

25 SHRIRAM CITY
Shining years



Shriram City Union Finance Limited

25th Annual Report 2010-11

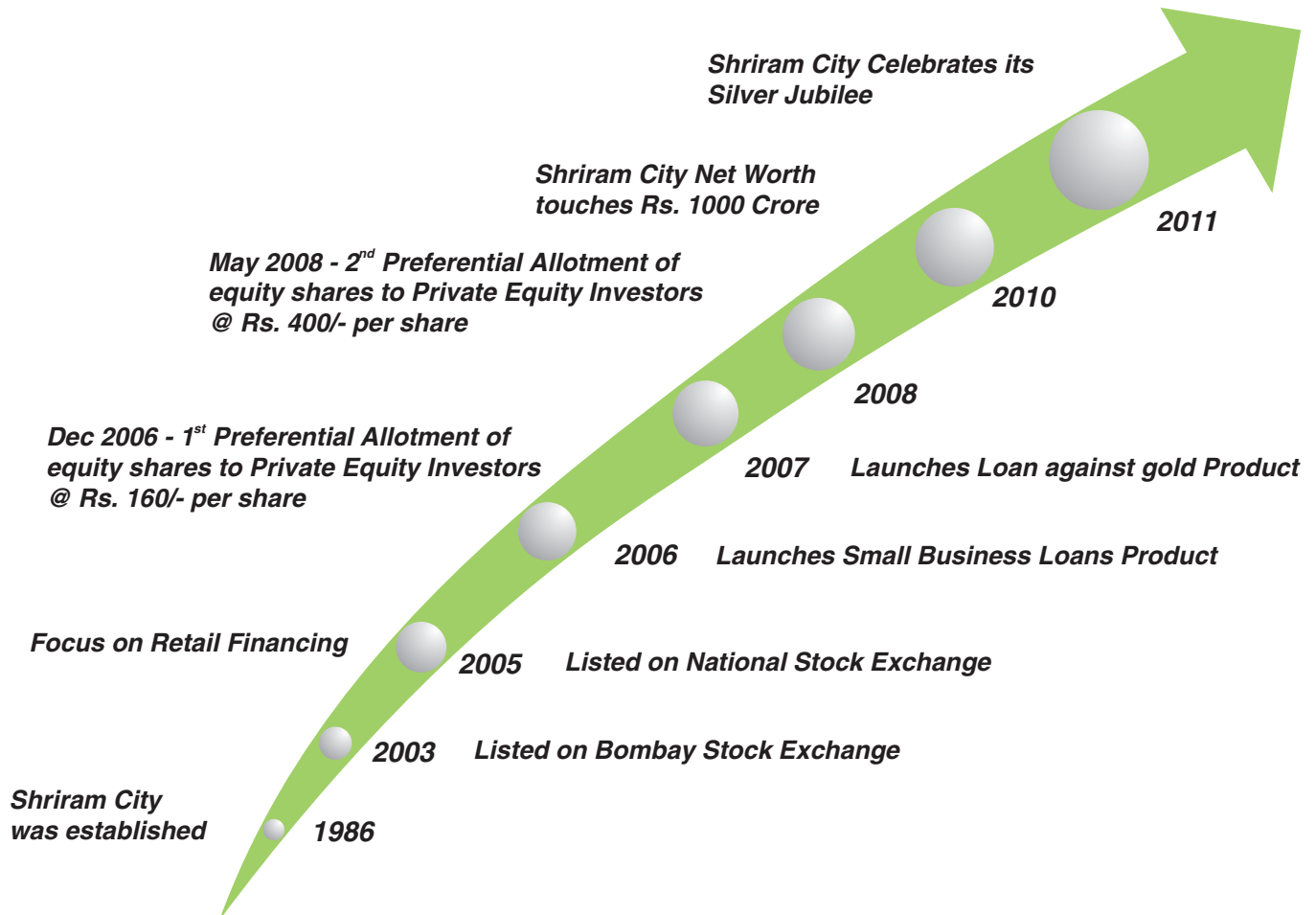
Contents	Page No
About us	3
Corporate Information	4
Performance Highlights	6
Our presence in India	8
Directors' Report	10
Annexure to Directors' Report	16
Report on Corporate Governance	19
Management Discussion and Analysis	38
Auditors' Report	43
Annexure to Auditors' Report	44
Balance Sheet	46
Profit & Loss Account	47
Cash Flow Statement	48
Schedules	50
Balance Sheet Abstract	83
Auditors' Report (consolidated)	84
Balance Sheet (consolidated)	85
Profit & Loss Account (consolidated)	86
Cash Flow Statement (consolidated)	87
Schedules (consolidated)	89

Forward looking statement

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions . This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions . We have tried wherever possible to identify such statements by using words such as `anticipate', estimate', `expects', `project ',intends' `plans', `believes' and words of similar substance in connection with any discussion of future performance . We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate , actual results could vary materially from those anticipated, estimated or projected.

Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

CORPORATE HISTORY



VISION STATEMENT

Our Mission	“Striving to serve the largest number of common people”			
Brand Promise	“Trusted brand built over four decades”			
Values	Trustworthy We are one of the most trusted brands in India	Responsive We deliver thoughtful, timely and high quality solutions to empower common man	Creative We continuously improve the way we work	Bold We are not afraid of venturing into uncharted territories
Competitive Positioning	Delivery Collaborating to combine our group’s network and capabilities to provide innovative & cost effective solutions	Customers We build long term personal relationship with our customers... Striving to bring prosperity to their lives	Discipline Disciplined approach towards wealth creation, for all our stakeholders balancing risk and rewards	
Commitment to stakeholders	Our people Dedicated workforce with an extra ordinary employee retention	Communities Trusted and caring. Growth through inclusion	Investors Proven track record, delivering consistently superior returns	Regulators Demonstrating exemplary ethical and governance standards

ABOUT US

25 Shining Years:

*It's easy to have a dream
but we are inviting you to be brave enough to chase it
because 25 years ago, we made a promise to all those who dare to challenge destiny
because every defiant dreamer deserves a sure shot
and we are here to help you take that shot without money problems getting in the way
and our promise goes by the worth of people, not of collaterals and assets
it puts faith in relationships, not in text book business models
because its dreamers who build enterprise, create prosperity, build a better tomorrow
more dreams coming true takes us all to a good place in life so dream on
The only thing that stops you is you.*

It all began in 1986:

Shriram City Union Finance Limited ("Shriram City") incorporated in March 1986, is the retail finance arm of the "Shriram Group".

Shriram City was started with a mission to serve the largest number of common people and build the very best organization through timely delivery of quality Non - Banking Financial Services.

Today, driven by the trust of over 75 Lacs customers, Shriram City stands out as a Rs. 80 Billion Company. Shriram City is India's premier financial services Company specializing in the retail finance and the only deposit- accepting non- banking financial company ("NBFC") to offer a comprehensive range of loans.

Shriram City's current product offerings include:

- **Business Loans :** Shriram City offers small business loans to self-employed professionals, wholesale/retail dealers, general merchants, manufacturers, hotel/ catering services and tour operators.
- **Two and four wheeler loans :** With a wide-reaching presence across dealer showrooms, Shriram City finances two wheelers, tractors, three wheelers, four wheelers (passenger and commercial), both new and pre- owned.
- **Loan Against Gold:** Against gold, Shriram City offers on-the-spot finance.
- **Personal Loans:** Shriram City's personal loans are hassle- free, with loan as small as Rs. 25,000/-

Shriram City reaches out to customers across the largest cities and the smallest towns. The schemes are tailor - made for every customer requirement, flexible repayment options, hassle-free eligibility criteria, simple documentation and speedy sanction.

Growing from Strength to Strength:

A wide range of product offerings through a huge network of business outlets coupled with a huge manpower resource bank, Shriram City combines them all to deliver a delightful customer experience to each of its customers.

A unique business model ensures constant interface with customers, minimum documentation, quick turnaround speed, through high standards of corporate governance.

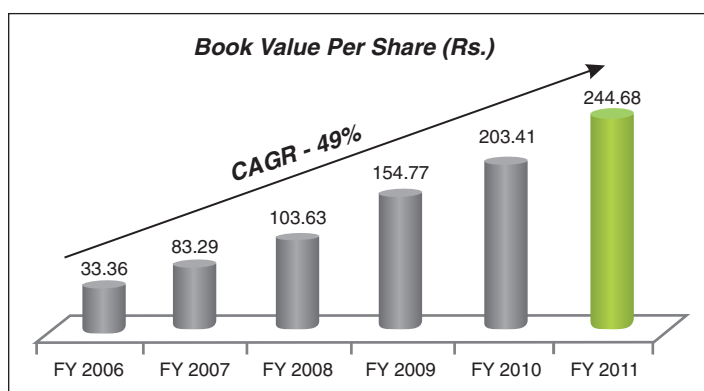
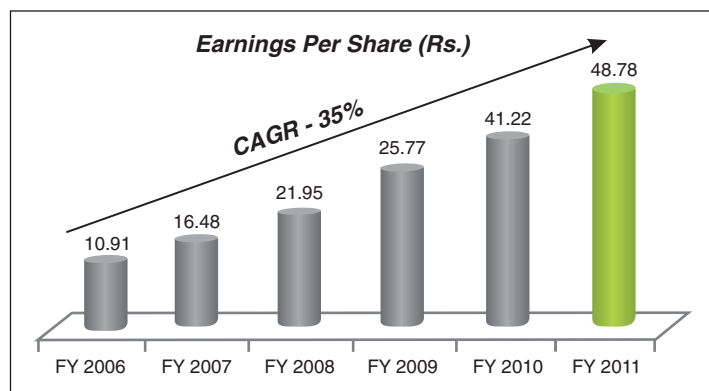
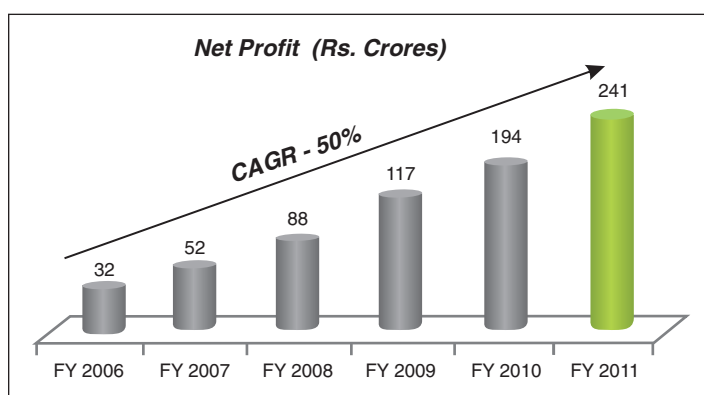
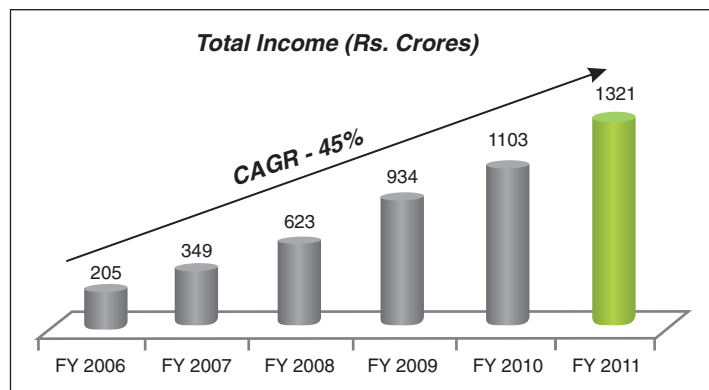
Shriram City is listed in the NSE, BSE and the Madras Stock Exchange.

CORPORATE INFORMATION

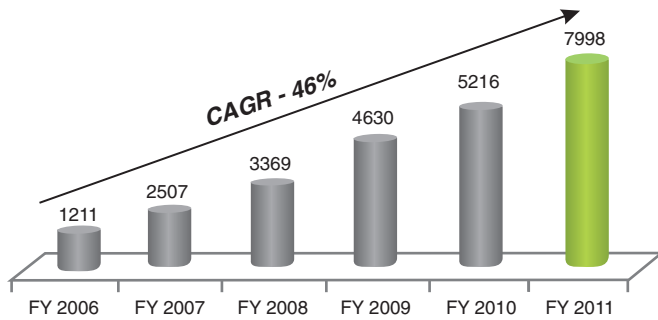
Chairman	:	Sri Arun Duggal (Non Executive, Non Independent)
Managing Director	:	Sri R Kannan (Executive, Non Independent)
Directors	:	Sri S Krishnamurthy (Non Executive, Independent) Smt Lakshmi Pranesh (Non Executive, Independent) Sri Mukund Govind Diwan (Non Executive, Independent) Sri Puneet Bhatia (Non Executive, Non Independent) Sri K R Ramamoorthy (Non Executive, Independent) Sri Ranvir Dewan (Non Executive, Non Independent) Sri G S Sundararajan (Non Executive, Non Independent) Sri Sunil Varma (Non Executive, Independent) Sri S Venkatakrishnan (Non Executive, Non Independent) Sri Vipen Kapur (Non Executive, Independent)
Company Secretary	:	Sri C R Dash
Auditors:		Pijush Gupta & Co., Chartered Accountants P-199, C I T Road, Scheme IV – M Kolkata – 700 010
Share Transfer Agents :		Integrated Enterprises (India) Ltd, II Floor, `Kences Towers`, No.1, Ramakrishnan Street, Off North Usman Road, T Nagar, Chennai 600 017 Ph: + 91 44 21840801 - 28140803
Registered Office	:	123, Angappa Naicken Street, Chennai 600 001 Ph : + 91 44 25341431

Secretarial Office	:	No 221, Royapettah High Road, Mylapore, Chennai 600 004 Ph: + 91 44 43915300 Fax + 91 44 43915351	
Administrative Office	:	No 221, Royapettah High Road, Mylapore, Chennai 600 004 Ph: + 91 44 43915300 Fax + 91 44 43915351	
Listed at	:	Bombay Stock Exchange Ltd. National Stock Exchange of India Ltd. Madras Stock Exchange Ltd.	
Banks	:	<div> Andhra Bank Axis Bank Ltd Bank of India Bank of Maharashtra Canara Bank Central Bank of India City Union Bank Ltd Corporation Bank Credit Agricole Corporate & Investment Bank DBS Bank Ltd Dena Bank Dhanalaxmi Bank Federal Bank HDFC Bank Ltd. HSBC Ltd ICICI Bank Ltd. IDBI Bank Ltd. Indian Bank Indian Overseas Bank IndusInd Bank Ltd </div> <div> ING Vysya Bank Ltd Jammu & Kashmir Bank Ltd Karur Vysya Bank Ltd Kotak Mahindra Bank Ltd Oriental Bank of Commerce Punjab National Bank Standard Chartered Bank PLC State Bank of Bikaner & Jaipur State Bank of India State Bank of Mauritius Ltd State Bank of Mysore State Bank of Patiala State Bank of Travancore Syndicate Bank Tamilnad Mercantile Bank Ltd The Royal Bank of Scotland N V The South Indian Bank Ltd Union Bank of India United Bank of India Vijaya Bank Yes Bank Ltd </div>	
Institutions	:	Small Industries Development Bank of India (SIDBI)	

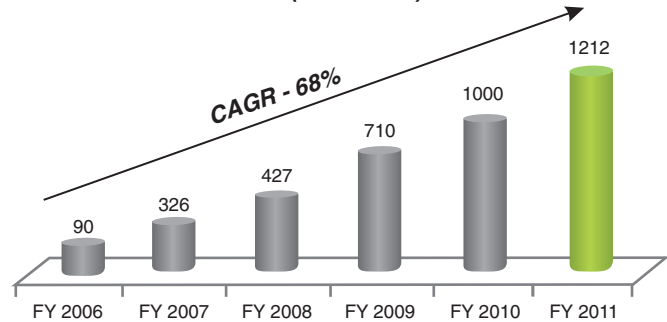
PERFORMANCE ANALYSIS



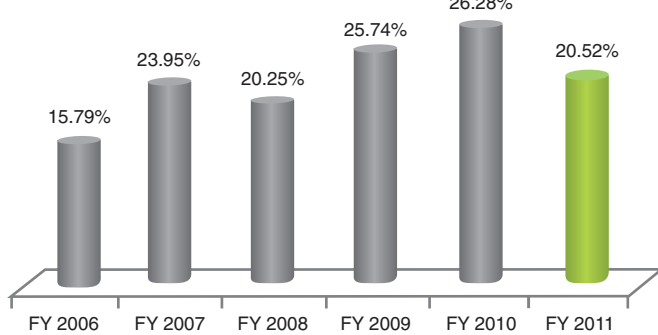
Assets Under Management (Rs. Crores)



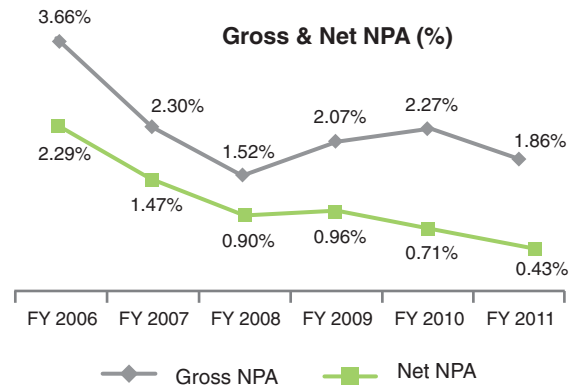
Net Worth (Rs. Crores)



Capital Adequacy Ratio (%)



Gross & Net NPA (%)



OUR PRESENCE IN INDIA

Adilabad	Belgaum	Coochbehar	Haldwani	Kanpur
Adoni	Bellary I	Cuddalore	Hanmana	Karad
Aduthurai	Berhampur	Cuddapah	Hassan	Karaikudi
Agartala	Bethaniapuram	Cuddapah II	Haveri	Karim Nagar
Agra	Betul	Cumbum	Hazaribagh	Karnal
Ahmedabad	Bhagalpur	Cumbum I	Himayathnagar	Karol Bagh
Ahmednagar	Bhandara	Cuttack	Himmatnagar	Karur
Ajmer	Bharatpur	Daba Gardens	Hindupur	Kasargod
Akola	Bharuch	Dahisar	Hissar	Kathua
Alappuzha	Bhatinda	Dahod	Hooghly	Katni
Aligarh	Bhavanipuram	Dausa	Hospet	Katol
Allahabad	Bhavnagar	Davangere	Hosur	Kattappana
Alwar	Bhilai	Deepika	Hosur - 2	Kattedan
Amalapuram	Bhilwara	Dehradun	Hubli	Kattur
Amaravati 1	Bhimavaram	Dewas	Hunsur	Kaveripattinam
Ambala	Bhiwadi	Dhamtari	ilkal	Kawardha
Ambasumudram	Bhiwandi	Dhanbad	Indore	Kayamkulam
Ambikapur	Bhopal	Dharmapuri	Indore 2	Keeranur
Amravati	Bhubaneshwar II	Dharwad	Itchapuram	Keonjhar
Amreli	Bhubaneswar	Dhulia	J P Nagar	Khamgaon
Amritsar	Bhuj	Dindigul	Jabalpur	Khammam
Anakapalli	Bidar	Dindigul I	Jabalpur 1	Khargapur
Anand	Bijapur	Durgapur	Jagadamba	Kodada
Anantapur	Bijnore	Eluru	Jagdalpur	Koilpatti
Ananthapur - I I	Bikaner	Ernakulam II	Jaihindpuram	Kolar
Anchal	Bilashpur	Ernakulam New	Jaipur	Kolathur
Andipatty	Bilaspur	Ernakulam Old	Jaipur Lajpat Marg	Kolhapur
Angamaly	Birbhum	Erode	Jaisalmer	Kolkatta South
Angul	Boisar	Erode I	Jajpur	Kompally
Arakonam	Bokaro	Etawah	Jalandhar	Koothanallur
Arani	Bongaigaon	Faizabad	Jalgaon	Koppal
Ariyalur	Bundi	Faridabad	Jalna	Korba
Arrah	Burdwan	Farrukhabad	Jamkhabhalia	Kota
Arumbakkam	Burhanpur	Fathepur	Jammu	Kothagudam
Asansol	Calcutta Central	Ferozepur	Jamnagar	Kotputli
Ashok Nagar	Calicut	Gadag	Jamshedpur	Kottayam
Attingal	Chakan	Gadhinglaj	Janakpuri	Krishnagiri
Attur I	Chamarajnagar	Gadwal	Janjgir	Krishnanagar
Attur II	Chandan Nagar	Gajuwaka	Jayankondam	Kukatpally
Aurangabad	Chandigarh	Gandhidham	Jetpur	Kullu
Azadpur	Chandikhol	Ganganagar	Jhalawar	Kumarapalayam
Bachel	Chandrapur	Gaya	Jhansi I	Kumbakonam
Baddi	Channapatna	Ghaziabad	Jhansi II	Kumta
Bagalkot	Channarayapatna	Goa/panjim	Jharsuguda	Kundapur
Baharampur	Chattarpur	Gobichettipalayam	Jhunjhunu	Kunnamkulam
Balaghat	Chembur	Godhara	Jodhpur	Kuntrathur
Balasore	Chengalpattu	Godhavarikhani	Jorhat	Kurnool I
Bangalore Kh Road	Chevapettai	Gondia	Junagadh	Kurnool II
Bankura	Chickballapur	Gorakhpur	Jyepore	Kurukshetra
Baramati	Chidambaram	Gudiwada	Kaithal	L B Nagar
Barasat	Chikkamagalore	Gudur	Kakinada	Lakhimpur
Bardoli	Chikkodi	Guduvancherry	Kakinada III	Latur
Bareilly	Chinchwad	Gulbarga	Kakinada IV	Lucknow
Barmer	Chindwara	Gummidipoondi	Kallakurichi	Ludhiana
Baroda	Chiplun	Guna	Kallukuzhi (trichy)	Machilipatnam
Basavakalyan	Chitradurga	Guntur	Kalyan	Madanapalli
Batlakundu	Chittore	Gurgaon	Kamareddy	Madhurawada
Beed	Chittorgarh	Gurgaon I (sohana)	Kanchangadh	Madikeri
Begusarai	Cholavanthan	Guwahati 1	Kanchipuram	Madiwala I
Behraich	Chowtuppal	Guwahati 2	Kankavali	Madras Main Branch
Belapur	Coimbatore	Gwalior	Kannur	Madurai