------------------------------|------------------------------|
| | Schedule | Year Ended March 31, 2009 | Year Ended March 31, 2008 |
| INCOME | | | |
| Income from operations | 12 | 365,978.05 | 245,328.68 |
| Other income | 13 | 7,134.92 | 5,574.00 |
| Total | | 373,112.97 | 250,902.68 |
| EXPENDITURE | | | |
| Interest & other charges | 14 | 197,767.21 | 129,661.64 |
| Raw material consumed | 15 | 687.17 | 258.06 |
| Personnel expenses | 16 | 20,053.60 | 12,547.76 |
| Operating & other expenses | 17 | 27,925.50 | 19,463.22 |
| Depreciation and lease adjustments | | 3,480.59 | 3,705.97 |
| Impairment Loss/(reversals) on fixed assets | | 560.87 | - |
| Share & debenture issue expenses written off | 18 | - | 13.74 |
| Provisions & write offs | 19 | 30,574.92 | 24,668.99 |
| Total | | 281,049.86 | 190,319.38 |
| Profit before taxation | | 92,063.11 | 60,583.30 |
| Provision for taxation | | | |
| Current tax | | 34,998.86 | 26,387.42 |
| Deferred tax (Refer note 10 of Schedule 20) | | (4,477.15) | (5,069.77) |
| Fringe benefit tax | | 301.19 | 283.00 |
| Total tax expense / (income) | | 30,822.90 | 21,600.65 |
| Net profit | | 61,240.21 | 38,982.65 |
| Balance brought forward from previous year | | 27,486.21 | 12,248.92 |
| Profit available for appropriation | | 88,726.42 | 51,231.57 |
| APPROPRIATIONS | | | |
| Interim dividend | | 2,045.55 | 2,170.20 |
| Proposed final dividend | | 8,140.46 | 8,125.42 |
| Tax on dividend | | 1,731.16 | 1,749.74 |
| Transfer to statutory reserve | | 12,300.00 | 7,800.00 |
| Transfer to general reserve | | 6,200.00 | 3,900.00 |
| Surplus carried to Balance Sheet | | 58,309.25 | 27,486.21 |
| Earnings per share (Refer note 9 of Schedule 20) | | | |
| Basic (Rs.) | | 30.11 | 20.26 |
| Diluted (Rs.) | | 28.64 | 19.71 |
| Nominal Value of Share (Rs.) | | 10.00 | 10.00 |
| Significant Accounting Policies and Notes to Accounts | 20 | | |
| The schedules referred to above form an integral part of the Profit and Loss Account | | | |

As per our report of even date

For S.R.BATLIBOI & Co.
Chartered Accountants

For G. D. Apte & Co.
Chartered Accountants

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

per **Shrawan Jalan**
Partner
Membership No. 102102

U. S. Abhyankar
Partner
Membership No. 113053

R Sridhar
Managing Director

S. Venkatakrishnan
Director

Mumbai
May 13, 2009

K. Prakash
Vice President (Corporate Affairs) & Company Secretary

CASH FLOW STATEMENT

for the year ended March 31, 2009

| | (Rs. in lacs) | |
|--|------------------------------|------------------------------|
| | Year Ended March 31, 2009 | Year Ended March 31, 2008 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before taxation | 92,063.11 | 60,583.30 |
| Depreciation | 3,480.59 | 3,705.97 |
| Share and debenture issue expenses written off | - | 13.74 |
| (Profit) / loss on sale of assets (net) | 87.77 | 17.39 |
| (Profit) / loss on sale of investments (net) | (512.62) | (717.70) |
| Interest and dividend received | (3,254.35) | (3,487.19) |
| Employees Stock option compensation cost | 580.57 | 653.95 |
| Provision for impairment of windmill | 560.87 | - |
| Provision for hedging contracts | (705.44) | 690.42 |
| Provision for credit loss on securitisation | 4,464.01 | 2,009.30 |
| Provisions and write off | 26,794.90 | 21,875.36 |
| Provision for gratuity | 141.16 | 148.45 |
| Provision for leave encashment | 227.65 | 120.73 |
| Provision for diminution in value of investments | 81.14 | 60.67 |
| Operating profit before working capital changes | 124,009.36 | 85,674.39 |
| Movements in working capital: | | |
| (Increase) / decrease in stock on hire | - | 5,665.49 |
| (Increase) / decrease in assets under financial lease | 7,042.41 | 14,649.11 |
| (Increase) / decrease in assets under loan agreement | (303,528.03) | (726,682.58) |
| (Increase) / decrease in lease assets - net of sales | - | - |
| (Increase) / decrease in other loans and advances | (20,237.77) | 15,712.00 |
| (Increase) / decrease in other receivables (current assets) | (988.49) | (2,071.96) |
| Increase / (decrease) in current liabilities | 73,274.91 | 57,152.49 |
| Cash generated from operations | (120,427.61) | (549,901.06) |
| Direct taxes paid (net of refunds) | (35,067.48) | (26,899.61) |
| Net cash used in operating activities (A) | (155,495.09) | (576,800.67) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investment in bank deposits (net) | (47,214.27) | (33,178.65) |
| Purchase of fixed assets | (3,369.47) | (5,252.92) |
| Proceeds from sale of fixed assets | 78.10 | 24.70 |
| Change in capital work in progress | - | 3,986.91 |
| Purchase of investments | (64,790.83) | (776,661.44) |
| Investment in associate company | - | (30.00) |
| Proceeds from sale of investments in subsidiary company | - | 4.99 |
| Proceeds from sale of investments in associate company | - | 112.50 |
| Proceeds from sale of investments | 138,339.14 | 661,221.69 |
| Interest received | 2,767.69 | 2,967.86 |
| Dividend received | 486.66 | 519.33 |
| Net cash used in investing activities (B) | 26,297.02 | (146,285.03) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of equity share capital including securities premium & Share application | 124.09 | 43,003.42 |
| Proceeds from issue of share warrants | - | 2,400.00 |
| Increase / (decrease) in bank borrowings (net) | 320,120.96 | 443,172.48 |
| Increase / (decrease) in long term borrowings from others (net) | (41,471.04) | 27,824.90 |
| Increase / (decrease) in fixed deposits (net) | 146.45 | (763.73) |
| Increase / (decrease) in subordinate debts (net) | 55,816.44 | 30,577.18 |
| Increase / (decrease) in redeemable non convertible debentures (net) | 169,124.14 | 119,111.61 |
| Increase / (decrease) in inter corporate deposits and commercial papers (net) | 31,091.52 | (12,214.36) |
| Dividend paid | (10,170.97) | (5,853.38) |
| Tax on dividend | (1,728.56) | (994.78) |
| Net cash from financing activities (C) | 523,053.03 | 646,263.34 |

CASH FLOW STATEMENT (Contd.)

for the year ended March 31, 2009

| | (Rs. in lacs) | |
|---|---------------------------------|---------------------------------|
| | Year Ended March 31, 2009 | Year Ended March 31, 2008 |
| Net increase / (decrease) in cash and cash equivalents (A + B + C) | 393,854.96 | (76,822.36) |
| Cash and Cash Equivalents at the beginning of the year | 67,199.30 | 144,021.66 |
| Cash and Cash Equivalents at the end of the year | 461,054.26 | 67,199.30 |
| Components of Cash and Cash Equivalents (Refer note 3 of schedule 20) | As at March 31, 2009 | As at March 31, 2008 |
| Cash, Cheques on Hand and remittance in transit | 8,562.79 | 6,689.69 |
| With Banks - in Current Account | 95,601.30 | 45,275.37 |
| - in unpaid dividend accounts* | 165.70 | 109.36 |
| - in fixed deposits (Original maturity being three months or less) | 356,724.47 | 15,124.88 |
| | 461,054.26 | 67,199.30 |

*These balances are not available for use by the Company as they represent corresponding unpaid dividend liability.

As per our report of even date

For S.R.BATLIBOI & Co.
Chartered Accountants

For G. D. Apte & Co.
Chartered Accountants

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

per Shrawan Jalan
Partner
Membership No. 102102

U. S. Abhyankar
Partner
Membership No. 113053

R Sridhar
Managing Director

S. Venkatakrishnan
Director

Mumbai
May 13, 2009

K. Prakash
Vice President (Corporate Affairs) & Company Secretary

SCHEDULES

forming part of the Balance Sheet

| | (Rs. in lacs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2009 | As at March 31, 2008 |
| SCHEDULE 1 - SHARE CAPITAL | | |
| Authorised | | |
| 335,000,000 (March 31, 2008 : 335,000,000) Equity Shares of Rs.10/- each | 33,500.00 | 33,500.00 |
| 20,000,000 (March 31, 2008 : 20,000,000) Preference Shares of Rs.100/- each | 20,000.00 | 20,000.00 |
| | 53,500.00 | 53,500.00 |
| Issued, Subscribed & Fully Paid up | | |
| Equity Shares | | |
| 203,511,616 (March 31, 2008 : 203,135,416) equity shares of Rs. 10/- each | 20,351.16 | 20,313.54 |
| Of the above : | | |
| i) 79,279,236 equity shares of Rs.10/- each allotted for consideration other than cash pursuant to the schemes of amalgamation. | | |
| ii) 610,150 (March 31, 2008 : 233,950) equity shares of Rs.10/- each have been issued under employee stock option scheme. [Refer note no. 14 of Schedule 20] | | |
| Add : Share forfeiture [48,000 equity shares of Rs.10/- each (Rs 5/- each paid up forfeited)] | 2.40 | 2.40 |
| | 20,353.56 | 20,315.94 |
| SCHEDULE 2 - STOCK OPTION OUTSTANDING | | |
| Employee stock option outstanding | 2,584.88 | 2,689.69 |
| Less : Deferred employee compensation outstanding | 445.98 | 863.05 |
| | 2,138.90 | 1,826.64 |
| SCHEDULE 3 - RESERVES AND SURPLUS | | |
| Capital Reserve | 17.03 | 17.03 |
| Capital Redemption Reserve | 5,388.35 | 5,388.35 |
| Securities Premium Account | | |
| Balance as per last account | 91,326.94 | 49,415.08 |
| Add: Amount received during the year | 362.35 | 41,911.86 |
| | 91,689.29 | 91,326.94 |
| Statutory Reserve | | |
| Balance as per last account | 21,599.79 | 13,799.79 |
| Add: Transfer from Profit & Loss Account | 12,300.00 | 7,800.00 |
| | 33,899.79 | 21,599.79 |
| General Reserve | | |
| Balance as per last account | 11,253.63 | 7,353.63 |
| Add: Transfer from Profit & Loss Account | 6,200.00 | 3,900.00 |
| | 17,453.63 | 11,253.63 |
| Balance in Profit & Loss Account | 58,309.25 | 27,486.21 |
| | 206,757.34 | 157,071.95 |

SCHEDULES

forming part of the Balance Sheet

| | (Rs. in lacs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2009 | As at March 31, 2008 |
| SCHEDULE 4 - SECURED LOANS | | |
| Redeemable non convertible debentures [Refer note 2(1)(a)(i)(ii)(iii) of Schedule 20] | 482,679.34 | 312,255.20 |
| Term loans | | |
| i) From Financial institutions / Foreign institution / Corporates [Refer note 2(1)(b)(i)(ii) of Schedule 20] | 44,792.69 | 111,263.73 |
| ii) From banks [Refer note 2(1)(b)(iii) of Schedule 20] | 833,363.58 | 505,329.28 |
| Cash credit from banks including working capital demand loan [Refer note 2(1)(c) of Schedule 20] | 316,623.70 | 225,646.66 |
| | 1,677,459.31 | 1,154,494.87 |
| SCHEDULE 5 - UNSECURED LOANS | | |
| Fixed deposits [Due within one year Rs. 179.30 lacs (March 31, 2008 : Rs.269.67 lacs)] | 488.44 | 342.00 |
| Inter corporate deposits [Due within one year Rs.4638.23 lacs (March 31, 2008 : Rs.56.24 lacs)] | 4,657.16 | 120.64 |
| Subordinated debts [Due within one year Rs. 750.37 lacs (March 31, 2008 : Rs.3,976.80)] | 154,776.25 | 98,959.81 |
| Redeemable non-convertible debentures (Redeemable at par on September 25, 2010 or on exercise of put/call option on September 25, 2009) [Due within one year Rs.2,500 lacs (March 31, 2008 : Rs.1,300 lacs)]* | 2,500.00 | 3,800.00 |
| Commercial papers (Short Term) [Maximum amount raised at anytime during the year : Rs.96,950 lacs (March 31, 2008 :Rs.36,500 lacs)] | 48,250.00 | 21,695.00 |
| Term loan : | | |
| i) From banks [Due within one year Rs.45,000 lacs (March 31, 2008 : Rs.84,482.38 lacs)]* | 53,000.00 | 151,890.38 |
| ii) From corporates [Due within one year Rs.71,000 (March 31, 2008 : Rs.NIL)]* | 71,000.00 | 46,000.00 |
| | 334,671.85 | 322,807.83 |
| *Debentures having put/call option and loans with recall option are considered as due within one year. | | |

SCHEDULES

forming part of the Balance Sheet

| SCHEDULE 6 - FIXED ASSETS | | | | | | | | | | | | | | |
|---------------------------|---------------------|---------------------------|---------------------------|----------------------|-----------------------------|-----------------|---------------|----------------------|---------------------|---------------|--------------|----------------------|----------------------|----------------------|
| (Rs. in lacs) | | | | | | | | | | | | | | |
| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | IMPAIRMENT LOSSES | | | | NET BLOCK | |
| | As at April 1, 2008 | Additions during the year | Deletions during the year | As at March 31, 2009 | As at April 1, 2008 | For the year | Deletions | As at March 31, 2009 | As at April 1, 2008 | Additions | Reversals | As at March 31, 2009 | As at March 31, 2009 | As at March 31, 2008 |
| Land - Freehold | 223.71 | - | - | 223.71 | - | - | - | - | - | - | - | 223.71 | 223.71 | 223.71 |
| Buildings | 468.21 | 199.52 | - | 667.73 | 88.38 | 7.76 | - | 96.14 | 11.01 | 11.01 | - | 571.59 | 368.82 | 368.82 |
| Plant and Machinery* | 16,472.90 | 1,045.08 | 70.13 | 17,447.85 | 4,870.19 | 2,190.34 | 54.52 | 7,006.01 | - | 571.88 | - | *9,869.96 | 11,602.71 | 11,602.71 |
| Furniture and Fixtures | 728.55 | 455.96 | 5.93 | 1,178.58 | 284.60 | 190.49 | 1.90 | 473.19 | - | - | - | 705.39 | 443.95 | 443.95 |
| Vehicles | 488.17 | 0.04 | 224.79 | 263.42 | 168.05 | 37.67 | 86.08 | 119.64 | - | - | - | 143.78 | 320.12 | 320.12 |
| Leasehold Improvement | 2,199.70 | 1,554.05 | 27.44 | 3,726.31 | 1,138.10 | 724.38 | 19.91 | 1,842.57 | - | - | - | 1,883.74 | 1,061.60 | 1,061.60 |
| INTANGIBLE ASSETS | | | | | | | | | | | | | | |
| Computer Software | 427.66 | 114.82 | - | 542.48 | 184.13 | 329.95 | - | 514.08 | - | - | - | 28.40 | 243.53 | 243.53 |
| TOTAL | 21,008.90 | 3,369.47 | 328.29 | 24,050.08 | 6,733.45 | 3,480.59 | 162.41 | 10,051.63 | 11.01 | 571.88 | 11.01 | 13,426.57 | 14,264.44 | 14,264.44 |
| Year ended March 31, 2008 | 18,239.07 | 5,252.92 | 2,483.09 | 21,008.90 | 5,468.45 | 3,705.98 | 2,440.98 | 6,733.45 | 11.01 | - | - | 14,264.44 | - | - |

* Includes Rs. 5,314.67 Lacs towards windmills held for sale for which MOU is executed with a buyer and sale will be subject to satisfactory completion of the technical due diligence.

SCHEDULES

forming part of the Balance Sheet

| (Rs. in lacs) | | | | |
|---|--|-------------------------------------|-----------------------------------|-----------------------------------|
| | Quantity As at March 31, 2009 | Quantity As at March 31, 2008 | Amount As at March 31, 2009 | Amount As at March 31, 2008 |
| SCHEDULE 7 - INVESTMENTS | | | | |
| Long Term Investments (At cost) | | | | |
| Other than trade | | | | |
| A. | Government Securities | | | |
| a) | Quoted | | | |
| | 12.00% G.I. Loan 2008 (Face Value - Rs.139.60 lacs) (Redeemed during the year) | - | 139,600 | - |
| | 12.25% G.I. Loan 2008 (Face Value - Rs. 2 lacs) (Redeemed during the year) | - | 2,000 | - |
| | 12.40% G.I. Loan 2013 (Face Value - Rs.85 lacs) | 85,000 | 85,000 | 86.09 |
| | 6.13% G.I. Loan 2028 (Face Value - Rs.176 lacs) | 176,000 | 176,000 | 178.55 |
| | 7.40% G.I. Loan 2012 (Face Value - Rs. 13.50 lacs) | 13,500 | 13,500 | 15.27 |
| | 11.50% Tamilnadu Loan 2010 (Face Value - Rs. 0.06 lacs) | 60 | 60 | 0.06 |
| | 12.00% Tamilnadu Loan 2011 (Face Value - Rs. 3.00 lacs) [Refer note 8 of schedule 20] | 3,000 | 3,000 | 3.03 |
| B. | Shares : Fully Paid Up | | | |
| a) | Unquoted - Equity shares | | | |
| | State Industrial Investment Corporation of Maharashtra Limited (Face value of Rs.10/- each) | 50,000 | 50,000 | 40.00 |
| | Credential Finance Limited (Face value of Rs.10/-each) | 25,000 | 25,000 | 25.00 |
| | Ashley Transport Services Limited (Face value of Rs.100/- each) (45000 Shares Purchased during the year) | 225,000 | 180,000 | 142.50 |
| b) | Unquoted - Preference Share | | | |
| | Mahaveer Finance India Limited (1,00,000, 10% Cumulative Redeemable Preference Share of Rs 10/- each purchased during the year) | 100,000 | - | 10.00 |
| C | Pass Trough Certificates | | | |
| | Small Operator Trust | | | - |
| | Bharat Securatisation Trust | | 2,322.01 | - |
| Current Investments (At lower of cost and market value) | | | | |
| a) | Quoted - Equity shares | | | |
| | Shriram Asset Management Company Limited (Face value of Rs.10/-each) | 2,400,000 | 2,400,000 | 240.00 |
| b) | Investment in Certificate of Deposit with Banks | | | |
| | Axis Bank Limited | - | 2,000 | - |
| | Allahabad Bank | 30,000 | - | 28,664.91 |
| | Andhra Bank | 5,000 | - | 4,839.77 |
| | Bank of India | 5,000 | - | 4,841.94 |
| | Canara Bank | - | 30,500 | - |
| | EXIM Bank | 10,000 | - | 9,443.88 |
| | Federal Bank Limited | - | 4,500 | - |
| | ICICI Bank Limited | - | 74,000 | - |
| | Industrial Development Bank of India Limited | 5,000 | 16,000 | 4,819.20 |
| | Punjab National Bank | 5,000 | - | 4,892.11 |
| | State Bank of Bikaner & Jaipur | - | 5,000 | - |
| | State Bank of Travancore | - | 500 | - |
| | UCO Bank | 5,000 | 10,000 | 4,912.01 |
| | Vijaya Bank | - | 2,500 | - |
| | YES Bank Limited | - | 1,500 | - |
| | | | 65,476.33 | 138,512.02 |
| Aggregate Value of Quoted Investments for which quotations are available | | | | |
| | Cost | | 523.00 | 667.44 |
| | Market Value | | 535.42 | 913.90 |
| Aggregate Value of Unquoted Investments | | | | |
| | Cost | | 64,953.33 | 137,844.58 |

SCHEDULES

forming part of the Balance Sheet

| SCHEDULE 7 - INVESTMENTS (Contd.) | | |
|---|----------------------|-------------------|
| Details of Investments Purchased and Redeemed during the year ended March 31, 2009 | | |
| Current Investment (At Cost) | | |
| Investments In Mutual Fund | Quantity | Amount |
| ICICI Prudential Institutional Liquid Plan-Super Institutional Daily Dividend-Reinvestment Dividend | 569,971,501 | 57,000.00 |
| ABN AMRO Cash Fund-Institutional Plus-Daily Dividend | 95,000,000 | 9,500.00 |
| AIG India Liquid Fund Super Institutional Daily Dividend | 2,897,595 | 29,000.00 |
| AIG India Treasury Plus Fund Super Institutional Daily Dividend | 49,945,060 | 5,000.00 |
| Baroda Pioneer Fund - Institutional Daily Dividend Plan | 69,971,668 | 7,000.00 |
| Bharti Axa Liquid Fund-Super Institutional Daily Dividend Plan | 2,699,993 | 27,000.00 |
| Birla Cash Plus - Institutional Premium - Daily Dividend - Reinvestment | 89,824,842 | 9,000.00 |
| Birla Sun Life Cash Plus-Institutional Premeum-Daily Dividend-Reinvestment | 94,815,111 | 9,500.00 |
| Canara Robeco Liquid Super Instt Daily Dividend Reinvest Fund | 9,959,167 | 1,000.00 |
| DBS Chola Short Term Floating Rate Fund-Daily Dividend Reinvestment Plan | 84,718,589 | 8,500.00 |
| DSP Merrill Lynch/Black Rock Liquidity Fund-Institutional-Daily Dividend | 899,820 | 9,000.00 |
| DWS Insta Cash Plus Fund-Super Instiutional Plus Daily Dividend | 419,161,677 | 42,000.00 |
| Edelweiss Liquid Fund-Super Instiutional-Dividend Plan(Daily)-Reinvestment | 50,000,000 | 5,000.00 |
| Franklin-Templeton India Treasury Management Account Super Institutional Plan-Daily Dividend Reinvestment | 4,546,994 | 45,500.00 |
| HDFC Cash Management Fund - Savings Plan - Daily Dividend Reinvestment | 122,351,099 | 15,000.00 |
| HDFC Liquid Fund Premium Plan -Dividend - Daily Reinvestment | 159,056,428 | 19,500.00 |
| HSBC Cash Fund-Institutional Plus-Daily Dividend | 384,784,521 | 38,500.00 |
| IDFC Cash Fund-Super Institutional Plan -Daily Dividend | 269,932,517 | 27,000.00 |
| IDFC Cash Fund-Super Institutional Plan -Growth | 49,633,703 | 5,000.00 |
| ING Liquid Fund Super Insitutional - Daily Dividend Option | 344,834,479 | 34,500.00 |
| JM High Liquidity Fund - Super Institutional Plan - Daily Dividend | 139,769,381 | 14,000.00 |
| J P Morgan India Liquid Fund-Dividend Plan-Reinvestment | 234,814,497 | 23,500.00 |
| J P Morgan India Liquid Fund-Super Institutional Daily Dividend Plan-Reinvestment | 74,940,797 | 7,500.00 |
| Kotak Liquid (Institutional Premium) - Daily Dividend | 339,382,243 | 41,500.00 |
| LIC MF Liquid Fund - Dividend Plan | 72,859,081 | 8,000.00 |
| Lotus India Liquid Fund-Super Institutional Daily Dividend | 1,144,645,062 | 114,500.00 |
| Lotus India Liquid Fund-Super Institutional Growth | 43,272,435 | 5,000.00 |
| Mirae Asset Liquid Fund Super Institutional-Dividend Plan(Daily) | 6,045,680 | 60,500.00 |
| Mirae Asset Liquid Fund Super Institutional-Growth Option | 711,581 | 7,500.00 |
| Principal Cash Management Fund Liquid Option Institutional Premium Plan- Dividend Reinvestment Daily | 164,988,451 | 16,500.00 |
| Reliance Liquidity Fund-Daily Dividend Reinvestment Option | 679,789,265 | 68,000.00 |
| SBI Premier Liquid Fund-Super Institutional-Daily Dividend | 79,688,238 | 10,000.00 |
| Sundaram BNP Paribas-Money Fund Super Institutional Daily Dividend Reinvestment | 89,150,397 | 9,000.00 |
| Tata Liquid Super High Investent Fund -Daily Dividend | 3,992,750 | 44,500.00 |
| Taurus Liquid Fund Institutional Daily Dividend Reinvestment | 35,000,000 | 3,500.00 |
| Taurus Liquid Plus Fund Super Institutional Daily Dividend Plan | 20,000,000 | 2,000.00 |
| UTI Liquid Cash Plan Institutional-Daily Income Option-Reinvestment | 588,555 | 6,000.00 |
| | 6,004,643,177 | 845,000.00 |

SCHEDULES

forming part of the Balance Sheet

| Investment in Certificate Of Deposit | Quantity | Amount |
|---|----------------|-------------------|
| ABN AMRO Bank | 5,000 | 4,967.68 |
| Allahabad Bank | 40,000 | 38,291.25 |
| Andhra Bank | 5,000 | 4,839.78 |
| Axis Bank Limited | 2,000 | 1,884.48 |
| Bank of India | 5,000 | 4,841.95 |
| Canara Bank | 32,500 | 29,844.20 |
| Corporation Bank | 1,500 | 1,482.18 |
| Development Credit Bank limited | 1,000 | 959.21 |
| EXIM Bank | 10,000 | 9,443.88 |
| Federal Bank Limited | 4,500 | 4,152.56 |
| Hongkong & Shanghai Banking Corporation Limited | 26,000 | 23,950.32 |
| ICICI Bank Limited | 150,500 | 143,470.46 |
| Industrial Development Bank of India Limited | 24,500 | 23,273.26 |
| Indian Overseas Bank | 500 | 498.50 |
| Karnataka Bank Limited | 2,500 | 2,329.27 |
| Kotak Bank | 27,500 | 25,196.62 |
| Oriental Bank of Commerce | 21,000 | 20,530.11 |
| Punjab National Bank | 30,500 | 29,549.46 |
| State Bank of Bikaner & Jaipur | 5,500 | 5,172.18 |
| State Bank of Hyderabad | 92,000 | 87,372.88 |
| State Bank of India | 1,500 | 1,424.98 |
| State Bank of Mysore | 2,500 | 2,436.47 |
| State Bank of Patiala | 6,600 | 6,290.60 |
| State Bank of Travancore | 1,000 | 988.54 |
| UCO Bank | 15,000 | 14,057.01 |
| Union Bank of India | 15,000 | 14,457.41 |
| Vijaya Bank | 14,200 | 13,353.47 |
| Yes Bank Limited | 6,500 | 6,248.05 |
| | 549,300 | 521,306.76 |

Details of Investments Purchased and Redeemed during the year ended March 31, 2008

Current Investment (At Cost)

| Investments In Mutual Fund | Quantity | Amount |
|--|-------------|-----------|
| AIG India Liquid Fund Super Institutional Daily Dividend | 1,049,309 | 10,500.00 |
| AIG Short Term Fund Institutional Weekly Dividend | 100,017 | 1,000.17 |
| AIG India Liquid Fund Super Institutional Growth | 1,910,725 | 19,537.82 |
| AIG India Treasury Plus Fund Super Institutional Growth | 19,379,230 | 2,001.70 |
| ABN AMRO Cash Fund-Institutional Plus-Daily Dividend | 25,000,000 | 2,500.00 |
| ABN AMRO Cash Fund-Institutional Plus-Growth | 54,910,098 | 5,500.00 |
| ABN AMRO Money Plus Institutional Growth | 46,651,009 | 5,501.42 |
| DBS Chola Short Term Floating Rate Fund-Daily Dividend Reinv Plan | 24,959,067 | 2,500.00 |
| DBS Chola Short Term Floting Rate Cumulative | 142,593,051 | 17,000.00 |
| DSP Merrill Lynch Liquidity Fund-Institutional-Daily Dividend Plan | 1,399,720 | 14,000.00 |
| DSP Merrill Lynch Liquidity Fund-Institutional- Growth Plan | 652,163 | 7,500.00 |
| DWS Insta Cash Plus Fund Super Institutional-Daily Dividend Plan | 49,900,200 | 5,000.00 |
| DWS Insta Cash Plus Fund Super Institutional- Growth Plan | 166,339,672 | 17,014.29 |
| DWS Credit Oppurtunities Cash Fund-Growth Plan | 4,753,981 | 500.00 |
| Templeton India TMA-Super IP-Daily Dividend Reinvestment | 1,149,713 | 11,500.00 |

SCHEDULES

forming part of the Balance Sheet

| Investments In Mutual Fund | Quantity | Amount |
|---|----------------------|-------------------|
| Templeton India TMA-Super IP-Growth | 1,453,516 | 17,036.88 |
| Templeton Floating Rate Income Fund Long Term Plan Super Institutional Option-Growth | 80,787,179 | 8,502.12 |
| Templeton India Ultra Short Bond Fund Super Institutional Plan-Growth | 29,669,819 | 3,000.41 |
| Templeton India Short Term Income Plan Institutional-Growth | 41,970 | 500.00 |
| HSBC Cash Fund-Institutional Plus-Daily Dividend | 109,938,434 | 11,000.00 |
| HSBC Cash Fund-Institutional Plus-Growth | 71,583,527 | 9,000.00 |
| HSBC Liquid Plus-Institutional Plus-Growth | 9,111,363 | 1,000.21 |
| ICICI Prudential Institutional Liquid Plan- Super Institutional Daily Div - Reinvest Dividend | 74,996,250 | 7,500.00 |
| ICICI Prudential Institutional Liquid Plan Super Institutional Growth | 120,429,528 | 14,018.34 |
| ICICI Prudential Flexible Income Plan Growth | 82,053,436 | 12,001.94 |
| ING VYSYA Liquid Fund Institutional-Daily Dividend Option | 109,867,061 | 11,000.00 |
| ING VYSYA Liquid Fund Super Institutional-Daily Dividend Option | 65,183,486 | 6,521.48 |
| ING VYSYA Liquid Fund Super Institutional-Growth Option | 110,416,307 | 13,024.92 |
| ING VYSYA Liquid Plus Fund-Institutional Growth | 18,799,083 | 2,001.37 |
| J P Morgan India Liquid Fund-Dividend Plan-Reinvest | 74,940,797 | 7,500.00 |
| J P Morgan India Liquid Plus Fund-Dividend Plan-Reinvest | 24,982,423 | 2,500.47 |
| J P Morgan India Liquid Fund - Growth Fund | 68,541,508 | 7,000.00 |
| J P Morgan India Liquid Plus Fund - Growth Fund | 19,397,709 | 2,000.41 |
| Kotak Liquid Institutional Premium-Daily Dividend | 73,600,968 | 9,000.00 |
| Kotak Flexi Debt Scheme-Daily Dividend | 49,919,371 | 5,007.46 |
| Kotak Flexi Debt Scheme-Growth | 105,650,705 | 13,025.22 |
| Kotak Liquid Institutional Premium-Growth | 65,359,729 | 10,500.00 |
| LIC Liquid Fund-Dividend Plan | 40,983,233 | 4,500.00 |
| LIC Liquid Fund-Growth Plan | 34,759,716 | 5,000.00 |
| Lotus India Liquid Fund-Institutional Plus Daily Dividend | 104,990,651 | 10,500.00 |
| Lotus India Liquid Fund-Super Institutional Growth | 156,718,543 | 17,032.05 |
| Lotus India Liquid Plus Fund-Institutional Growth | 45,887,124 | 5,000.60 |
| Lotus India Short Term Plan-Institutional Growth | 27,648,497 | 3,007.71 |
| Mirea Asset Liquid Fund Super Inst.-Dividend Plan | 200,000 | 2,000.00 |
| Principal Liquid Option Inst Prem Plan-Dividend Reinvestment Daily | 129,990,901 | 13,000.00 |
| Principal Liquid Plus Fund-Growth Plan | 29,863,932 | 3,000.00 |
| Principal Floating Rate Fund FMP-Inst Option Growth Plan | 44,011,327 | 5,501.10 |
| Principal Cash Management Fund-Liquid Option Inst. Prem Plan-Growth | 44,253,255 | 5,500.00 |
| Quantum Liquid Fund-Daily Dividend | 35,000,000 | 3,500.00 |
| Reliance Liquidity Fund-Daily Dividend Reinvestment Option | 139,956,613 | 14,000.00 |
| Reliance Liquidity Fund-Growth | 139,003,624 | 16,531.49 |
| Tata Liquid Super High Investment Fund-Daily Dividend | 2,243,112 | 2,500.00 |
| Tata Liquid Super High Inv. Fund-Appreciation | 577,692 | 8,500.00 |
| Tata Treasury Manager Ship Growth | 432,923 | 4,500.69 |
| Tflg Tata Floater Fund-Growth | 17,020,356 | 2,001.29 |
| TSTG Tata Short Term Bond Fund-Growth | 17,249,973 | 2,500.43 |
| UTI Liquid Cash Plan Institutional-Daily Income Option-Re-Investment | 1,520,434 | 15,500.00 |
| UTI Liquid Cash Plan Institutional-Growth Option | 385,447 | 5,000.00 |
| UTI Liquid Plus Fund Institutional Plan-Growth Option | 189,578 | 2,000.00 |
| | 2,920,359,057 | 444,771.99 |

SCHEDULES

forming part of the Balance Sheet

| | | (Rs. in lacs) |
|--|-------------------|-------------------|
| Investment in Certificate Of Deposit | Quantity | Amount |
| ABN AMRO Bank | 350,000 | 3,496.10 |
| Allahabad Bank | 9,500 | 9,404.54 |
| Axis Bank Limited | 500 | 485.05 |
| Canara Bank | 23,000 | 22,639.18 |
| Corporation Bank | 7,500 | 7,418.34 |
| Federal Bank Limited | 2,000 | 1,858.26 |
| ICICI Bank Limited | 2,027,000 | 28,633.11 |
| Industrial Development Bank of India Limited | 5,000 | 4,875.35 |
| Jammu & Kashmir Bank Limited | 2,500,000 | 2,493.99 |
| Kotak Bank | 500 | 489.92 |
| Punjab National Bank | 6,022,500 | 28,218.13 |
| Standard Chartered Bank | 2,507,090 | 9,562.68 |
| State Bank of Bikaner & Jaipur | 4,515,000 | 19,319.12 |
| State Bank of India | 10,000 | 9,834.61 |
| State Bank of Mysore | 11,500 | 11,385.45 |
| State Bank of Patiala | 13,500 | 13,294.19 |
| State Bank of Travancore | 8,500 | 8,388.86 |
| UCO Bank | 6,500 | 6,402.26 |
| Union Bank of India | 2,500 | 2,482.27 |
| YES Bank Limited | 4,300 | 4,275.96 |
| | 18,026,390 | 194,957.37 |

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| SCHEDULE 8 - CURRENT ASSETS | | |
| Inventories- raw materials (at lower of cost and net realisable value) | 126.81 | 66.53 |
| Receivables under financing activities | | |
| i) Hypothecation loan | 1,790,311.88 | 1,500,224.10 |
| ii) Assets given on financial lease | - | 7,042.41 |
| | 1,790,311.88 | 1,507,266.51 |
| Sundry debtors (Unsecured, considered Good) | | |
| Debts outstanding for a period exceeding six months | - | - |
| Other debts | 399.24 | 248.11 |
| | 399.24 | 248.11 |
| Cash & bank balances | | |
| i) Cash on hand | 7,062.48 | 5,639.48 |
| ii) Cheques on hand | 1,490.15 | 856.52 |
| iii) Remittances in transit | 10.16 | 193.69 |
| iv) Balances with scheduled banks in: | | |
| Fixed deposit accounts* | 474,159.90 | 85,346.03 |
| Current accounts | 95,767.00 | 45,384.73 |
| | 578,489.69 | 137,420.45 |
| Other current assets | | |
| Interest accrued on investments and fixed deposits | 3,733.95 | 2,956.86 |
| | 2,373,061.57 | 1,647,958.46 |

* Includes Fixed deposits of Rs.114,596.62 lacs(March 31,2008 : Rs.63,537.58 lacs) pledged with Banks as margin for securitisation and Rs.775.42 lacs (March 31, 2008: Rs.1,252.86 lacs) pledged as lien against loans taken.

SCHEDULES

forming part of the Balance Sheet

| | (Rs. in lacs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2009 | As at March 31, 2008 |
| SCHEDULE 9 - LOANS AND ADVANCES | | |
| Secured, considered good | | |
| Loans | 1,330.35 | 2,100.27 |
| Unsecured, considered good | | |
| Unsecured loans | 2,406.89 | 1,946.23 |
| Advances recoverable in cash or in kind or for value to be received | 24,869.40 | 13,052.19 |
| Service tax credit (input) receivable | 1,099.54 | 1,489.39 |
| Advance - hypothecation loans | 412.81 | 2,699.85 |
| Advance tax (net of provisions for tax) | 377.66 | 2,372.02 |
| Prepaid expenses | 13,086.96 | 1,589.87 |
| Security deposits ** | 785.67 | 876.11 |
| | 44,369.28 | 26,125.93 |
| ** Includes deposit of Rs.Nil (March 31, 2008 : Rs. 277.32 lacs) pledged as margin for securitisation and Rs.110 lacs (March 31, 2008 : Rs.55 lacs) pledged as lien against loans taken. | | |
| SCHEDULE 10 - CURRENT LIABILITIES | | |
| Sundry creditors (Refer Note 19 of Schedule 20) | 20,901.00 | 7,085.46 |
| Interest accrued but not due | 77,718.04 | 55,751.58 |
| Unclaimed redeemable preference shares | - | 102.64 |
| Application money on redeemable non convertible debentures | 1,030.19 | 895.21 |
| Application money on Subordinated debts | 2,942.35 | 437.17 |
| Investor Education and Protection Fund shall be credited by the following amounts (as and when due) | | |
| Unclaimed matured deposits | 65.30 | 52.00 |
| Unclaimed matured debentures | 4,503.36 | 5,381.81 |
| Unclaimed matured subordinate debts | 816.45 | - |
| Interest accrued and due on above | 1,591.38 | 1,940.80 |
| Unclaimed dividend | 166.26 | 126.11 |
| Temporary credit balance in bank accounts | 41,990.51 | 12,394.79 |
| Securitization deferred income | 51,334.24 | 44,092.11 |
| Other liabilities | 8,848.86 | 9,019.62 |
| | 211,907.94 | 137,279.30 |
| SCHEDULE 11 - PROVISIONS | | |
| For non-performing assets | 23,684.86 | 10,330.21 |
| For credit loss on securitisation | 8,940.46 | 5,830.18 |
| For fringe benefit tax(net of advance tax) | 15.11 | 22.36 |
| For diminution in value of investments | 227.03 | 145.89 |
| For hedging contracts | - | 705.44 |
| For leave encashment | 415.22 | 187.57 |
| For gratuity | 463.92 | 322.76 |
| Proposed dividend | 8,140.46 | 8,125.42 |
| Corporate dividend tax | 1,383.47 | 1,380.91 |
| | 43,270.53 | 27,050.74 |

SCHEDULES

forming part of the Profit and Loss account

| | (Rs. in lacs) | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2009 | For the year ended March 31, 2008 |
| SCHEDULE 12 - INCOME FROM OPERATIONS | | |
| Finance & service charges * | 324,463.72 | 224,782.81 |
| Interest on loans & advances * | 666.99 | 407.78 |
| Interest on margin money on securitisation* | 6,951.61 | 3,553.78 |
| Income on securitisation | 33,895.73 | 16,584.31 |
| | 365,978.05 | 245,328.68 |
| * Tax deducted at source of Rs. 1961.07 lacs (March 31, 2008 : Rs. 870.01 lacs) | | |
| SCHEDULE 13 - OTHER INCOME | | |
| Interest on deposits with banks * | 1,749.56 | 2,436.50 |
| Sale of electricity | 3,265.26 | 1,290.12 |
| Income from Long Term Investments (non trade) | | |
| Profit on sale of investments (net) | - | 1.74 |
| Dividend | 0.25 | - |
| Interest on government securities | 24.20 | 41.27 |
| Interest on pass through certificates | 146.02 | 75.21 |
| Income from Current Investments (non trade) | | |
| Profit on sale of investments | 514.17 | 715.96 |
| Dividend | 486.66 | 519.33 |
| Interest on certificate of deposits | 693.09 | 414.88 |
| Interest on commercial paper | 10.49 | - |
| Interest on debentures* | 144.33 | - |
| Miscellaneous income | 100.89 | 78.99 |
| | 7,134.92 | 5,574.00 |
| * Tax deducted at source of Rs.419.27 lacs (March 31, 2008 : Rs.638.89 lacs) | | |
| SCHEDULE 14 - INTEREST & OTHER CHARGES | | |
| Interest & Other Charges on : | | |
| Debentures | 50,682.12 | 34,120.26 |
| Subordinated debts | 15,851.15 | 10,161.50 |
| Fixed deposits | 31.05 | 101.85 |
| Loans from banks | 93,513.23 | 56,804.74 |
| Loans from institutions and others | 17,706.49 | 17,848.72 |
| Commercial paper | 4,281.04 | 2,225.29 |
| Bank charges | 1,816.71 | 735.44 |
| Professional charges - resource mobilisation | 6,897.31 | 3,575.02 |
| Processing charges on loans/securitization | 4,787.16 | 2,991.00 |
| Fees / Loss on sale of second loss credit / liquidity facilities | 2,200.95 | 1,097.82 |
| | 197,767.21 | 129,661.64 |
| SCHEDULE 15 - RAW MATERIAL CONSUMED | | |
| Opening stock | 66.53 | - |
| Add : Purchases | 747.45 | 324.59 |
| Closing stock | 126.81 | 66.53 |
| | 687.17 | 258.06 |

SCHEDULES

forming part of the Profit and Loss account

| | (Rs. in lacs) | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2009 | For the year ended March 31, 2008 |
| SCHEDULE 16 - PERSONNEL EXPENSES | | |
| Salaries & other allowances | 18,724.57 | 11,558.30 |
| Gratuity expenses | 154.91 | 212.96 |
| Contribution to provident and other funds | 897.40 | 523.10 |
| Staff welfare expenses | 276.72 | 253.40 |
| | 20,053.60 | 12,547.76 |
| SCHEDULE 17 - OPERATING AND OTHER EXPENSES | | |
| Rent | 2,636.98 | 1,475.33 |
| Electricity expenses | 460.22 | 303.53 |
| Repairs & maintenance | | |
| Plant & machinery | 168.89 | 63.69 |
| Buildings | 0.61 | 1.58 |
| Others | 2,337.15 | 1,264.83 |
| Rates & taxes | 509.04 | 170.07 |
| Printing & stationery | 1,618.08 | 1,191.84 |
| Travelling & conveyance | 3,162.68 | 1,939.13 |
| Advertisement | 84.36 | 93.85 |
| Brokerage and discount | 8,668.83 | 6,528.13 |
| Sourcing and collection commission | 87.35 | 57.95 |
| Royalty | 1,036.45 | 623.54 |
| Directors' sitting fees | 15.70 | 17.80 |
| Insurance | 100.70 | 107.29 |
| Communication expenses | 2,617.80 | 1,583.40 |
| Auditor's remuneration | | |
| Audit fees | 71.36 | 53.20 |
| Tax audit fees | 2.21 | 2.55 |
| Other services | 8.49 | 12.75 |
| Out of pocket | 7.82 | 4.36 |
| Legal & professional charges | 1,194.13 | 848.69 |
| Donations | 106.55 | 75.26 |
| Loss on sale of assets(Net) | 87.77 | 17.39 |
| Loss on sale of long term investments(non trade) | 1.56 | - |
| Miscellaneous expenses | 2,940.77 | 3,027.06 |
| | 27,925.50 | 19,463.22 |
| SCHEDULE 18 - SHARE & DEBENTURE ISSUE EXPENSES WRITTEN OFF | | |
| Share issue expenses | - | 11.35 |
| Debenture issue expenses | - | 1.37 |
| Deferred revenue expenses | - | 1.02 |
| | - | 13.74 |
| SCHEDULE 19 - PROVISIONS & WRITE OFFS | | |
| Provision for non performing assets | 13,354.65 | 3,789.85 |
| Provision for credit loss on securitisation | 4,464.01 | 2,009.30 |
| Provision for diminution in value of investments | 82.43 | 60.67 |
| Bad debts written off | 13,440.25 | 19,583.17 |
| Bad debt recovery | (766.42) | (774.00) |
| | 30,574.92 | 24,668.99 |

SCHEDULES

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SCHEDULE 20 - SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under Companies Accounting Standard Rules, 2006, as amended by Companies (Accounting Standards) Amended Rules, 2009, the relevant provisions of the Companies Act, 1956 ('the Act') and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(b) *Use of estimates*

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

(c) *Fixed Assets, Depreciation/Amortisation and Impairment of assets*

Fixed Assets

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

Depreciation/Amortisation

Depreciation/Amortisation is provided on Straight Line Method ('SLM'), which reflect the management's estimate of the useful lives of the respective fixed assets and are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Act. The assets for which rates higher used are as follows :

| Particulars | Rates (SLM) | Schedule XIV rates (SLM) |
|-------------------|-------------|--------------------------|
| Windmills | 10% | 5.28% |
| Computer Software | 33.33% | 16.67% |

Windmills are amortised over the remaining life of the asset, the life of windmills are estimated to be 10 years Leasehold improvement is amortised over the primary period of lease subject to a maximum of 60 months. All fixed assets individually costing Rs. 5,000 or less are fully depreciated in the year of installation. Depreciation on assets sold during the year is recognized on a pro-rata basis to the profit and loss account till the date of sale.

Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

d) *Investments*

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

SCHEDULES

forming part of Balance Sheet
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(e) Provisioning / Write-off of assets

Secured loans and lease receivables are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998. Delinquencies on assets securitized are provided for based on management estimates of the historical data.

(f) Hypothecation loans

Hypothecation loans are stated at the amount advanced including finance charges accrued and expenses recoverable, as reduced by the amounts received up to March 31, 2009 and stocks securitized.

(g) Leases

Where the Company is the lessor

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return ('IRR'). The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

Where the Company is the lessee

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

(h) Foreign currency translation

Initial recognition

Transactions in foreign currency entered during the year are recorded at the exchange rates prevailing on the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currency are translated in to rupees at exchange rate prevailing on the date of the Balance Sheet.

Exchange differences

All exchange differences are dealt with in the profit and loss account.

(i) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares:

Lower of cost and net realizable value. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue recognition

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

- i) Income on financial lease/ loans is recognised on the basis of internal rate of return.
- ii) Income recognized and remaining unrealized after installments become overdue for six months or more in case of secured loans and twelve months or more in case of financial lease transactions are reversed and are accounted as income when these are actually realized.
- iii) Additional finance charges / additional interest are treated to accrue only on realization, due to uncertainty of realization and are accounted accordingly.
- iv) Gains arising on securitization/direct assignment of assets is recognized over the tenure of agreements as per guideline on securitization of standard assets issued by RBI, loss, if any is recognised upfront.
- v) Income from power generation is recognized as per the terms of the Power Purchase Agreements with State Electricity Boards and on supply of power to the grid.
- vi) Income from services is recognized as per the terms of the contract on accrual basis.
- vii) Interest income on fixed deposits, certificate of deposits and pass through certificates is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- viii) Dividend is recognized as income when right to receive payment is established by the date of balance sheet.
- ix) Profit/loss on the sale of investments is dealt with at the time of actual sale/redemption.

SCHEDULES

forming part of Balance Sheet
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(k) Employee benefits

Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognizes such contributions as an expense in the year it is incurred.

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees at retirement, death while in employment or on termination of employment. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out annually for assessing liability as at the balance sheet date.

Leave Encashment

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

(l) Income tax

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

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

(m) Segment reporting policies

Identification of segments:

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

Unallocated items:

Unallocated items include income and expenses which are not allocated to any business segment.

Segment Policies:

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

(n) Earnings per share

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

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

SCHEDULES

forming part of Balance Sheet
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(o) **Provisions**

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

(p) **Cash and cash equivalents**

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

(q) **Deferred revenue expenditure**

Expenses on issue of equity shares are written off over a period of 10 years.

(r) **Expenses on deposits / debentures**

Expenses on mobilization of deposits / debentures are charged to Profit & Loss account in the year in which they are incurred.

(s) **Derivative instruments**

The Company uses derivative financial instruments of interest rate swaps to hedge its risks associated with fluctuations in the interest rate.

As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

(t) **Employee stock compensation costs**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

2. NOTES TO ACCOUNTS

1. Secured Loans

a) (i) **Privately placed Redeemable Non-convertible Debentures of Rs.1,000/- each**

| | As at March 31, 2009 | As at March 31, 2008 |
|-------------------|-------------------------|-------------------------|
| Number | 196,97,934 | 151,65,476 |
| Amount Rs in Lacs | 196,979.34 | 151,654.76 |

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

Debentures are redeemable at par over a period of 12 months to 160 months from the date of allotment depending on the terms of the agreement.

(ii) **Privately Placed Redeemable Non-Convertible Debenture of Rs.1,000,000/- each**

| Date of Allotment/ renewal | Amount (Rs. in lacs) | | Redeemable at par on |
|-------------------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2009 | As at March 31, 2008 | |
| 14.12.2006 | - | 5,000.00 | 18.04.2008 |
| 18.01.2007 | - | 11,000.00 | 18.07.2008 |
| 21.06.2007 | - | 2,500.00 | 19.12.2008 |
| 27.06.2007 | - | 2,500.00 | 27.02.2009 |
| 27.06.2007 | - | 2,500.00 | 26.12.2008 |
| 04.07.2007 | 5,000.00 | 5000.00 | 04.07.2009 |
| 05.07.2007 | 15,000.00 | 15,000.00 | 05.07.2010 |
| 09.07.2007 | 7,000.00 | 7,000.00 | 09.07.2010 |

SCHEDULES

forming part of Balance Sheet
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| Date of Allotment/renewal | Amount (Rs. in lacs) | | Redeemable at par on |
|---------------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2009 | As at March 31, 2008 | |
| 11.07.2007 | 1,000.00 | 1,000.00 | 09.07.2010 |
| 17.07.2007 | 10,000.00 | 15,000.00 | 17.07.2009 |
| 25.07.2007 | 15,000.00 | 15,000.00 | 25.07.2010 |
| 30.07.2007 | 2,500.00 | 2,500.00 | 30.07.2009 |
| 28.08.2007 | 2,500.00 | 2,500.00 | 28.04.2009 |
| 07.09.2007 | 4,000.00 | 4,000.00 | 04.09.2009 |
| 10.09.2007 | 2,500.00 | 2,500.00 | 10.09.2010 |
| 13.09.2007 | 1,000.00 | 1,000.00 | 13.09.2009 |
| 13.09.2007 | - | 3,400.00 | 19.09.2008 |
| 17.09.2007 | - | 3,800.00 | 17.09.2010 |
| 21.09.2007 | 2,500.00 | 2,500.00 | 21.09.2010 |
| 05.10.2007 | 2,000.00 | 2,000.00 | 05.10.2009 |
| *05.10.2007 | 1,500.00 | 1,500.00 | 05.10.2010 |
| 09.10.2007 | 2,500.00 | 2,500.00 | 09.10.2009 |
| 12.10.2007 | 2,500.00 | 2,500.00 | 28.09.2009 |
| 15.10.2007 | 2,000.00 | 2,000.00 | 15.10.2010 |
| 18.10.2007 | 12,000.00 | 12,000.00 | 18.10.2010 |
| 19.10.2007 | 5,000.00 | 5,000.00 | 19.10.2010 |
| 19.10.2007 | 8,000.00 | 8,000.00 | 18.10.2009 |
| 22.10.2007 | 2,500.00 | 2,500.00 | 22.10.2009 |
| 30.10.2007 | 5,000.00 | 5,000.00 | 30.10.2009 |
| 02.05.2008 | 15,000.00 | - | 02.05.2011 |
| 20.06.2008 | 10,000.00 | - | 20.06.2011 |
| 18.08.2008 | 29,000.00 | - | 06.03.2010 |
| 04.09.2008 | 3,500.00 | - | 04.04.2010 |
| 04.09.2008 | 1,500.00 | - | 20.02.2010 |
| 04.09.2008 | 10,000.00 | - | 04.09.2010 |
| 05.09.2008 | 7,500.00 | - | 10.09.2010 |
| 08.09.2008 | 3,000.00 | - | 08.09.2010 |
| 15.09.2008 | 1,500.00 | - | 15.09.2011 |
| 15.09.2008 | 1,500.00 | - | 15.09.2010 |
| 15.09.2008 | 2,500.00 | - | 15.03.2010 |
| 15.09.2008 | 2,500.00 | - | 15.09.2010 |
| 15.09.2008 | 2,500.00 | - | 15.03.2010 |
| 15.09.2008 | 1,500.00 | - | 30.04.2010 |
| 16.09.2008 | 2,500.00 | - | 16.09.2011 |
| 17.09.2008 | 8,000.00 | - | 01.09.2011 |
| 24.09.2008 | 2,500.00 | - | 24.09.2010 |
| 26.09.2008 | 2,500.00 | - | 26.09.2010 |
| 26.09.2008 | 1,500.00 | - | 10.09.2010 |
| 08.10.2008 | 1,200.00 | - | 06.04.2010 |
| 24.10.2008 | 5,000.00 | - | 10.12.2010 |
| 27.10.2008 | 30,000.00 | - | 27.10.2013 |
| 26.11.2008 | 1,000.00 | - | 26.11.2013 |
| 17.12.2008 | 19,000.00 | - | 17.12.2009 |
| 24.03.2009 | 2,400.00 | - | 24.03.2010 |

SCHEDULES

forming part of Balance Sheet
and Profit and Loss Account for the year ended March 31, 2009 (Contd.)

| Date of Allotment/ renewal | Amount (Rs. in lacs) | | Redeemable at par on |
|-------------------------------|----------------------|----------------------|-------------------------|
| | As at March 31, 2009 | As at March 31, 2008 | |
| 25.03.2009 | 2,600.00 | - | 25.03.2010 |
| 28.03.2009 | 5,000.00 | - | 28.03.2012 |
| TOTAL | 2,85,700.00 | 146,700.00 | |

Secured by hypothecation of specific assets covered under loan agreements and equitable mortgage of title deeds of immovable property.

*Put/call option on April 3, 2009

(iii) **Privately Placed Redeemable Non-Convertible Debenture of Rs.1,000/- each**

| Date of Allotment/ renewal | Amount (Rs. in lacs) | | Redeemable at par on |
|-------------------------------|----------------------|----------------------|-------------------------|
| | As at March 31, 2009 | As at March 31, 2008 | |
| 18.01.2007 | - | 0.44 | 18.01.2009 |
| 07.06.2007 | - | 2,500.00 | 06.05.2008 |
| 20.06.2007 | - | 500.00 | 18.06.2008 |
| 22.06.2007 | - | 2,500.00 | 23.06.2008 |
| 07.08.2007 | - | 5,000.00 | 30.07.2009 |
| 21.09.2007 | - | 3,400.00 | 19.09.2008 |
| TOTAL | - | 13,900.44 | |

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

b) **Term Loans**

(Rs. in lacs)

| | | As at March 31, 2009 | As at March 31, 2008 |
|--------------|--|-------------------------|-------------------------|
| i. | From Financial Institutions / Corporates : | | |
| (a) | Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans | 41,893.90 | 106,342.57 |
| (b) | Secured by an exclusive charge by way of hypothecation of specific immovable/ movable assets pertaining to the wind farm | 1,420.12 | 1,785.36 |
| (c) | Secured by an exclusive charge by way of hypothecation of specific immovable/ movable assets pertaining to the wind farm and guaranteed by a former Director. | 754.40 | 963.00 |
| ii. | From Foreign Institution: | | |
| | Secured by an exclusive charge by way of Hypothecation of specific Loan agreements and all amounts owing to and received by the Company pursuant to the above Agreements | 724.27 | 2,172.80 |
| Total | | 44,792.69 | 111,263.73 |
| iii. | From Banks : | | |
| (a) | Secured by hypothecation of vehicles | 6.36 | 10.07 |
| (b) | Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed / current assets relating to lease, hypothecation loans | *830,676.33 | *502,000.38 |
| (c) | Secured by an exclusive charge by way of hypothecation of specific immovable/ movable assets pertaining to the wind farm | 969.99 | 1,202.27 |
| (d) | Secured by an exclusive charge by way of hypothecation of specific immovable/ movable assets pertaining to the bio mass plant. | 1,710.90 | 2,116.56 |
| Total | | 833,363.58 | 505,329.28 |

*includes Rs.7,500.00 lacs (March 31, 2008 : Rs 17,065.00 lacs) the charge in respect of which has since been created.

c) **Cash Credit from Banks**

(Rs. in lacs)

| | | |
|------------------------|-------------|-------------|
| Cash Credit from Banks | *316,623.70 | *225,646.66 |
|------------------------|-------------|-------------|

Secured by hypothecation of specific assets covered under Loan Agreements and Book debts.
* includes Nil (March 31, 2008 : Rs 31,500.00 lacs) the charge in respect of which has since been created.

SCHEDULES

forming part of Balance Sheet
and Profit and Loss Account for the year ended March 31, 2009 (Contd.)

2. Subordinated Debt

The Company has raised Tier II capital by issue of subordinated debt bonds amounting to Rs. 60,553.56 lacs (March 31, 2008: Rs. 30,516.38 lacs) with coupon rate of 11.50% to 13% per annum which are redeemable over a period of 62 months to 121 months.

3. Cash & Cash Equivalents

(Rs. in lacs)

| Particulars | Year ended March 31, 2009 | Year ended March 31, 2008 |
|--|------------------------------|------------------------------|
| Cash & Bank balance (as per schedule 8) | 578,489.69 | 137,420.45 |
| Less : Fixed deposits having original maturity greater than 3 months or pledged with banks or lien marked deposits | 117,435.43 | 70,221.15 |
| Balance considered as cash & cash equivalents for cash flow statement | 461,054.26 | 67,199.30 |

4. Gratuity and other post-employment benefit plans

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Consequent to the adoption of revised AS 15 'Employee Benefits' issued under Companies (Accounting Standards) Amendment Rules, 2008, the following disclosures have been made as required by the standard:

Profit and Loss account

Net employee benefit expense (recognized in employee cost)

(Rs. in lacs)

| Particulars | Gratuity | |
|--|----------------|----------------|
| | March 31, 2009 | March 31, 2008 |
| Current service cost | 99.69 | 53.25 |
| Interest cost on benefit obligation | 33.23 | 17.24 |
| Expected return on plan assets | NA | NA |
| Net actuarial (gain) / loss recognised in the year | 22.48 | 101.94 |
| Past service cost | Nil | Nil |
| Net benefit expense | 155.40 | 172.43 |
| Actual return on plan assets | NA | NA |

Balance sheet

Details of Provision for gratuity

| Particulars | Gratuity | |
|--------------------------------------|----------------|----------------|
| | March 31, 2009 | March 31, 2008 |
| Defined benefit obligation | 463.92 | 322.76 |
| Fair value of plan assets | NA | NA |
| | 463.92 | 322.76 |
| Less: Unrecognised past service cost | Nil | Nil |
| Plan asset / (liability) | (463.92) | (322.76) |

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

| Particulars | Gratuity | |
|---|----------------|----------------|
| | March 31, 2009 | March 31, 2008 |
| Opening defined benefit obligation | 322.76 | 174.31 |
| Interest cost | 33.23 | 17.24 |
| Current service cost | 99.69 | 53.25 |
| Benefits paid | (14.24) | (23.98) |
| Actuarial (gains) / losses on obligation | 22.48 | 101.94 |
| Closing defined benefit obligation | 463.92 | 322.76 |

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The Company would not contribute any amount to gratuity in 2009-10 as the scheme is unfunded.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

| Particulars | Gratuity | |
|--------------------------|----------------|----------------|
| | March 31, 2009 | March 31, 2008 |
| | % | % |
| Investments with insurer | NA | NA |

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

| Particulars | Gratuity | |
|-------------------------------|----------------|----------------|
| | March 31, 2009 | March 31, 2008 |
| Discount Rate | 7.75% | 8% |
| Increase in compensation cost | 5% | 5% |
| Employee Turnover* | 5% and 10% | 5% and 10% |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

*5% in case of employees with service period of more than 5 years and 10% for all other employees.

Amounts for the current period are as follows :

(Rs. in lacs)

| Particulars | March 31, 2009 | March 31, 2008 |
|--|----------------|----------------|
| Defined benefit obligation | 463.92 | 322.76 |
| Plan assets | NA | NA |
| Surplus / (deficit) | (463.92) | (322.76) |
| Experience adjustments on plan liabilities | 37.57 | 101.94 |
| Experience adjustments on plan assets | NA | NA |

5. The Company is a primarily engaged in financing activities. It operates in a single business and geographical segment. The Company also owns windmills and biomass which generate income from sale of electricity and the same has been classified as 'Unallocated reconciling item' as per requirements of AS - 17 on 'Segment Reporting' issued by ICAI.

(Rs. in lacs)

| Particulars | Year ended March 31, 2009 | | | Year ended March 31, 2008 | | |
|---|---------------------------|-------------------------------|--------------|---------------------------|-------------------------------|--------------|
| | Financing Activities | Unallocated reconciling items | Total | Financing Activities | Unallocated reconciling items | Total |
| Segment Revenue | 369,847.71 | 3,265.26 | 373,112.97 | 249,612.56 | 1,290.12 | 250,902.68 |
| Segment Results (Profit before tax and after interest on Financing Segment) | 92,842.16 | (183.61) | 92,658.55 | 62,225.82 | (956.50) | 61,269.32 |
| Less: Interest on unallocated reconciling items | N.A. | 595.44 | 595.44 | N.A. | 686.02 | 686.02 |
| Net profit before tax | 92,842.16 | (779.05) | 92,063.11 | 62,225.82 | (1,642.52) | 60,583.30 |
| Less: Income taxes | N.A. | N.A. | 30,822.90 | N.A. | N.A. | 21,600.65 |
| Net profit | N.A. | N.A. | 61,240.21 | N.A. | N.A. | 38,982.65 |
| Other Information: | | | | | | |
| Segment assets | 2,486,282.78 | 9,673.31 | 2,495,956.09 | 1,813,703.73 | 10,785.10 | 1,824,488.83 |
| Unallocated corporate assets | | | 3,017.14 | | | 2,372.02 |
| Total Assets | 2,486,282.78 | 9,673.31 | 2,498,973.23 | 1,813,703.73 | 10,785.10 | 1,826,860.85 |
| Segment liabilities | 2,261,942.11 | 5,352.41 | 2,267,294.52 | 1,635,520.68 | 6,089.70 | 1,641,610.38 |
| Unallocated corporate liabilities | | | 15.11 | | | 3,614.57 |
| Total Liabilities | 2,261,942.11 | 5,352.41 | 2,267,309.63 | 1,635,520.68 | 6,089.70 | 1,645,224.95 |
| Capital expenditure | 3,369.47 | Nil | 3,369.47 | 1,266.01 | Nil | 1,266.01 |
| Depreciation | 1,645.69 | 1,834.90 | 3,480.59 | 1,884.86 | 1,821.11 | 3,705.97 |
| Other non - cash expenses | 33,145.16 | 590.85 | 33,736.01 | 29,713.13 | 13.73 | 29,726.86 |

SCHEDULES

 forming part of Balance Sheet
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6. Related Party Disclosures

Related party where control exists

Subsidiaries : Shriram Powergen Limited (upto March 27, 2008)

Other Related Parties

Enterprises having significant influence over the Company : Shriram Holdings (Madras) Private Limited

Shriram Capital Limited

Newbridge India Investments II Limited

Associates : Shriram Asset Management Company Limited

Ashley Transport Services Limited (upto July 3, 2007)

Key Managerial Personnel

: R Sridhar, Managing Director

Relatives of Key Managerial Personnel

Mrs. Padmapriya Sridhar

(Rs. in lacs)

| | Enterprises having significant influence over the Company | | Subsidiaries | | Associates | | Key Management Personnel \$ | | Relatives of Key Management Personnel | | Total | |
|---|---|-----------|--------------|------|------------|---------|-----------------------------|-------|---------------------------------------|------|----------|----------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Payments | | | | | | | | | | | | |
| Employee benefits for key management personnel | - | - | - | - | - | - | 62.99 | 66.53 | - | - | 62.99 | 66.53 |
| Royalty | 1,036.45* | 623.54* | - | - | - | - | - | - | - | - | 1,036.45 | 623.54 |
| Data Sourcing fees | 87.35* | 57.95* | - | - | - | - | - | - | - | - | 87.35 | 57.95 |
| Service Charges | 524.10* | 347.70* | - | - | - | - | - | - | - | - | 524.10 | 347.70 |
| Equity dividend | 4,268.58# | 2,561.15# | - | - | - | - | 4.29 | 2.52 | 2.03 | 1.22 | 4274.90 | 2,564.89 |
| Interest on subordinate debt | - | - | - | - | 51.19^ | 101.94^ | - | - | - | - | 51.19 | 101.94 |
| Interest on Inter Corporate Deposit | 149.52# | - | - | - | - | - | - | - | - | - | 149.52 | - |
| Investments in shares | - | - | - | - | - | 30.00@ | - | - | - | - | - | 30.00 |
| Rent paid | 57.60* | 58.80* | - | - | - | - | - | - | - | - | 57.60 | 58.80 |
| Receipts | | | | | | | | | | | | |
| Sale of investments | - | - | - | 4.99 | - | 112.50@ | - | - | - | - | - | 117.49 |
| Subscription of equity shares | - | 6,955.20# | - | - | - | - | - | - | - | - | - | 6,955.20 |
| Subscription to optionally convertible warrants | - | 2,400.00# | - | - | - | - | - | - | - | - | - | 2,400.00 |
| Inter Corporate Deposit | 4,200# | - | - | - | - | - | - | - | - | - | 4,200.00 | - |
| Rent & electricity | - | - | - | - | 5.40^ | 5.40^ | - | - | - | - | 5.40 | 5.40 |
| Balance outstanding at the year end | | | | | | | | | | | | |
| Share capital | 8,537.15# | 8,537.15# | - | - | - | - | 8.58 | 8.40 | 4.05 | 4.05 | 8,549.78 | 8,549.60 |
| Share warrants | 2,400.00# | 2,400.00# | - | - | - | - | - | - | - | - | 2,400.00 | 2,400.00 |
| Investments in shares | - | - | - | - | 240.00^ | 240.00^ | - | - | - | - | 240.00 | 240.00 |
| Outstanding expenses | 67.17* | 62.18* | - | - | - | - | - | 30.00 | - | - | 67.17 | 92.18 |
| Inter Corporate Deposits | 4,200.00# | - | - | - | - | - | - | - | - | - | 4,200.00 | - |
| Rent Deposit given | 49.00* | 49.00* | - | - | - | - | - | - | - | - | 49.00 | 49.00 |
| Interest payable on ICD | 149.52# | - | - | - | - | - | - | - | - | - | 149.52 | - |
| Interest payable on subordinate debt | - | - | - | - | 29.36^ | 233.22^ | - | - | - | - | 29.36 | 233.22 |
| \$ Includes Managing Director, Whole time director, manager and other managerial personnel * Denotes transactions with Shriram Capital Limited # Denotes transactions with Shriram Holdings (Madras) Private Limited ^ Denotes transactions with Shriram Asset Management Company Limited @ Denotes transactions with Ashley Transport Services Limited | | | | | | | | | | | | |

SCHEDULES

forming part of Balance Sheet
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7 Leases

In case of assets given on lease

The Company has given vehicles on finance lease. The lease term is for 3 to 5 years. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

(Rs. in lacs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| Total gross investment in the lease | - | 6,539.13 |
| Less : Unearned finance income | - | 800.06 |
| Less: Unguaranteed residual value | - | - |
| Present value of minimum lease payments | - | 5,739.07 |
| Gross investment in the lease for the period : | | |
| Not later than one year [Present value of minimum lease payments receivable Rs. Nil as on March 31, 2009 (March 31, 2008: Rs.5,388.35 lacs)] | - | 6,164.18 |
| Later than one year but not later than five years [Present value of minimum lease payments Rs. Nil as on March 31, 2009 (March 31, 2008 : Rs. 350.72 lacs)] | - | 374.95 |
| Later than five years [Present value of minimum lease payments Nil as on March 31, 2009 (March 31, 2008: Nil)] | - | - |

In case of assets taken on lease

The Company has taken various premises, furniture and fixtures, computers and plant and machinery under operating lease. The lease payments recognized in the profit & loss account are Rs.2,636.98 lacs (March 31, 2008: Rs.1,475.33 lacs). Certain agreements provide for cancellation by either party and certain agreements contains clause for escalation and renewal of agreements. There are no sub leases.

The future minimum lease payments in respect of non-cancellable operating lease as at the balance sheet date are summarized below :

(Rs. in lacs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| Minimum Lease Payments: | | |
| Not later than one year | 408.16 | 334.18 |
| Later than one year but not later than five years | 149.80 | 468.61 |
| Later than five years | Nil | Nil |

8 Investments

In accordance with the Reserve Bank of India circular no.RBI/2006-07/ 225 DNBS (PD) C.C No. 87/03.02.004/2006-07 dated January 4, 2007, the Company has created a floating charge on the statutory liquid assets comprising of investment in Government Securities to the extent of Rs.283.00 lacs (March 31, 2008: Rs. 427.44 lacs) in favour of trustees representing the public deposit holders of the Company.

9 Earnings per share

(Rs. in lacs)

| Particulars | Year ended March 31, 2009 | Year ended March 31, 2008 |
|--|------------------------------|------------------------------|
| Net Profit after tax as per profit and loss account (Rs. in lacs) (A) | 61,240.21 | 38,982.65 |
| Weighted average number of equity shares for calculating Basic EPS (in lacs) (B) | 2,033.80 | 1,924.01 |
| Weighted average number of equity shares for calculating Diluted EPS (in lacs) (C) | 2,138.29 | 1,977.76 |
| Basic earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) (A) / (B) | 30.11 | 20.26 |
| Diluted earnings per equity share (in Rupees) (Face value of Rs. 10/- per share) (A) / (C) | 28.64 | 19.71 |

SCHEDULES

forming part of Balance Sheet
and Profit and Loss Account for the year ended March 31, 2009 (Contd.)

(Rs. in lacs)

| Particulars | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| Weighted average number of equity shares for calculating EPS (in lacs) | 2,033.80 | 1,924.01 |
| Add : Equity shares arising on conversion of optionally convertible warrants (in lacs) | 80.00 | 23.83 |
| Add : Equity shares for no consideration arising on grant of stock options under ESOP (in lacs) | 24.49 | 29.92 |
| Weighted average number of equity shares in calculation diluted EPS (in lacs) | 2,138.29 | 1,977.76 |

10 Deferred Tax Liabilities/(Assets) (Net)

The break up of deferred tax asset / liabilities is as under:-

(Rs. in lacs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| Deferred Tax Liabilities | | |
| Timing difference on account of : | | |
| Differences in depreciation in block of fixed assets as per tax books and financial books | 2,482.17 | 2,755.33 |
| Effect of lease accounting | Nil | 1,753.86 |
| Gross Deferred Tax Liabilities (A) | 2,482.17 | 4,509.19 |
| Deferred Tax Asset | | |
| Timing difference on account of : | | |
| Expenses disallowed under Income Tax Act, 1961 | 3,100.49 | 173.47 |
| Provision for securitization | 2,021.16 | 503.73 |
| Provision for hedging contracts | Nil | 239.78 |
| Gross Deferred Tax Assets (B) | 5,121.65 | 916.98 |
| Deferred Tax Liabilities /(Assets)(Net) (A-B) | (2,639.48) | 3,592.21 |

11 Capital Commitments

(Rs. in lacs)

| | As at March 31, 2009 | As at March 31, 2008 |
|--|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | Nil | 100.00 |

12 Contingent Liabilities not provided for

(Rs. in lacs)

| | | As at March 31, 2009 | As at March 31, 2008 |
|---|---|-------------------------|-------------------------|
| a | Disputed income tax/interest tax demand contested in appeals not provided for [Against the above, a sum of Rs. 29.66 lacs (March 31, 2008: Rs. 318.11 lacs) has been paid under protest] | 164.76 | 3,381.70 |
| b | Demands in respect of Service tax [Amount of Rs.15 lacs (March 31, 2008 : Rs. 15 lacs) has been paid under protest] | 299.00 | 284.00 |
| c | Guarantees issued by the Company | 901.97 | 1,991.58 |
| Future cash outflows in respect of (a) and (b) above are determinable only on receipt of judgements /decisions pending with various forums/authorities. | | | |

SCHEDULES

forming part of Balance Sheet
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- 13** Recovery of service tax on lease and hire purchase transactions is kept in abeyance in view of the stay granted by Honourable Madras High Court. If any liability arises it will be recovered from the concerned parties. However, on contracts that are terminated, pending decision from the Honourable Madras High Court, equivalent service tax is written off. The company has recognized the deferred tax asset on the amounts so written off, as in either case service tax liability will be paid off or reversed as income.

14. Employee Stock Option Plan

| | Series I | Series II | Series III | Series IV | Series V |
|------------------------------------|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Date of grant | October 31, 2005 | April 1, 2006 | October 9, 2006 | August 17, 2007 | July 15, 2008 |
| Date of Board /Committee Approval | October 19, 2005 | February 22, 2006 | September 6, 2006 | August 17, 2007 | July 15, 2008 |
| Date of Shareholder's approval | October 13, 2005 | October 13, 2005 | October 13, 2005 | October 13, 2005 | October 13, 2005 |
| Number of options granted | 2,962,500 | 832,500 | 910,000 | 109,000 | 77,000 |
| Method of Settlement (Cash/Equity) | Equity | Equity | Equity | Equity | Equity |
| Graded Vesting Period | | | | | |
| After 1 year of grant date | 10% of options granted | 10% of options granted | 10% of options granted | 10% of options granted | 10% of options granted |
| After 2 years of grant date | 20% of options granted | 20% of options granted | 20% of options granted | 20% of options granted | 20% of options granted |
| After 3 years of grant date | 30% of options granted | 30% of options granted | 30% of options granted | 30% of options granted | 30% of options granted |
| After 4 years of grant date | 40% of options granted | 40% of options granted | 40% of options granted | 40% of options granted | 40% of options granted |
| Exercisable period | 10 years from vesting date | 10 years from vesting date | 10 years from vesting date | 10 years from vesting date | 10 years from vesting date |
| Vesting Conditions | On achievement of pre-determined targets | | | | |

The details of Series I have been summarized below:

| | As at March 31, 2009 | | As at March 31, 2008 | |
|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Number of Shares | Weighted Average Exercise Price(Rs.) | Number of Shares | Weighted Average Exercise Price(Rs.) |
| Outstanding at the beginning of the year | 2,177,000 | Rs. 35.00 | 2,492,750 | Rs. 35.00 |
| Add: Granted during the year | - | - | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Less: Exercised during the year | 304,500 | Rs.35.00 | 57,800 | Rs. 35.00 |
| Less: Expired during the year | 32,700 | - | 257,950 | - |
| Outstanding at the end of the year | 1,839,800 | Rs.35.00 | 2,177,000 | Rs. 35.00 |
| Exercisable at the end of the year | 860,540 | | 528,260 | - |
| Weighted average remaining contractual life (in years) | | 9.09 | | 10.09 |
| Weighted average fair value of options granted | | Rs.59.04 | | Rs. 59.04 |

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forming part of Balance Sheet
and Profit and Loss Account for the year ended March 31, 2009 (Contd.)

The details of Series II have been summarized below:

| | As at March 31, 2009 | | As at March 31, 2008 | |
|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Number of Shares | Weighted Average Exercise Price(Rs.) | Number of Shares | Weighted Average Exercise Price(Rs.) |
| Outstanding at the beginning of the year | 554,100 | Rs.35.00 | 744,000 | Rs.35.00 |
| Add: Granted during the year | - | - | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Less: Exercised during the year | 31,300 | Rs.35.00 | 18,900 | Rs.35.00 |
| Less: Expired during the year | 6,300 | | 171,000 | - |
| Outstanding at the end of the year | 516,500 | Rs.35.00 | 554,100 | Rs.35.00 |
| Exercisable at the end of the year | 116,520 | | 38,400 | |
| Weighted average remaining contractual life (in years) | | 9.49 | | 10.49 |
| Weighted average fair value of options granted | | Rs.91.75 | | Rs. 91.75 |

The details of Series III have been summarized below:

| | As at March 31, 2009 | | As at March 31, 2008 | |
|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Number of Shares | Weighted Average Exercise Price(Rs.) | Number of Shares | Weighted Average Exercise Price(Rs.) |
| Outstanding at the beginning of the year | 811,000 | Rs.35.00 | 885,000 | Rs.35.00 |
| Add: Granted during the year | - | - | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Less: Exercised during the year | 40,400 | Rs.35.00 | - | - |
| Less: Expired during the year | 7,000 | - | 74,000 | - |
| Outstanding at the end of the year | 763,600 | Rs.35.00 | 811,000 | Rs.35.00 |
| Exercisable at the end of the year | 202,600 | - | 81,100 | - |
| Weighted average remaining contractual life (in years) | - | 10.01 | - | 11.01 |
| Weighted average fair value of options granted | - | Rs.74.85 | - | Rs.74.85 |

The details of Series IV have been summarized below:

| | As at March 31, 2009 | | As at March 31, 2008 | |
|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Number of Shares | Weighted Average Exercise Price(Rs.) | Number of Shares | Weighted Average Exercise Price(Rs.) |
| Outstanding at the beginning of the year | 109,000 | Rs.35.00 | - | - |
| Add: Granted during the year | - | | 109,000 | Rs.35.00 |
| Less: Forfeited during the year | - | | - | - |
| Less: Exercised during the year | - | | - | - |
| Less: Expired during the year | 3,000 | | - | - |
| Outstanding at the end of the year | 106,000 | Rs.35.00 | 109,000 | Rs.35.00 |
| Exercisable at the end of the year | 106,000 | | Nil | - |
| Weighted average remaining contractual life (in years) | | 10.88 | | 11.88 |
| Weighted average fair value of options granted | | 136.40 | | 136.40 |

SCHEDULES

forming part of Balance Sheet
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The details of Series V have been summarized below:

| | As at March 31, 2009 | | As at March 31, 2008 | |
|--|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Number of Shares | Weighted Average Exercise Price(Rs.) | Number of Shares | Weighted Average Exercise Price(Rs.) |
| Outstanding at the beginning of the year | - | - | - | - |
| Add: Granted during the year | 77,000 | Rs.35.00 | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Less: Exercised during the year | - | - | - | - |
| Less: Expired during the year | - | - | - | - |
| Outstanding at the end of the year | 77,000 | Rs.35.00 | - | - |
| Exercisable at the end of the year | - | - | - | - |
| Weighted average remaining contractual life (in years) | | 11.78 | - | - |
| Weighted average fair value of options granted | | 253.90 | | - |

The weighted average share price for the period over which stock options were exercised was Rs.242.00 (March 31, 2008: Rs. 270.76)

The details of exercise price for stock options outstanding at the end of the year are:

March 31, 2009

| Series | Range of exercise prices | Number of options outstanding | Weighted average remaining contractual life of options (in years) | Weighted average exercise price |
|------------|--------------------------|-------------------------------|---|---------------------------------|
| Series I | Rs.35/- | 1,839,800 | 9.09 | Rs.35/- |
| Series II | Rs.35/- | 516,500 | 9.49 | Rs.35/- |
| Series III | Rs.35/- | 763,600 | 10.01 | Rs.35/- |
| Series IV | Rs.35/- | 106,000 | 10.88 | Rs.35/- |
| Series V | Rs.35/- | 77,000 | 11.78 | Rs.35/- |

The details of exercise price for stock options outstanding at the end of the year are:

March 31, 2008

| Series | Range of exercise prices | Number of options outstanding | Weighted average remaining contractual life of options (in years) | Weighted average exercise price |
|------------|--------------------------|-------------------------------|---|---------------------------------|
| Series I | Rs.35/- | 2,177,000 | 10.09 | Rs.35/- |
| Series II | Rs.35/- | 554,100 | 10.49 | Rs.35/- |
| Series III | Rs.35/- | 811,000 | 11.01 | Rs.35/- |
| Series IV | Rs.35/- | 109,000 | 11.88 | Rs.35/- |

Stock Options granted

Series I:

The weighted average fair value of stock options granted was Rs.59.04. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

| | Yr 1 | Yr 2 | Yr 3 | Yr 4 |
|--|-------|-------|-------|-------|
| Exercise Price (Rs.) | 35.00 | 35.00 | 35.00 | 35.00 |
| Expected Volatility (%) | 38.44 | 38.44 | 38.44 | 38.44 |
| Historical Volatility | NA | NA | NA | NA |
| Life of the options granted (Vesting and exercise period) in years | 1.50 | 2.50 | 3.50 | 4.50 |
| Expected dividends per annum (Rs.) | 3.00 | 3.00 | 3.00 | 3.00 |
| Average risk-free interest rate (%) | 5.98 | 6.33 | 6.54 | 6.73 |
| Expected dividend rate (%) | 2.31 | 2.31 | 2.31 | 2.31 |

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Series II :

The weighted average fair value of stock options granted was Rs.91.75. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

| | Yr 1 | Yr 2 | Yr 3 | Yr 4 |
|--|-------|-------|-------|-------|
| Exercise Price (Rs.) | 35.00 | 35.00 | 35.00 | 35.00 |
| Expected Volatility (%) | 19.89 | 19.89 | 19.89 | 19.89 |
| Historical Volatility | NA | NA | NA | NA |
| Life of the options granted (Vesting and exercise period) in years | 1.50 | 2.50 | 3.50 | 4.50 |
| Expected dividends per annum (Rs.) | 3.00 | 3.00 | 3.00 | 3.00 |
| Average risk-free interest rate (%) | 6.64 | 6.83 | 6.93 | 7.26 |
| Expected dividend rate (%) | 2.52 | 2.52 | 2.52 | 2.52 |

Series III :

The weighted average fair value of stock options granted was Rs.74.85. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

| | Yr 1 | Yr 2 | Yr 3 | Yr 4 |
|--|-------|-------|-------|-------|
| Exercise Price (Rs.) | 35.00 | 35.00 | 35.00 | 35.00 |
| Expected Volatility (%) | 31.85 | 31.85 | 31.85 | 31.85 |
| Historical Volatility (%) | NA | NA | NA | NA |
| Life of the options granted (Vesting and exercise period) in years | 1.50 | 2.50 | 3.50 | 4.50 |
| Expected dividends per annum (Rs.) | 3.00 | 3.00 | 3.00 | 3.00 |
| Average risk-free interest rate (%) | 6.96 | 7.10 | 7.26 | 7.40 |
| Expected dividend rate (%) | 2.52 | 2.52 | 2.52 | 2.52 |

Series IV :

The weighted average fair value of stock options granted was Rs. 136.40. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

| | Yr 1 | Yr 2 | Yr 3 | Yr 4 |
|--|-------|-------|-------|-------|
| Exercise Price (Rs.) | 35.00 | 35.00 | 35.00 | 35.00 |
| Expected Volatility (%) | 41.51 | 41.51 | 41.51 | 41.51 |
| Historical Volatility (%) | NA | NA | NA | NA |
| Life of the options granted (Vesting and exercise period) in years | 1.50 | 2.50 | 3.50 | 4.50 |
| Expected dividends per annum (Rs.) | 3.00 | 3.00 | 3.00 | 3.00 |
| Average risk-free interest rate (%) | 7.68 | 7.76 | 7.82 | 7.87 |
| Expected dividend rate (%) | 0.89 | 0.89 | 0.89 | 0.89 |

Series V :

The weighted average fair value of stock options granted was Rs. 253.90. The Black Scholes model has been used for computing the weighted average fair value of options considering the following inputs:

| | Yr 1 | Yr 2 | Yr 3 | Yr 4 |
|--|-------|-------|-------|-------|
| Exercise Price (Rs.) | 35.00 | 35.00 | 35.00 | 35.00 |
| Expected Volatility (%) | 69.22 | 69.22 | 69.22 | 69.22 |
| Historical Volatility (%) | NA | NA | NA | NA |
| Life of the options granted (Vesting and exercise period) in years | 1.50 | 2.50 | 3.50 | 4.50 |
| Expected dividends per annum (Rs.) | 3.00 | 3.00 | 3.00 | 3.00 |
| Average risk-free interest rate (%) | 9.41 | 9.36 | 9.34 | 9.36 |
| Expected dividend rate (%) | 1.63 | 1.63 | 1.63 | 1.63 |

The expected volatility was determined based on historical volatility data equal to the NSE volatility rate of Bank Nifty which is considered as a comparable peer group of the Company. To allow for the effects of early exercise, it was assumed that the employees will exercise the options within six months from the date of vesting in view of the exercise price being significantly lower than the market price.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

(Rs. in lacs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| Compensation cost pertaining to equity-settled employee share-based payment plan included above | 580.57 | 653.95 |
| Liability for employee stock options outstanding as at year end | 2,584.88 | 2,689.69 |
| Deferred compensation cost | 445.98 | 863.05 |

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Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| Profit as reported (Rs. in lacs) | 61,240.21 | 38,982.65 |
| Add: Employee stock compensation under intrinsic value method (Rs. in lacs) | 580.57 | 653.95 |
| Less: Employee stock compensation under fair value method (Rs. in lacs) | 553.44 | 615.95 |
| Proforma profit (Rs. in lacs) | 61,267.34 | 39,020.65 |
| Earnings per share | | |
| Basic (Rs.) | | |
| As reported | 30.11 | 20.26 |
| Proforma | 30.12 | 20.28 |
| Diluted (Rs.) | | |
| As reported | 28.64 | 19.71 |
| Proforma | 28.65 | 19.73 |

15 Securitisation

The Company sells loans through securitisation and direct assignment. The information on securitisation & direct assignment activity of the Company as an originator for the year March 31, 2009 and March 31, 2008 is given below:

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|--|------------------------------|------------------------------|
| Total number of loan assets securitized | 1,49,860 | 65,020 |
| Total book value of loan assets securitised (Rs. in lacs) | 3,12,498.40 | 211,822.17 |
| Sale consideration received for the securitised assets (Rs. in lacs) | 3,38,334.83 | 248,140.60 |
| Gain on account of securitization* (Rs. in lacs) | 41,816.19 | 36,318.39 |

* Gain on securitisation deals done after February 1, 2006 is amortised over the period of the loan.

The information on securitisation & direct assignment activity of the Company as an originator as on March 31, 2009 and March 31, 2008 is given in the table below :

(Rs. in lacs)

| | As at March 31, 2009 | As at March 31, 2008 |
|--------------------------------------|-------------------------|-------------------------|
| Outstanding credit enhancement | 97,459.32 | 56,687.05 |
| Outstanding liquidity facility | 17,137.30 | 7,127.85 |
| Outstanding subordinate contribution | 3,301.71 | 5,159.40 |

16 Derivative Instruments:

The Notional principal amount of derivative transactions outstanding as on March 31, 2009 for principal swaps are Rs. NIL (March 31, 2008 – Rs.Nil) and for interest rate swaps Rs. Nil(March 31, 2008 – Rs 95,000 lacs). The interest rate swaps is to hedge against exposure to variable interest outflow on loans. The broad term of the instruments are to receive fixed rate of interest/variable rate equal to INBMK and to pay a variable rate equal to INBMK/MIBOR.

17 Supplementary Statutory Information

i. Managing Director's Remuneration

(Rs. in lacs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|--------------------------------|------------------------------|------------------------------|
| Salaries | 40.00 | 46.96 |
| Perquisites | 8.13 | 9.78 |
| Contribution to Provident fund | 0.09 | 0.09 |
| Employee stock option scheme | 14.77 | 9.70 |
| | 62.99 | 66.53 |

Note: - As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above.

SCHEDULES

forming part of Balance Sheet
and Profit and Loss Account for the year ended March 31, 2009 (Contd.)

The computation of profits under section 349 of the Act has not been given as no commission is payable to the Directors / Managing Director.

ii. Expenditure in foreign currency (On cash basis)

(Rs. in lacs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|--------------------|------------------------------|------------------------------|
| Travelling | 236.38 | 13.81 |
| Others-(Fees paid) | 3,320.21 | Nil |
| | 3,556.59 | 13.81 |

iii. Net dividend remitted in foreign exchange

| Period to which it relates | Year ended March 31, 2009 | | Year ended March 31, 2008 | |
|--|------------------------------|------------------|------------------------------|------------------|
| | Interim 2008-09 | Final 2007-08 | Interim 2007-08 | Final 2006-07 |
| Number of non-resident shareholders | 6 | 6 | 6 | 2 |
| Number of equity shares held on which dividend was due | 42,403,023 | 42,403,023 | 45,863,023 | 35,125,801 |
| Amount remitted (state the foreign currency) | | | | |
| Euro | - | - | - | 2,234 |
| American Dollar | 840,330 | 3,966,606 | 1,154,077 | 1,683,294 |

18 Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of schedule VI to the Act

i. Licensed Capacity, Installed capacity, Actual production and Sales

| Class of Goods | Units | Licensed Capacity as at March 31, | | Installed Capacity as at March 31, (in KW) | | Actual Production and Sales for the year ended March 31, (in units) | | Sales Value (Rs. in lacs) | |
|----------------------|-------|-----------------------------------|------|--|--------|---|------------|---------------------------|--------|
| | | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| Electricity-Windmill | 44 | NA | NA | 22,430 | 22,430 | 34,546,664 | 30,200,617 | 2,251.19* | 966.44 |
| Electricity-Biomass | 1 | NA | NA | 7,500 | 7,500 | 32,192,600 | 10,275,400 | 1,014.07 | 323.68 |

*Includes compensation charges received towards generation loss.

ii. Consumption of raw materials and components

| Raw material | Units | Quantity for the year ended March 31, | | Value for the year ended March 31, (Rs in lacs) | |
|--------------|-------|---------------------------------------|--------|---|--------|
| | | 2009 | 2008 | 2009 | 2008 |
| Biomass Fuel | Tons | 69,354 | 25,332 | 687.17 | 258.06 |

19 Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid / payable are required to be furnished.

20 Interim dividend (including tax on dividend) includes an amount of Rs 12.31 lacs in respect of dividend paid by the Company for the previous year on 2,63,100 equity shares allotted before the date of book closure as they rank pari-passu with the existing equity shares for dividend.

21 Previous Year Comparatives

The figures for the previous year have been regrouped and reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

For S.R.BATLIBOI & Co.
Chartered Accountants

For G. D. Apte & Co.
Chartered Accountants

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

per Shrawan Jalan
Partner
Membership No. 102102

U. S. Abhyankar
Partner
Membership No. 113053

R Sridhar
Managing Director

S. Venkatakrishnan
Director

Mumbai
May 13, 2009

K. Prakash
Vice President (Corporate Affairs) & Company Secretary

SCHEDULES ANNEXED

to and forming part of the accounts for the year ended March 31, 2009

As required in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

| Particulars | Amount outstanding | (Rs. In lacs) |
|---|--------------------|----------------|
| | | Amount overdue |
| 1 Liabilities side : | | |
| Loans and advances availed by the NBFCs | | |
| inclusive of interest accrued thereon but not paid: | | |
| (a) Debenture : Secured | 536,055.62 | 6073.49# |
| : Unsecured | 2,631.34 | NIL |
| (other than falling within the meaning of public deposits*) | | |
| (b) Deferred Credits | NIL | NIL |
| (c) Term Loans | 939,062.12 | NIL |
| (d) Inter-corporate loans and borrowing | 4,811.04 | NIL |
| (e) Commercial Paper | 48,250.00 | NIL |
| (f) Public Deposits* | 613.10 | 85.95# |
| (g) Other Loans - Subordinate Debts | 177,778.76 | 817.05# |
| - Cash Credit | 316,623.70 | NIL |
| - Corporate Loan | 71,000.00 | NIL |
| *Please see Note 1 below | | |
| 2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): | | |
| (a) In the form of Unsecured debentures | NIL | NIL |
| (b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security | NIL | NIL |
| (c) Other public deposits | 613.10 | 85.95# |

*Please see Note 1 below

#Represents amount unclaimed

Assets Side :

| Particulars | Amount outstanding |
|---|--------------------|
| 3 Break-up of Loans and Advances including bills receivables (other than those included in (4) below): | |
| (a) Secured | 1,336.80 |
| (b) Unsecured | 2,406.89 |
| Particulars | Amount outstanding |
| 4 Break up of Leased Assets and stock on hire counting towards AFC activities | |
| (i) Lease assets including lease rentals under sundry debtors : | |
| (a) Financial lease | NIL |
| (b) Operating lease | NIL |
| (ii) Stock on Hire including hire charges under sundry debtors : | |
| (a) Assets on hire | NIL |
| (b) Repossessed Assets | NIL |
| (iii) Other loans counting towards AFC Activities : | |
| (a) Loans where assets have been repossessed | - |
| (b) Loans other than (a) above | 1,790,311.88 |

SCHEDULES ANNEXED

to and forming part of the accounts for the year ended March 31, 2009 (Contd.)

| 5 Break-up of Investments : | | (Rs. In lacs) | |
|---|----------------------------|--------------------|--------------|
| Particulars | | Amount outstanding | |
| Current Investments : | | | |
| 1. Quoted : | | | |
| (i) Shares : (a) Equity | | 240.00 | |
| (b) Preference | | NIL | |
| (ii) Debenture and Bonds | | NIL | |
| (iii) Units of mutual funds | | NIL | |
| (iv) Government Securities | | NIL | |
| (v) Others (Please specify) | | NIL | |
| 2. Unquoted : | | | |
| (i) Shares : (a) Equity | | NIL | |
| (b) Preference | | NIL | |
| (ii) Debenture and Bonds | | NIL | |
| (iii) Units of mutual funds | | NIL | |
| (iv) Government Securities | | NIL | |
| (v) Others - Investment in Certificate of Deposits | | 62,413.83 | |
| Long Term investments : | | | |
| 1. Quoted : | | | |
| (i) Shares : (a) Equity | | NIL | |
| (b) Preference | | NIL | |
| (ii) Debenture and Bonds | | NIL | |
| (iii) Units of mutual funds | | NIL | |
| (iv) Government Securities | | 283.00 | |
| (v) Others (Please specify) | | NIL | |
| 2. Unquoted : | | | |
| (i) Shares : (a) Equity | | 207.50 | |
| (b) Preference | | 10.00 | |
| (ii) Debenture and Bonds | | NIL | |
| (iii) Units of mutual funds | | NIL | |
| (iv) Government Securities | | NIL | |
| (v) Others -Investment in SOT - Pass Through Certificate | | 2,322.01 | |
| 6 Borrower group-wise classification of assets, financed as in (3) and (4) above : | | | |
| Please see Note 2 below | | | |
| Category | Amount (Net of provisions) | | |
| | Secured | Unsecured | Total |
| 1. Related Parties ** | | | |
| (a) Subsidiaries | NIL | NIL | NIL |
| (b) Companies in the same group | NIL | NIL | NIL |
| (c) Other related parties | NIL | NIL | NIL |
| 2. Other than related parties | 1,767,963.82 | 2,406.89 | 1,770,370.71 |

SCHEDULES ANNEXED

to and forming part of the accounts for the year ended March 31, 2009

| 7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): | | |
|---|--|---------------------------------------|
| Please see Note 3 below | | |
| Category | Market Value/Break up or fair value or NAV* | Book Value (Net of Provisions) |
| 1. Related Parties ** | | |
| (a) Subsidiaries | NIL | NIL |
| (b) Companies in the same group | NIL | NIL |
| (c) Other related parties | 270.00 | 240.00 |
| 2. Other than related parties | 65,051.52 | 65,009.31 |
| * Disclosure is made in respect of available information. | | |
| ** As per Accounting Standard of ICAI (Please see Note 3) | | |
| 8 Other information | | |
| Particulars | Amount outstanding | |
| (I) Gross Non-Performing Assets | | |
| (a) Related parties | NIL | |
| (b) Other than related parties | 38,431.39 | |
| (II) Net Non-Performing Assets | | |
| (a) Related parties | NIL | |
| (b) Other than related parties | 14,746.53 | |
| (III) Assets acquired in satisfaction of debt | NIL | |

Notes :

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for calculation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in cloumn (5) above.

BALANCE SHEET ABSTRACT

Balance Sheet Abstract and Company's General Business Profile as per Part IV to Schedule VI to the Companies Act, 1956.

I. Registration Details

| | | | |
|--------------------|-----------------|------------|-----|
| Registration No. | 7 8 7 4 | State Code | 1 8 |
| Balance Sheet Date | 3 1 0 3 2 0 0 9 | | |
| | Date Month Year | | |

II. Capital raised during the year (Amount in Rs. '000s)

| | | | |
|--------------|-----|-------------------|---------|
| Public Issue | - - | Right Issue | - - |
| Bonus Issue | - - | Private Placement | 3 7 6 2 |

III. Position of mobilisation and Deployment of Funds (Amount in Rs. '000s)

| | | | |
|---------------------------------|-------------------|--------------------|-------------------|
| Total Assets | 2 2 4 3 7 9 4 7 6 | Total Liabilities | 2 2 4 3 7 9 4 7 6 |
| Sources of Funds | | | |
| Paid - up Capital | 2 0 3 5 3 5 6 | Reserves & Surplus | 2 0 6 7 5 7 3 4 |
| Optionally Convertible Warrants | 2 4 0 0 0 0 | Secured Loans | 1 6 7 7 4 5 9 3 1 |
| Unsecured Loans | 3 3 4 6 7 1 8 5 | Other Liabilities | 2 1 5 2 7 0 |
| Application of Funds | | | |
| Net Fixed Assets | 1 3 4 2 6 5 7 | Investments | 6 5 4 7 6 3 3 |
| Deferred Tax Assets | 2 6 3 9 4 8 | Net Current Assets | 2 1 6 2 2 5 2 3 8 |
| Misc. Expenditure | - - | Accumulated Losses | - - |

IV. Performance of Company (Amount in Rs. '000s)

| | | | |
|---------------------------|-----------------|-----------------------|-----------------|
| Turnover | 3 7 3 1 1 2 9 7 | Total Expenditure | 2 8 1 0 4 9 8 6 |
| | + - | | + - |
| Profit/Loss Before Tax | ✓ 9 2 0 6 3 1 1 | Profit/Loss After Tax | ✓ 6 1 2 4 0 2 1 |
| Earnings Per Share in Rs. | 3 0 . 1 1 | Dividend Rate % | 5 0 |

V. Generic Names of Three Principal Products/Services of Company(as per Monetary Terms)

| | |
|--------------------------|---|
| Item Code No. (ITC Code) | N.A. |
| Product Description | Hire Purchase, Leasing and Hypothecation Loan |

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

Mumbai
May 13, 2009

R Sridhar
Managing Director

S. Venkatakrishnan
Director

K. Prakash
Vice President (Corporate Affairs) & Company Secretary