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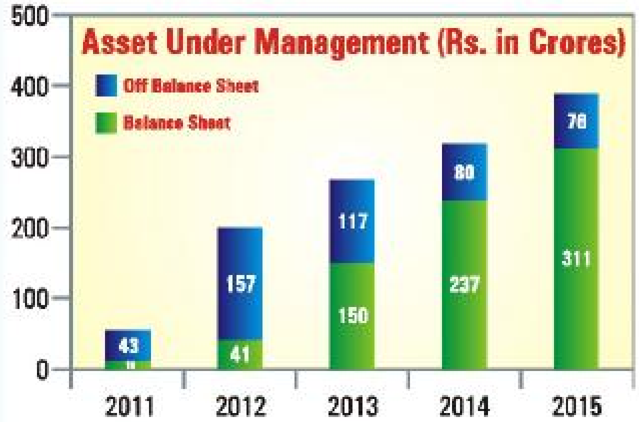
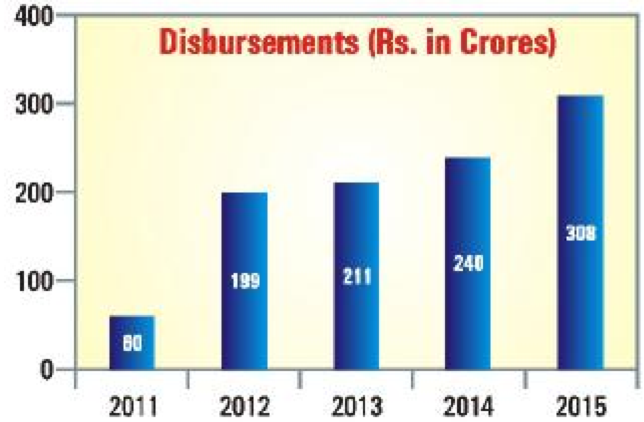
Saath Aapke... Hamesha

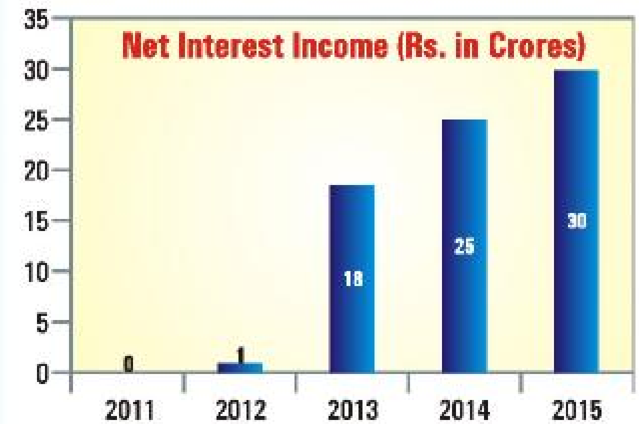
Ess Kay Auto Finance Private Limited

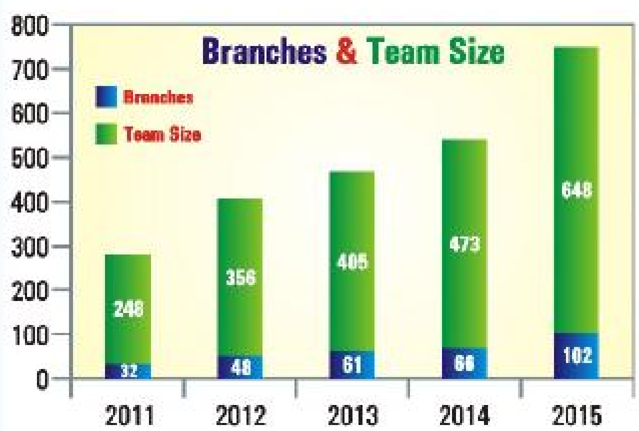
21st Annual Report 2014-15

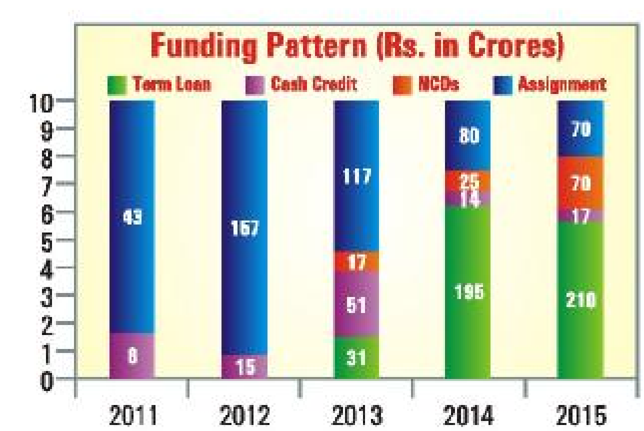
Performance Highlights











Contents

Corporate Information

BOARD OF DIRECTORS

Rajendra Kumar Setia
Managing Director

Shalini Setia
Whole time Director

Arjun Das Setia
Executive Director

Govind Saboo
Non Executive-Independent Director

Amar Chand Chug
Non Executive-Independent Director

Sanjiv Singhal
Non-Executive -Nominee Director

BOARD COMMITTEES

Audit Committee
Govind Saboo
Amar Chand Chug
Sanjiv Singhal

Nomination & Remuneration Committee
Shalini Setia
Govind Saboo
Sanjiv Singhal
Amar Chand Chug

Asset Liability Committee
Rajendra Kumar Setia
Shalini Setia
Amar Chand Chug

Risk Management Committee
Rajendra Kumar Setia
Arjun Das Setia
Govind Saboo

Corporate Social Responsibility Committee
Rajendra Kumar Setia
Amar Chand Chug
Govind Saboo

Company Secretary
CS Anagha Bangur

Chief Financial Officer:
Atul Arora

Key Management Team:

Sameer Arora
Vice President
Ritesh Kumar
HR & Operation Head (W)
Rajeev Yadav
Legal Head

Ritesh Sharma
Chief Operating Officer (W)
Harinder Singh
Group Collection Head

Feroz Khan
Senior Credit Manager
Abhijit Sharma
Collection Head

Statutory Auditor:
M/s S.S. Kothari Mehta & Co.
Chartered Accountants

Internal Auditor:
M/s Gopal Ghiya & Associates
Chartered Accountants

Secretarial Auditor:
M/s V.M. & Associates
Company Secretaries, Jaipur

Trustees:

GDA Trusteeship Limited
Office No. 1, 2, and 3; 4th Floor,
Rehematoola House,
7th Homji Street, Off, P.M. Road,
Fort, Mumbai- 400001

IDBI Trusteeship Services Limited
Asian Building, 17 R. Kamani Marg,
Ballard Estate, Mumbai 400 001

Axis Trustee Services Limited
Axis House, 2nd Floor, Bombay Dyeing
Mills Compound, Near Hard Rock Café,
Pandurang Budhkar Marg, Worli
Mumbai – 400 025

Registrar & Securities Transfer Agent:
Sharepro Services (I) Pvt. Ltd.
13 AB Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072.

Private Equity Partner:
BanyanTree Growth Capital LLC
LadderUp Finance Ltd.

Registered Office
G1 & 2, New Market, Khasa Kothi Circle,
Jaipur (Rajasthan)

Corporate office
G1 & 2, Adarsh Plaza, Khasa Kothi Circle,
Jaipur (Rajasthan)

List of Banks and FI's

स्टेट बैंक ऑफ बीकानेर एण्ड जयपुर
STATE BANK OF BIKANER & JAIPUR

IDBI BANK

Ratnakar Bank

सेन्ट्रल बैंक ऑफ़ इंडिया
Central Bank of India

Indian Overseas Bank

HDFC BANK

State Bank of Patiala
Blending Modernity with Tradition

बैंक ऑफ़ इंडिया
Bank of India

बैंक ऑफ़ बड़ौदा
Bank of Baroda
India's International Bank

State Bank of India
THE BANKER TO EVERY INDIAN

Karnataka Bank Ltd.
Your Family Bank. Across India.

SOUTH INDIAN Bank

IFMR
Institute for Financial Management and Research

FMO
Entrepreneurial Development Bank

FINANCIERs

Mahindra Finance

BanyanTree Growth Capital

BanyanTree Bank Limited

HINDUJA LEYLAND FINANCE

RELIANCE
Commercial Finance

sif

SIDBI
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA

From the desk of Managing Director

Dear Stakeholders,

It is my pleasure to present you with our 21st annual report of the Company. The year gone by was a year of some major developments on economic and political fronts. Whereas we witnessed formation of new union government entrusted with hope and expectation to bring about reforms, fiscal consolidation and business friendly environment; there was a reversal in the high inflation trends in India lead by fall in crude and other commodity prices. Globally we sense recovery in western & other developed economies primarily lead by various stimulus packages from respective Governments.

In the meantime, your company has continued its focus on financing Commercial Vehicles (CV) that we believe is one of the most stable asset-class having high resistance to the vulnerability of macro-economic environment. Featured by low ticket size, high LTV, local usage of vehicles, First Time Buyers (FTB) customer profile, rural and semi-urban penetration; our business model continue to demonstrate stability and immense growth potential in the ailing commercial vehicle space.

Our drive to institutionalize the CV finance process has yielded us with positive results. We go long back in identifying the issues of commercial vehicle finance and providing solution by reducing the counter party risk in the commercial vehicle transactions. We have been able to emerge as a reliable player gaining confidence of the seller, buyer and existing financer as well as making fair valuation assessment of commercial vehicles. As such, your company is now positioned as more than a mere financer thereby maintaining our lending rates despite growing competition in the market. This is an indicative of the value add provided in the system by your company.

Our business growth driven by branch expansion and improving the efficiency of existing branches has resulted in disbursement growth of 28.15% in FY 2014-15 over the previous financial year. As a result our AUM increased by 22.37% as compared to last year and has reached to Rs. 387.82 crores as on 31st March 2015. Despite increase in Gross NPAs during the year, mainly due to clean-up of our off-book assets, we are confident about the quality of our loan book and originating good quality credit in coming years. Further, we have made adequate provisions to cover the credit losses that may occur in coming years thereby confident about sound health of your company's financials.

The Company intends to open new branches in 2015-16 to take the tally to 150 by March, 2016. With this branch network, your Company will enjoy a strong marketing and distribution capabilities to scale its business and address the growing needs of a larger section of customers.

We have made significant progress in terms of fund tie-up arrangements during the year by way of adding new banks/financial institutions, reducing borrowing cost and exploring alternative means of finance through securitization & assignment. Overall, the same is reflected in our interest margins for the year. During the year, company also achieved enhancement in its external credit rating which will help in lowering the cost of borrowing further in the coming years.

The company looks forward to grow in the CV market by way of branch expansion and deeper penetration in the markets where we are already present. CV finance market in India is estimated to be about Rs. 2 trillion, however in the near term, your company will focus on LCV segment and geographies in and around Rajasthan & Gujarat for growth. With the lowering inflation, borrowing cost of banks is envisaged to reduce thereby increasing Net Interest Margin of the company. Needless to mention, focus on improvement in processes & policies is our ongoing endeavor.

We look forward for your continued support and wishes to make our efforts successful.

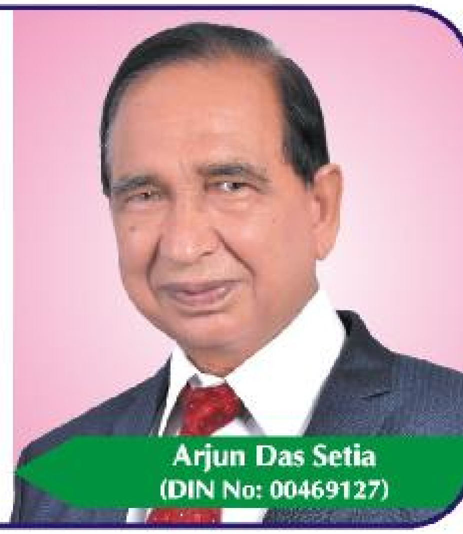
Thank You.
Rajendra Setia

Board of Directors & their brief profile:

Rajendra Kumar Setia
(DIN No: 00957374)

Mr. Rajendra Kumar Setia, the Managing Director of the company is having a wide experience of more than 20 years in finance industry and vehicle finance. He is the promoter of the company. He is also the President of Rajasthan Finance Companies Association, institution for representing interest of finance companies in the State of Rajasthan.

Mr. Arjun Das Setia, the Director of the company is having a wide experience of more than 40 years in finance industry and vehicle finance. He is the co-promoter of the company who initiated inception of the company. Though he is not involved in the day to day activity of the company but his business sense and remarkable experience add value and vision to be organisation.



Arjun Das Setia
(DIN No: 00469127)

Shalini Setia
(DIN No: 02817624)

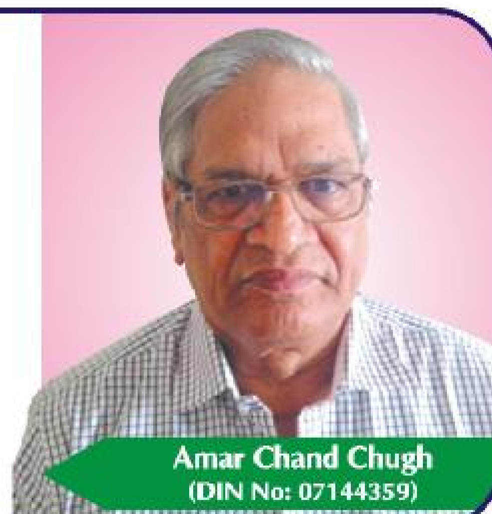
Ms. Shalini Setia, Whole Time Director of the company is Co-promoter of the Company. She has 6 years of experience in the industry. She actively participates in strategic decision making of the company. She is an eternal optimist and has promoted ethics in working environment by creating a work culture which provide a stabilized growth environment and motivation.

Board of Directors & their brief profile:

Mr. Sanjeev Singhal, Nominee Director of the company is a MBA from Wharton Business School (USA), an MA with distinction from the University of Essex, UK and a BA with honors from Delhi University. Previously worked with SCB for 8 years, where he headed Structured Finance for India and later South East Asia out of Singapore. During his time within the Indian business, Sanjeev was involved in a number of complex financings for companies in special situations with total deal value of about $500 million. Sanjeev has spent 13 years in banking (firstly with Citibank and later with SCB) and he spent the first three years of his working life as an entrepreneur wherein he took over and turned around an ailing automobile components manufacturing company.

Mr. Govind Saboo, Independent Director of the company is a Chartered Accountant working as an investment banker advising SMEs on their finance related requirements for last 8 years. He is also promoter of Artha Sarathi India Pvt. Ltd. which is engaged in advising its clients on their investment in listed equities. Prior to this, he was working with Goldman Sachs as an Equity Research Analyst.

Mr. Amar Chand Chug, Independent Director of the company, Former Dy. G M of State Bank of Bikaner &Jaipur has 40 years of experience of working in various positions in the bank. Previously worked in Development Banking Department of State Bank of India at Corporate Centre and in State Bank of Patiala as Zonal Head. He has acquired a Ph. D. degree for research thesis on the subject of "Integrated Rural Development Programme". He is presently associated with Indian Institute of Banking and Finance, Mumbai, as a resource person and undertakes various types of works. He is also on the expert panel of "Finance Accreditation Agency" Malaysia and have advised them on various Banking related issues.



Key Management Team

Atul Arora
Chief Financial Officer

CS Anagha Bangur
Company Secretary

Harinder Singh
Group Collection Head

Abhijit Sharma
Collection Head

Ritesh Kumar
HR & Operation Head (W)

Key Management Team

Sameer Arora
Vice President

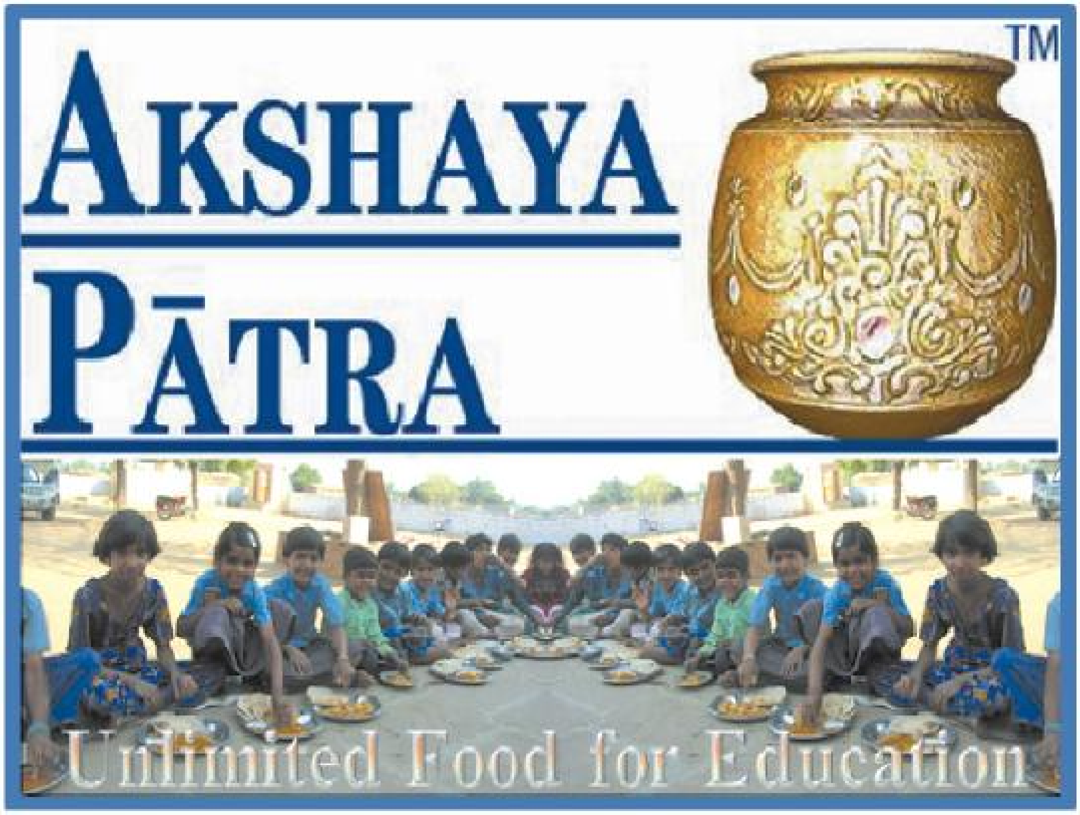
Ritesh Sharma
Chief Operating Officer

Rajeev Yadav
Legal Head

Rajesh Rassewat
Insurance Head

Feroz Khan
Senior Credit Manager

CSR Activities



CSR Activities

About Us

"With more than two decades of financing Business, we have learned that the credit worthiness of an individual is an article of faith more than a piece of paper..."

Head quartered in Jaipur, Ess Kay plays a vital role in financial inclusion by offering affordable finance and promoting financial literacy in rural India.

We not just provide a loan; we are building relationships and participating in someone's thought, a dream & entrepreneurial passion..."

Vision

To be the preferred financing option for commercial vehicle segment

Mission

"To extend our reach to remotest areas, to individuals who don't have access to formal banking channels and to give our supporting hand to financially strong society."

"To Keep promoting entrepreneur skills and make the financial solution easily available to the common man with appropriate technology placed. "

Core Values

To be an organization with high ethical values and strong corporate governance.

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting ("AGM") of the members of Ess Kay Auto Finance Private Limited will be held at G 1-2, New Market, Khasa Kothi, Jaipur-302001 on Thursday 24th September, 2015 at 11.00 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements ofthe Company for the Financial Year ended on 31st March, 2015 including the Balance Sheet and Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on preference shares @ 0.01% i.e Rs.1,199/- per share to Compulsory Convertible Preference Shareholder (CCPS).
3. To ratify the appointment of M/s .S.S Kothari Mehta & Co., Chartered Accountants, (New Delhi), as Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, , the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the resolution passed by the shareholders in the 20th AGM of the Company held on 30th September, 2014 , the appointment of M/s .S.S Kothari Mehta & Co., Chartered Accountants, New Delhi, (Firm Registration No. 000756N) as Statutory Auditors of the Company to hold office till the conclusion of 25th Annual General Meeting to be held in the calendar year 2019 be and is ratified (for the financial year 2015-16) & that the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS

4. Appointment of Mr. Amar Chand Chug as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

   "**RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force,) Mr. Amar Chand Chug (DIN:07144359), appointed as an Additional Director of the Company on 31st March,2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office for 5 consecutive years for a term up to 31st March, 2019, not liable to retire by rotation."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For Ess Kay Auto Finance Private Limited
Sd/-

Place: Jaipur — Anagha Bangur
Date: 22nd August, 2015 — Company Secretary

Registered Office:
G 1-2, NEW MARKET
KHASA KOTHI, JAIPUR -302001
CIN: U65923RJ1994PTC009051

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) and (2) of the Actwith respect to the special business under Item No. 4 as set out in the Notice to be transacted as the AGM is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not a member of the Company. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before commencement of the meeting.
3. Shareholder Queries
   In case you have any query relating to the enclosed Financial Statements or about the operations of the Company, you are requested to send the same to the Company Secretary at the Registered Office of the Company at least seven (7) days before the date of Annual General Meeting so that the information can be made available at the meeting.
4. Members/proxies should bring the attendance slip duly filled in for attending the AGM.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The register of Contracts Arrangements in which the Directors are interested, maintained under section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
8. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, Sharepro Services (I) Pvt. Ltd. (RTA), for consolidation into a single folio.

9. All the documents referred to in the Notice and explanatory statements (Including Amended Articles of Association of the Company) and the Register of Directors' Shareholding are open for inspection at the Registered Office of the Company on all working days from 10 AM to 5 PM upto the date of AGM.
10. The Notice of AGM and the copies of audited financial statements, Board's report, auditors' report, etc. will also be displayed on the website www.skfin.in of the Company and the other requirements as applicable will be duly complied with. Electronic copy of the Annual Report and Notice of AGM for the financial year 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and the notice along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company Secretary.
11. Subject to the provisions of Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on August 19, 2015.
12. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the AGM.

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The Board of Directors has received a notice from the member along with the requisite deposit proposing the candidature of Mr. Amar Chand Chug (DIN : 07144359) as an Independent Director of the Company, to be appointed under the provisions of Section 149 and 152 of the Act.Mr. Amar Chand Chug is acquired a Ph. D. degree for research thesis on the subject of "Integrated Rural Development Programme, he is presently associated with Indian Institute of Banking and Finance, Mumbai, as a resource person thus, he has 40 years of experience of working in various positions in the bank and is also on the expert panel of "Finance Accreditation Agency" Malaysia and have advised them on various Banking related issues.

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

The Resolution seeks the approval of members for the appointment of Mr. Amar Chand Chug as Independent Director of the Company for a term of upto 31st March, 2019 pursuant to Section 149 and other applicable provisions of the Actand the rules made hereunder and that he is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Amar Chand Chug proposed to be appointed, as a Independent Director fulfill the conditions specified in the Actand the rules made thereunder.A copy of the draft letter for the appointment of Mr. Amar Chand Chug as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the AGM.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Amar Chand Chug, being appointee, , are interested or concerned in the eresolution set out at Item No. 4 of the Notice.

By Order of the Board of Directors
For Ess Kay Auto Finance Private Limited
Sd/-
Anagha Bangur
Company Secretary

Place: Jaipur
Date: 22nd August, 2015

Registered Office:
G 1-2, NEW MARKET
KHASA KOTHI, JAIPUR -302001
CIN: U65923RJ1994PTC009051

Board's Report

To,
The Members,

Your Directors are pleased to present the 21st Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Year ended 31st March, 2015.

1. FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2014-2015 is summarized here below:

Financial highlights (Amount In Rs.)

Particulars	2014-15	2013-14
Total Income	886,136,380	662,761,042
Less: Operating expenses	319,244,072	236,858,502
Less: Provisions		
a. For NPA	11,974,042	1,748,820
b. for standard assets	3,430,764	2,076,783
b. contingent provisions	-575,659	-2,249,373
Profit before Interest & Depreciation	552,063,161	424,326,310
Less: Interest & finance charges	407,291,011	298,365,461
Less: Depreciation	7,303,756	3,271,916
Profit before tax	137,468,394	122,688,933
Tax expenses		
a. Current Year	52,904,646	44,220,731
b. Earlier Year	0	480,516
c. Deferred Tax	(5,886,533)	(2,044,179)
Profit after tax	90,450,281	80,031,865
Add: Surplus brought forward	201,338,029	137,313,940
Balance available for appropriation	291,788,310	217,345,805
Appropriation		
a. Dividend	1,199	1,199
b. Tax on Dividend	204	204
c. Transfer to statutory reserve	18,090,056	16,006,373
c. Adjustment in accordance with schedule II of the Companies Act,2013	265,973	0
Balance Carried Forward	273,430,878	201,338,029

2) DIVIDEND

The Directors are pleased to recommend payment of dividend @ 0.01% i.e Rs.1,199/- per share to Compulsory Convertible Preference Shareholder (CCPS)for the financial year ended March 31st, 2015, amounting to Rs. 11,994,000/- for your consideration.

The dividend payout is subject to approval of members at the ensuing AGM.

3) TRANSFER TO RESERVES

The company transferred Rs. 18,090,056/- i.e 20% of the net profits to statutory reserve as required under the provisions of the Section 45 IC of the Reserve Bank of India Act,1934 and also out of the amount available for appropriation and an amount of Rs. 273,430,878 /- is retained in the profit and loss account.

4) BUSINESS PERFORMANCE HIGHLIGHTS

a) Disbursements

Your Company recorded a growth 28.15% in disbursements of Rs. 307.96 crores as compared to Rs. 240.31 crores in the previous year. Your Company during the year under review, continued to provide a wide range of financial products to its customers through diversification of its product portfolio within its vehicle financing business in rural markets. Despite moderate growth in disbursement, your company was able to retain its leadership position in financing.

b) Assets Under Management (AUM)

The AUM at the end of the financial year was Rs. 387.82 crores (previous year Rs.316.92.Crores), a growth of 22.37 %. Your Company continues to give more thrust to increasing the share of high-yielding commercial loans in the loan-mix.

c) Performance Review

During the year your company reported several achievements:

One, your company's rating improved to (CARE) 'BBB' from (CARE) 'BBB-', which indicates improvement on overall parameters like operational, improvement in asset quality, and financial performance.

Two, your company's loan book grew by 22.37% from Rs. 316.92 crores to Rs. 387.82 crores. Your company was able to balance the loan book on & off balance sheet mix. Your company retained 79.30% of the loan books on balance sheet (previous year 75%) whereas the rest 19.70% was securitized/assigned to various bank/ financial institutions.

The main challenge during the year under review was to increase the revenue. This challenge was particularly pronounced by the economic slowdown, high interest rates and change in regulatory norms, but your company was able to perform well. Total Income of your company grew by 33.70% from Rs. 66.28 crores to Rs. 88.61 crores.

PAT grew by 13.13% from Rs. 8.00 crores to Rs. 9.05 cores.

Third, we are happy to announce that during the year your company added four new banks including FMO (Development Bank of Netherlands) and as of now your company has credit lines from 24 Banks/Financial institutions.

5) FINANCIAL RESOURCES

a) Borrowings from Banks

During the year, borrowings were diversified through a combination of short-term and long-term loans considering the asset liability management position to derive the maximum benefit of competitive interest rates.

The principal bankers to the Company are IDBI Bank, Bank of Maharashtra, Bank of Baroda, Ratanakar Bank, Bank of India and other lenders also.

The aggregate bank borrowings (term loans plus Cash Credit facility) at the end of the financial year stood at Rs 150.98 crores (previous year Rs 125.73. crore indicating downward trend in cost of borrowing for 2014-15.

During the year, the long-term 'rating' for term loans for your Company was upgraded to "[CARE]BBB" from "[CARE]BBB-" by Credit Analysis & Research Ltd. (CARE)., these ratings assumed to possess the highest degree of safety with regard to the timely servicing of financial obligations.

b) Borrowings from Financial Institutions

During the year your company has progressively reduced its dependency on high cost loans from Financial institutions by raising low cost NCDs.

The principal Financial Institutions to the Company are Au Financiers, SIDBI, IFMR, and other lenders also.

The aggregate borrowings (term loans secured & unsecured) at the end of the financial year stood at Rs 75.90 crores (previous year Rs 83.48 crore) as indicating downward trend in cost of borrowing for 2014-15.

c) Debentures

i) Secured Non-Convertible Debentures

In its continuing efforts to reduce fund costs, your Company issued Secured Redeemable Non-Convertible Non-Cumulative Debentures (SRNCD) aggregating Rs 48.00 crores (previous year Rs.11 crores) through private placement.

The debentures were secured by way of a charge on the assets i.e., loan receivables specifically earmarked for the purpose in favour of the Debenture Trustees.

Our investor in these debentures comprises of FMO (Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V), a development bank of Netherlands. This issue not only brought funds for the year as a part of fund raising plan for the year but brought stringent corporate governance.

The Debentures issued by your Company were rated by rating agency, Credit Analysis & Research Ltd. (CARE). The debentures were rated '[CARE] BBB' These debentures were listed on the Wholesale Debt Market (WDM) segment of the Bombay Stock Exchange of India Limited.

ii) Unsecured Non-Convertible Debentures

Un-secured Non-Convertible Debentures raised in the Financial Year 2013 are in the nature of Tier II Capital aggregating 16.50 crores.. These debentures are subordinated to present and future "senior indebtedness" of the Company and qualify as Tier II Capital under the Reserve Bank of India (RBI) guidelines for assessing Capital Adequacies Requirements. These Tier II Capital were rated, '[CARE] BBB-'enhanced from previous year '[CARE] BB+ by Credit Analysis & Research Ltd.

d) Securitization/ Assignment:

During the year your company assigned/ securitized assets of Principal value Rs. 77.40 crores of which Rs. 54.12 crores were securitized through PTC mode in three tranches as against Rs. 52.73 crores which was assigned/ securitized during FY 2014 of which Rs. 35.25 crores were securitized through PTC in two tranches.

6) CAPITAL ADEQUACY

The Capital Adequacy Ratio (CAR) of Your Company as at March31, 2015 was 19.70% (previous year 20.06%), well above the Regulatory benchmark of 15.00% prescribed by Reserve Bank of India (RBI).

The company targeted capital adequacy ratio of 18 % as against regulatory requirement of 15 % against which the company achieved 19.70% which is on the positive side.

7) HUMAN RESOURCE DEVELOPMENT

At Ess Kay, the total number of employees of your Company was 553 as on March 31^{st}, 2015 as against 379 as at the end of the previous year. Human resource development is considered vital for effective implementation of business plans. Constant endeavors are being made to offer professional growth opportunities and recognitions, apart from imparting training to employees. During the current year, in-house training programmes were provided to employees inter alia in lending operations, recoveries, KYC, IT system & security and accounts.

8) EXPANSION OF BRANCH NETWORK

During the financial year 2014-15, 36 new branches were opened by your Company in Rajasthan & Gujarat States across the country, taking the total number of branches to 102 (previous year 66 branches).

The Registered Office and all the branches are provided with state-of-the art ambience, spacious premises and other facilities to enhance service quality and visibility in the market.

9) TECHNOLOGY INITIATIVES

All the branches of the Company and the Registered Office are linked through a real time web connectivity that enriched data management and strengthened speedy credit appraisal and loan sanction process and real time collection updation.

10) MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OFTHE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company under Section 134 of the Act read with the Companies (Accounts) Rules, 2014 to which the financial statements relate and the date of this Report.

11) DIRECTORS

a) Directors and Key Managerial Personnel

i) Appointment of Independent Director

a. During the year, the Board of Directors appointed Mr. Govind Saboo as an Independent Director with effect from December 29, 2014, under the provisions of Section 149 and 152 of the Companies Act, 2013.

Mr. Govind Saboo is a Chartered Accountant working as an investment banker advising SMEs on their finance related requirements for last 8 years. He is also promoter of Artha Sarathi India Pvt. Ltd. which is engaged in advising its clients on their investment in listed equities. Prior to this, he was working with Goldman Sachs as an Equity Research Analyst.

Your Directors are of the opinion that Mr. Govind Saboo, Director, fulfils the conditions specified in the Companies Act, 2013, and there has been no change in circumstances which may affect his status as independent director during the year.

b. During the year, the Board of Directors appointed Mr. Amar Chand Chug, as an Additional Director with effect from March 31, 2015, in terms of Section 161 of the Companies Act, 2013.

Dr. A. C. Chug, Former Dy. G M of State Bank of Bikaner &Jaipur, has 40 years of experience of working in various positions in the bank. Previously worked in Development Banking Department of State Bank of India at Corporate Centre and in State Bank of Patiala as Zonal Head. He has acquired a Ph. D. degree for research thesis on the subject of "Integrated Rural Development Programme". He is presently associated with Indian Institute of Banking and Finance, Mumbai, as a resource person and undertakes various types of works. He is also on the expert panel of " Finance Accreditation Agency" Malaysia and have advised them on various Banking related issues.

Further particulars relating to Mr. Amar Chand Chug, Additional Director, are provided in the explanatory statement on the respective agenda, forming part of the notice of the ensuing Annual General Meeting.

Your Directors wish to report that Mr. Naval Jawaharlal Totla, who was the Nominee Director on behalf of Banyan Tree Growth Capital LLC resigned with effect from May 20, 2014 and Mr. Anshuman Goenka was appointed in his Place with effect from May 20, 2014. Your Directors wish to place on record their appreciation for the services rendered and contributions made by Mr. Naval Jawaharlal Totla during his tenure as Chairman of the Audit Committee and member of Nomination & Remuneration Committee constituted by the Board.

Further Mr. Anshuman Goenka also resigned with effect from March 25, 2015 and Mr. Sanjiv Singhal was appointed in his place with effect from March 25, 2015 Your Directors also wish to place on record their appreciation for the services rendered and contributions made by Mr. Anshuman Goenka as a as a chairman of Audit Committee and member Nomination and Remuneration Committee constituted by the Board.

ii) Appointment of Key Managerial Personnel

During the year, the Board of Directors appointed Mr. Atul Arora as Chief Financial Officer with effect from September 29, 2014, pursuant to Section 203 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Board of Directors appointed Ms Anagha Bangur as Company Secretary with effect from March 31, 2015, pursuant to Section 203 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Your Directors are of the opinion that Key Managerial Personnel's, fulfils the conditions specified in the Companies Act, 2013, for such an appointment in the best interests of the Company.

b) Declaration of Independence by Independent Directors

The Company has received declarations from Mr. Govind Saboo & Mr. Amar Chand Chug , Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act,2013 and clause 29 of the Debt Listing Agreement.

The information on the particulars of the Directors proposed for appointment/ re-appointment has been given in the Notice of the Annual General Meeting.

c) Board Evaluation

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

12) NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Board of Directors met twenty four times during the year. 24 Board meetings were held during the year 2014-15 i.e. on

4th April, 2014	11th April, 2014	10th May, 2014
12th May, 2014	20th May, 2014	27th May, 2014
28th May, 2014	5th June, 2014	7th July, 2014
11th Aug., 2014	2th Aug., 2014	20th Sept., 2014
29th Sept., 2014	7th Nov., 2014	12th Nov., 2014
14th Nov., 2014	26th Nov., 2014	11th Dec., 2014
26th Dec., 2014	30th Jan., 2015	2th Mar., 2015
12th Mar., 2015	25th Mar., 2015	31st Mar., 2015

Frequency and quorum etc. at these meetings were in conformity with the provisions of the Act. All the Board members and the senior management personnel have affirmed compliance. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

13) NOMINATION & REMUNERATION POLICY

Your Company re-constituted a Nomination and Remuneration Committee on 30th Jan, 2015 consisting of 4 Directors. The details pertaining to composition of Nomination and Remuneration committee are included in the Corporate Governance Report.

The company policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Board's report.

14) INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis

15) AUDIT COMMITTEE

Your Company reconstituted Audit Committee on 30th Jan, 2015 with four Directors in order to comply with the provisions of Section 177 of the Act. The details pertaining to composition of audit committee are included in the Corporate Governance Report.

16) STATUTORY AUDITOR

M/s S.S Kothari Mehta & Co., Chartered Accountants, New Delhi, Statutory Auditors of the Company (Firm Registration No.000756N) were appointed by the members at the 20th Annual General Meeting (AGM) of the Company held on Sept 30th , 2014 for a period of five years subject to ratification by members at every consequentAGM. Therefore, ratification of appointment of Statutory Auditors is being sought from the members. The company has received letter from M/s. S.S Kothari Mehta & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for appointment within the meaning of Section 141 of the said Act.

17) AUDITORS' REPORT

The qualifications/observations of the Auditors are self-explanatory and have been explained / clarified wherever necessary in appropriate notes to Accounts.

18) SECRETARIAL AUDITOR

Pursuant provisions of section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s V.M. & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company.

Your Directors are pleased to inform that there was no qualification, reservation or adverse remark or disclaimer in the audit report for the financial year 2014-15 as in the previous years.

The Secretarial Audit report is annexed herewith which forms part of this report as Annexure I

19) RISK MANAGEMENT

The Board of the company has formed a risk management committee to frame, implement and monitor the risk management plan for the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy, has been covered in the management discussions and anaylsis, which forms part of this report.

20) LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

The company has been exempted under the provisions of section 186 of the Companies Act, 2013 with Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided or acquisition of securities by a Non Banking Financial Company in the ordinary course of its business are exempted from disclosure in the Annual Report.

The company has not made any investments during the financial year.

21) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Actare disclosed in Form No. AOC - 2and the same forms part of this report as Annexure II.

22) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your Company constituted a Corporate Social Responsibility (CSR) Committee of the Board in terms of Section 135 of the Act. The Company has developed and implemented a policy on CSR which available on the website of the company.

The report on CSR activities is annexed herewith which forms a part of this report as Annexure III.

23) SHARE CAPITAL

During the financial year 2014-15, there was no change in share capital of the company and paid up share capital of the Company stands at Rs. 20,24,150/- (Rupees Twenty Lacs Twenty Four Thousand One Hundred and Fifty).

24) EXTRACT OF THE ANNUAL RETURN

The extract of the annual return, as required under section 92(3) of the Act, in Form No. MGT– 9 as on the financial year ended 31st March, 2015 is annexed herewith which forms part of this report as Annexure IV.

25) PARTICULARS OF EMPLOYEES

The information required of Section 197 of the Act read with rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed which forms a part of the Board Report as Annexure V.

26) ESTABLISHMENT OF VIGIL MECHANISM

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees ,to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. The provisions of this policy are in line with the provisions of the section 177(9) of the act.

27) DEPOSITS FROM PUBLIC

The company has not invited, accepted or renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013, read with The Companies (Acceptance of Deposits) Rules, 2014 during the year under review .

28) PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

A.Conservation of Energy

- The Company is providing financial services, which requires normal consumption of electricity. However the Company is making necessary efforts to reduce the consumption of energy.
- The offices of the Company has been using LED bulbs that consume less electricity as compared to CFL and incandescent bulbs. The Company has increased the usage of low electricity consuming monitors in place of conventional monitors. The Company has started buying the new energy efficient computers that automatically goes into low power 'sleep' mode or off- mode when not in use.As a part of Green Initiative, a lot of paper work at branches and Registered Office has been reduced by increased usage of technology.

B. Technology Absorption

- The company while installing the new windows or replacing the old ones in both at branches and Registered Office has been using energy efficient windows which helps in reducing the energy consume level.
- Company has not incurred any expenditure on research and development during the year under review.

C. Foreign Exchange Earnings & Outgo

Under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 2014 are as under:

Foreign Exchange Earnings & Outgo	2014-15
a. Foreign Exchange Earnings	0.0
b. CIF Value of Imports	0.0
c. Expenditure in Foreign Currency	3,80,626

29) MANAGEMENT DISCUSSIONAND ANALYSIS REPORT

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Report.

30) CORPORATE GOVERNANCE

Your Company practices a culture that is built on core values and ethical governance practices and is committed to transparency in all its dealings.

Since the equity shares are not listed on any stock exchange(s), the code of

Corporate governance as provided under clause 49 of the listing agreement would not apply to the company.

However, Your Company has an active, experienced and well informed Board, necessary to ensure the highest principles of corporate conduct .A Corporate Governance Report is annexed to Directors' Report and is made part of Annual Report.

31) RBI GUIDELINES

The Company has complied with all the applicable regulations of the Reserve Bank of India (RBI). As a prudent practice, your Company makes accelerated provisioning for Non-Performing Assets (NPAs) than that required by RBI for NBFCs.

32) LISTING OF SECURITIES

During the year, the company has raised Non-Convertible Debentures through private placement and which are listed on Bombay Stock Exchange Ltd, Mumbai. This is the third debt instrument that is being listed on stock exchange by your company. The Listing fees for the financial year 2014-15 has been duly paid to stock exchange.

33) APPOINTMENT OF INTERNAL AUDITOR

During the year 2014-15, pursuant to the provisions of Section 138 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under M/s Goyal Ghiya & Associates, Chartered Accountants are appointed as Internal Auditors of the Company.

34) APPOINTMENT OF SECRETARIAL AUDITORS

During the year 2014-15, pursuant to the provisions of Section 204(1) of the Companies Act 2013 and rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014 and other applicable provisions if any of the Companies Act 2013, M/s V. M & Associates , Company Secretaries, Jaipur (FRN: P1984RJ039200) were appointed as Secretarial Auditors of the Company.

35) EQUAL OPPORTUNITIES TO THE EMPLOYEE

Ess Kay respect the right to freedom of association, participation, collective bargaining and provide access to appropriate grievance redressal mechanism from the point of view of employees. Ess Kay provide equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation

Ess Kay provide facilities for the well-being of all employees by providing a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees and communicate this provision to their employees and train them on a regular basis. Ess Kay ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. We promote employee morale and career development through enlightened human resource interventions.

36) SEXUAL HARASSMENT

Ess Kay is committed to conducting ourselves with ethics, transparency and accountability. We strive to guarantee a safe and welcoming environment and prohibit any form of sexual harassment. Any Act of sexual harassment or related retaliation against or by any associate is unacceptable. Making a false complaint of sexual harassment or providing false information regarding a complaint will also be treated as violation of code of conduct

The company will take strict disciplinary action upto and including termination in such complaints.

37) DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2015 and state that

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
3. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the directors had prepared the annual accounts on a going concern basis; and
5. the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38) ACKNOWLEDGEMENTS

The directors' thank company's employees, bankers, financial institution, vendors, customers, investors and other institution for their continuous support. The directors appreciate and value their contribution.

For and on behalf of the Board of Directors
For **Ess Kay Auto Finance Private Limited**

Place: Jaipur	Sd/-	Sd/-
Date: **22nd Aug., 2015**	**Rajendra Kumar Setia**	**Shalini Setia**
	Managing Director	Director
	Din No: 00957374	Din No:02817624

Annexure I

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,
The Members,
Ess Kay Auto Finance Private Limited
CIN: U65923RJ1994PTC009051
G 1-2, New Market, Khasa Kothi, Jaipur- 302 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ess Kay Auto Finance Private Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period)**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 **(Not applicable to the Company during the Audit Period)**;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 **(Not applicable to the Company during the Audit Period)**;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and as amended from time to time;

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**(Not applicable to the Company during the Audit Period)**; and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period)**; and

(ii) The Listing Agreement entered into by the Company with the Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views; if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has issued and allotted Non Convertible Debentures on private placement basis under the provisions of Section 42 and Section 71 of the Act and rules framed thereunder, upto an amount of Rs. 200 crores.

Place: Jaipur
Date: 22nd August,2015

For V.M. & Associates
Company Secretaries

Sd/-
CS Vikas Mehta
ACS No.:A28964
C P No. 12789

Annexure II

Form No. AOC-2
PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

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

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

A Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not in arm's length basis.

B Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms of Contract	Amount in Crores
Purchase of Services				
Surendra Kumar Setia	Commission paid	Regular Transaction	N.A.	526,365
Raj Kumar Setia	Commission paid	Regular Transaction	N.A.	33,575
Shubham Leasing & Finance Co.	Commission paid	Regular Transaction	N.A.	185,850
Friend Software Services	Commission paid	Regular Transaction	N.A.	120,000
V.R Financers	Commission paid	Regular Transaction	N.A.	509,713

Appropriate approvals have been taken for related party transactions. Advances paid have been adjusted against billings wherever applicable.

For and behalf of Board of Directors

For Ess Kay Auto Finance Private Limited

	Sd/-	Sd/-
Place: Jaipur	**Rajendra Kumar Setia**	**Shalini Setia**
Date: 22nd August, 2015	Managing Director	Director
	(DIN: 00957374)	(DIN: 02817624)

Annexure III

Corporate Social Responsibility (CSR)

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR policy is stated herein below:
CSR Policy
(Approved by the Board of Directors on 30.01.2015)

This policy, which encompasses the company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community.

Objectives

The objectives of the Ess Kay's CSR Policy are to:

I. Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

II. To directly or indirectly take up programmes that benefit the communities over a period of time, in enhancing the quality of life & economic well-being of the local populace. The Company and the employees are to actively involve and participate in social welfare projects by voluntarily taking time off from work.

III. To generate, through its CSR initiatives, a community goodwill for Ess Kay and and help reinforce a positive & socially responsible image of Ess Kay as a corporate entity.

During FY 2014-15, Ess Kay has undertaken various activities in the sectors of:

1. Education: Our endeavour is to spark the desire for learning and enlighten minds. We may undertake to fulfil this objective by way of providing quality education initiatives or by financial assistance to the poor and needy students ,undertaking to impart vocational training, adult education programs, girl education, other related infrastructure etc.

2. Health care: Our goal is to render quality health care facilities which we may provide by way of undertaking preventive healthcare programs by way of including but not limited to setting various camps and related infrastructure services, providing of sanitation and making available safe drinking water, etc.

3. Environmental Sustainability: We aim at providing livelihood in an environmentally sustainable manner. For addressing this objective we may undertake animal welfare ,afforest ration, planting of trees, maintain public garden, playground cleanliness and such other like programs, activities towards maintaining ecological balance, quality of soil, air and water, conservation of natural resources, etc.

4. Women Empowerment: Empowering women by (a) making them independent by providing source of fund to create income generation alternatives for women living in rural and urban slums; and

   (b) Providing self-Help Groups in rural area to be used for construction of Sanitation Units and as soft loans for Income Generation activities.

5. Promoting Poor Relief (a) providing Nutrition, Clothing & water harvesting structures for poor children in tribal areas; (b)providing Rain Roof water Harvesting Structures to poor families; sponsoring cataract surgeries for poor & needy patients; and operational sing Mobile Medicare Unit;

   Web Link: http://www.skfin.in/investors_information.html

2. Composition of the CSR Committee.

Name of the Director	Status in Committee
Mr. Rajendra Kumar Setia	Chairman
Mr. Amar Chand Chug	Member
Mr. Govind Saboo	Member

3. Average net profit of the company for last three financial years

Average net profit: Rs. 113,615,319/-

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

The company is required to spend Rs. 2,371,000/-

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: Rs.1,960,000/-

(b) Amount unspent: Rs.411,000/-

(c) Manner in which the amount spent during the financial year is detailed below.

-1	-2	-3	-4	-5	-6	-7	-8
S. No.	CSR project or activity identified	Sector in ehich the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1)Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency
1	Eradicating poverty, hunger, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Poor reilef	Rajasthan	Upto 1 lac	25000	25000	Implementing Agency
2	Promoting empowering women reducing inequalities faced by socially and economically backward groups	Woman Empowerment	Rajasthan	Upto 2 lac	10000	35000	Implementing Agency
3	Promoting education providing quality education initiatives or by financial assistance to the poor and needy students, vocational education, adult education programs. Eradicating hunger, poverty, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Education & Healthcare	Rajasthan	Upto 5 lac	100000	135000	Implementing Agency
4	Animal welfare, afforestation, planting of trees, maintain public garden, playground cleanliness and such other like programme	Animal Welfare	Rajasthan	Upto 5 lac	325000	460000	Implementing Agency
5	Eradicating poverty, hunger, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Promoting & preventive Healthcare	Rajasthan	Upto 20 lac	1500000	1960000	Implementing Agency
	TOTAL				1960000	2615000	

Details of implementing agency : Hari Kirshna Movement Trust, Jaipur; Saheli Trust,Dehradun; Shri Krishna Goshala Trust,Sriganganagar; Mahatma Gandhi University of Medical Sciences and Technology Trust,Jaipur

The implementing agency is in the process of spending the amount.

6. Reason for not spending the amount at 5(c) :

The clarification as regards contribution to a fund established by the Company was received in January, 2015. The CSR committee considered proposals for funding in all deserving cases.

The unspent amount has been carried forward to the next financial year and the Committee is in the process of identifying appropriate projects for the same.

The implementation and monitoring of the CSR Policy is in compliance with CSR objects and Policy of the Company and will be reviewed by CSR Committee and Board at periodical intervals.

	Sd/-	Sd/-	Sd/-
Date:22nd August, 2015	**Rajendra Kumar Setia**	**Govind Saboo**	**Amar Chand Chug**
Place: Jaipur	Managing Director & Chairman	Member of CSR Committee	Member of CSR Committee

Annexure IV

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U65923RJ1994PTC009051
ii	Registration Date	21/11/1994
iii	Name of the Company	Ess Kay Auto Finance Private Limited
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	G 1-2, New Market,Khasa Kothi, Jaipur-302001, Rajasthan
vi	Whether listed company	Yes (Only the Non-Convertible Debentures are listed)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Sharepro Services India Private Limited 13 AB Samitha Warehousing Complex,2nd Floor, Saki Naka Telephone Exchange Lane, Sakinaka, Andheri East Mumbai - 400072, Phone: 022 67720329

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Commerical Loan	65923	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S.No.	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1			Nil		

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Total	% of Total Shares
A. Promoters										
(1) Indian										
a) Individual/HUF	199648	-	199648	98.63%	199648	-	199648	98.63%	0.00	0.00
b) Central Govt	-	-	-		-	-	-			
c) State Govt	-	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	-	-	-		-	-	-			
e) Bank/FI	-	-	-		-	-	-			
f) Any other	-	-	-		-	-	-			
SUB TOTAL:(A) (1)	199648	0	199648	98.63%	199648	0	199648	98.63%	0.00	0.00
(2) Foreign										
a) NRI- Individuals	-	-	-		-	-	-			
b) Other Individuals	-	-	-		-	-	-			
c) Bodies Corp.	-	-	-		-	-	-			
d) Banks/FI	60	-	60	0.03%	60	-	60	0.03%	0.00	0.00
e) Any other…	-	-	-		-	-	-			
SUB TOTAL (A) (2)	60	0	60	0.03%	60	0	60	0.03%	0.00	0.00
Total Shareholding of Promoter										
(A)= (A)(1)+(A)(2)	199708	0	199708	98.66%	199708	0	199708	98.66%	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Total	% of Total Shares
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-		-	-	-			
b) Banks/FI	2707	-	2707	1.34%	2707	-	2707	1.34%	0.00	0.00
C) Central govt	-	-	-		-	-	-			
d) State Govt.	-	-	-		-	-	-			
e) Venture Capital Fund	-	-	-		-	-	-			
f) Insurance Companies	-	-	-		-	-	-			
g) FII's	-	-	-		-	-	-			
h) Foreign Venture Capital Funds	-	-	-		-	-	-			
i) Others (specify)	-	-	-		-	-	-			
SUB TOTAL (B)(1):	2707	-	2707	1.34%	2707	-	2707	1.34%	0.00	0.00
(2) Non Institutions										
a) Bodies corporates	-	-	-		-	-	-			
i) Indian	-	-	-		-	-	-			
ii) Overseas	-	-	-		-	-	-			
b) Individuals	-	-	-		-	-	-			
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-		-	-	-			
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-		-	-	-			
c) Others (specify)	-	-	-		-	-	-			
SUB TOTAL (B)(2):	0	0	0	0.00%	0	0	0	0.00%	0.00	0.00
Total Public Shareholding										
(B)= (B)(1)+(B)(2)	2707	0	2707	1.34%	2707	0	2707	1.34%	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00	0.00
Grand Total (A+B+C)	202415	0	202415	100.00%	202415	0	202415	100.00%	0.00	0.00

ii)Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			**% change in shareholding during the year**
		No. of shares	**% of total shares of the company**	**% of Shares pledged/ encumbered to total shares**	**No. of shares**	**% of total shares of the company**	**% of Shares pledged/ encumbered to total shares**	
1	Arjun Das Setia	9330	4.61%	**0**	**0**	**0**	**0**	-4.61%
2	Rajendra Kumar Setia	90550	44.73%	**0**	99880	**49.34%**	**0**	4.61%
3	Shalini Setia	99768	49.29%	**0**	99768	**49.29%**	**0**	0.00%
	Total	199648	98.63%	**0**	199648	98.63%	**0**	0.00%

iii) Change in Promoters Shareholding

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Cummulative shareholding during the year	
		As on date	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	**Arjun Das Setia**					
	At the beginning of the year	1/4/2014	9330	4.61%	9330	4.61%
	Change during the year (Transfer by way of Gift Deed)	16/08/2014	0	0	0	0
	At the end of the year	31/03/2015			0	0
2	**Rajendra Kumar Setia**					
	At the beginning of the year	1/4/2014	90550	44.73%	90550	0.4473
	Change during the year (Transfer by way of Gift Deed)	16/08/2014	9330		99880	49.43%
	At the end of the year	31/03/2015			99880	49.43%
3	**Shalini Setia**					
	At the beginning of the year	1/4/2014	99768	49.29%	99768	49.29%
	Change during the year	-	-			
	At the end of the year	31/03/2015	99768	49.29%	99768	49.29%

vi) Shareholding Pattern of Top Ten Shareholders (other than Directors,Promoters and Holders of GDR & ADR)

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Cummulative shareholding during the year	
		As on date	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	**Rajendra Kumar Setia**					
	At the beginning of the year	1/4/2014	90550	44.73%	90550	44.73%
	Change during the year (Transfer by way of Gift Deed)	16/08/2014	9330	4.61%	99880	49.43%
	At the end of the year	31/03/2015	99880		99880	49.43%
2	**Shalini Setia**					
	At the beginning of the year	1/4/2014	99768	49.29%	99768	49.29%
	Change during the year	-	-	-	-	-
	At the end of the year	31/03/2015	99768	49.29%	99768	49.29%
3	**Arjun Das Setia**					
	At the beginning of the year	1/4/2014	9330	4.61%	9330	4.61%
	Change during the year (Transfer by way of Gift Deed)	16/08/2014	0	0	0	0
	At the end of the year	31/03/2015	0	0	0	0
4	**LadderUp Finance Limited**					
	At the beginning of the year	1/4/2014	2707	1.33%	2707	1.33%
	Change during the year	-	-	-	-	-
	At the end of the year	31/03/2015	2707	1.33%	2707	1.33%
5	**BanyanTree Growth Capital LLC**					
	At the beginning of the year	1/4/2014	60	0.03%	60	0.03%
	Change during the year	-	-	-	-	-
	At the end of the year	31/03/2015	60	0.03%	60	0.03%

(v) **Shareholding of Directors & Key Managerial Personnel**

S. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	**Mr Arjun Das Setia, Director**				
	1/4/2014	9330	4.61%	9330	4.61%
	16/08/2014 (Transfer)	0	0	0	0
	31/03/2015	-	-	-	-
2	**Mr. Rajendra Kumar Setia, Managing Director**				
	1/4/2014	90550	44.73%	90550	44.73%
	16/08/2014(Received by way of Gift Deed)	9330	4.61%	99880	49.34%
	31/03/2015	-	-	-	-
3	**Mrs. Shalini Setia, Whole-TIme Director**				
	1/4/2014	99768	49.29%	99768	49.29%
	31/03/2015	99768	49.29%	99768	49.29%
4	**Mr. Govind Saboo, Director**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-
5	**Mr. Sanjiv Singhal, Nominee Director**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-
6	**Mr. Amar Chand Chug, Additional Director**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-
7	**Mr. Atul Arora, Chief Financial Officer**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-
8	**Mr. Deepak Jain, Chief Executive Officer**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-
9	**Ms Anagha Bangur, Company Secretary**				
	1/4/2014	-	-	-	-
	31/03/2015	-	-	-	-

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	2,027,978,304.00	169,508,322.00		2,197,486,626.00
ii) Interest due but not paid				-
iii) Interest accrued but not due	11,359,831.43	34,257,202.00		45,617,033.43
Total (i+ii+iii)	**2,039,338,135.43**	**203,765,524.00**	**-**	2,243,103,659.43
Change in Indebtedness during the financial year				**-**
Additions	1,430,875,000.00	300,000,000.00	-	1,730,875,000.00
Reduction	1,104,727,772.43	27,967,756.00		1,132,695,528.43
Net Change	**326,147,227.57**	**272,032,244.00**		598,179,471.57
Indebtedness at the end of the financial year				**-**
i) Principal Amount	2,338,875,261.00	465,000,000.00		2,803,875,261.00
ii) Interest due but not paid	493,768			493,768.00
iii) Interest accrued but not due	26,116,334	10,797,768.00		36,914,102.00
Total (i+ii+iii)	**2,365,485,363.00**	**475,797,768.00**	**-**	**2,841,283,131.00**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

S. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	**Gross salary**	Mr. Rajendra Kumar Setia, Managing Director	Mrs . Shalini Setia, Whole-Time Director	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2100000	720000	2820000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others (specify)	0	0	0
5	Others, please specify	0	0	0
	Total (A)	2100000	720000	2820000
	Ceiling as per the Act	3000000	3000000	3000000

B. Remuneration to other directors:

S. No	Particulars of Remuneration	Name of the Directors	Total
1	Executive Directors	Mr. Arjun Das Setia, Director	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1200000	**1200000**
2	Independent Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify		
	Total (1)		
3	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify.		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Cieling as per the Act.	3000000	3000000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	**Gross Salary**	**CEO**	**Company Secretary**	**CFO**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1500000	238711	956401	2695112
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				
	Total	1500000	238711	956401	2695112

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY Penalty Punishment Compounding			Nil		
B. DIRECTORS Penalty Punishment Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			Nil		

Date : 22nd August, 2015
Place : Jaipur

By the Order of Board of Directors
For Ess kay Auto Finance Private Limited
Sd/-
Anagha Bangur
Company Secretary

Annexure V

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

a. No of permanent employees on the rolls of the Company : 553

b. The percentage increase in the median remuneration of employees in FY 2015 stood at 17.24%.

c. Relationship between the average increase in remuneration and the Company's performance:

Given below are key financial parameters which reflected the Company's performance.

Parameters	March 31, 2015 (Rs Crs)	March 31, 2014 (Rs Crs)	Growth%
Loan Assets	387.82	316.92	22.37%
Profit before Interest & Depreciation	55.21	42.43	30.10%
Profit Before Tax	13.75	12.27	12.05%
Profit After Tax	9.05	8.00	13.02%

d. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration.

The average increase in the remuneration of all employees other than key managerial personnel was 13.32% for the FY 2014-15. The average increase in remuneration of the Key managerial personnel was 14.41%.

The average increase in the remuneration of both, the managerial and non-managerial personnel was determined based on the overall performance of the Company.

Further, the criteria for remuneration of non-managerial personnel is based on an internal evaluation of key performance areas (KPAs), while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the board of directors.

There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.

e. Percentage increase in the remuneration of each director and key managerial personnel in FY 2015 is given below. Further details are given in MGT-9.

Name	Designation	Increase in Remuneration
Mr. Arjun Das Setia	Executive Director	0.0%
Mr. Rajendra Kumar Setia	Managing Director	0.0%
Mr. Shalini Setia	Whole Time Director	0.0%
Mr. Govind Saboo***	Independent Director	-
Mr. Naval Jawaharlal Totla*	Nominee Director	-
Mr. Anshuman Goenka**	Nominee Director	-
Mr. Sanjiv Singhal****	Nominee Director	-
Mr. Amar Chand Chug*****	Independent Director	-
Ms Anagha Bangur	Company Secretary	*
Mr. Atul Arora	CFO	22.85%
Mr. Deepak Jain******	CEO	*

* Mr. Naval Jawaharlal Totla resigned w.e.f from 20th May, 2014
**Mr. Anshuman Goenka appointed w.ef from 20th May, 2014 but resigned on 25th March,2015
*** Mr. Govind Saboo appointed w.e.f from 29th Dec, 2014
**** Mr. Sanjiv Singhal appointed w.e.f from 25th March, 2015
*****Mr. Amar Chand Chug appointed w.e.f from 31st March, 2015
******Mr. Deepak Jain resigned w.e.f. from 25th March, 2015.
******* Ms. Anagha Bangur is appointed from 10th December, 2013.

f. Remuneration of each director to the median employees' remuneration (times) for FY 2015 :

Name	Designation	Remuneration of Directors' to median employees' remuneration (times)
Mr. Arjun Das Setia	Executive Director	8.74
Mr. Rajendra Kumar Setia	Managing Director	15.29
Mrs. Shalini Setia	Whole Time Director	5.24
Mr. Govind Saboo***	Independent Director	-
Mr. Naval Jawaharlal Totla*	Nominee Director	-
Mr. Anshuman Goenka**	Nominee Director	-
Mr. Sanjiv Singhal****	Nominee Director	-
Mr. Amar Chand Chug*****	Independent Director	-

**Mr. Anshuman Goenka appointed w.ef from 20th May,2014 but resigned on 25th March,2015
*** Mr. Govind Saboo appointed w.e.f from 29th Dec,2014
**** Mr. Sanjiv Singhal appointed w.e.f from 25th March,2015
*****Mr. Amar Chand Chug appointed w.e.f from 31st March,2015

g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year: Not applicable

h. Key parameters for any variable component of remuneration availed by the directors: No variable component in remuneration of directors

i. There were no employees (who are not directors) who received remuneration in excess of the highest paid director of the Company during the year.

For Ess Kay Auto Finance Private Limited

	Sd/-	Sd/-
Place: Jaipur	**Rajendra Kumar Setia**	**Shalini Setia**
Date: 22nd August, 2015	Managing Director	Director
	(DIN: 00957374)	(DIN: 02817624)

Corporate Governance Report

1. Company's Philosophy on Code of Conduct

Corporate Governance is a set of systems and practices ensuring commitment to values, compliance of statutory regulations, political and economic environments, ethical conduct of business, accountability, transparency, voluntary practices, disclosures and acceptance by management of the inalienable rights of shareholders as the true owners of the Company. It involves relationships between the management and Board of directors and all its stakeholders.

Good Corporate Governance is ensured by taking fair and ethical business decisions and also conducting business taking into account the stakeholders' interests. Corporate Governance is the key to the integrity of corporations, financial institutions and markets.

Our strong observance to Corporate Governance has allowed us to be better organized, plan our goals and strategies better and fulfill our processes more efficiently, making us stronger and more competitive. It has helped us to create credibility to our names and ensure efficient company management and administration.

2. Board of Directors:

i. Composition

The composition and category of Directors as on 31st March 2015 are as follows:

Category	Name of Directors	Designation
Promoter	Mr. Rajendra Kumar Setia	Managing Director
Promoter	Mr. Arjun Das Setia	Director
Executive Director	Mrs. Shalini Setia	Whole-Time Director
Independent & Non-Executive Director	Mr. Govind Saboo	Director
Independent & Non-Executive Director	Mr. Amar Chand Chug	Director
Nominee Director	Mr. Sanjiv Singhal	Director

The composition of the Board of Directors is in accordance with the provisions of Companies Act 2013. Non- Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

Mr. Sanjiv Singhal represents Banyan Tree Growth Capital LLC,a strategic investor in the Company.

None of the director is director is more than 10 companies.

ii. Board Meetings

The Meeting of the Board of Directors are scheduled well in advance and generally held at the Company's office at Registered Office .The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

There were twenty four Board Meetings held during the financial year ended 31st March 2015, on the following dates:

4th April, 2014	11th April, 2014	10th May, 2014
12th May, 2014	20th May, 2014	27th May, 2014
28th May, 2014	5th June, 2014	7th July, 2014
11th Aug., 2014	2th Aug., 2014	20th Sept., 2014
29th Sept., 2014	7th Nov., 2014	12th Nov., 2014
14th Nov., 2014	26th Nov., 2014	11th Dec., 2014
26th Dec., 2014	30th Jan.,2015	2th March, 2015
12th Mar., 2015	25th Mar., 2015	31st Mar., 2015

iii Attendance, Other Directorship & Membership

Membership and Attendance of each Director at the Board of Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship/ Membership of Board Committees as on 31st March 2015:

Name of Director	Board meetings Attended	Attendance at last AGM	No. of Directorship in Boards (Excluding Ess Kay Auto Finance Pvt Ltd.)		No. of Chairmanship/ Membership in other Board Committees (Excluding Ess Kay Auto Finance Pvt Ltd)	
			Public	Private	Chairman ship	Member ship
Mr. Rajendra Kumar Setia	24	Yes	0	1	0	1
Mr. Arjun Das Setia	24	Yes	-	-	-	-
Mrs. Shalini Setia	24	Yes	-	-	-	-
Mr. Naval Jawaharlal Totla#	3	No	2	1	-	-
Mr. Anshuman Goenka ##	10	Yes	1	-	-	-
Mr. Govind Saboo*	4	No	-	1	-	1
Mr. Sanjiv Singhal**	1	No	2	1	-	-
Mr . Amar Chand Chug***	0	No	-	-	-	-

#Mr. Naval Jawaharlal Totla resigned on 20th May, 2015.
Mr. Anshuman Goenka appointed on 20th May, 2015 and resigned on 25th March, 2015.
*Mr. Govind Saboo appointed on 29th Dec ,2015
** Mr. Sanjiv Singhal appointed on 25th March, 2015
***Mr. Amar Chand Chug appointed on 31st March,2015

Remuneration of Directors

During the year under review the Company has paid Rs. 40.20 lacs towards remuneration as per the notes to the financial statements] to Mr. Rajendra Kumar Setia, Managing Director of the Company. At present, Independent Directors are not paid any remuneration.

3. Committees of the Board

i. Audit Committee

The Audit Committee is re-constituted in accordance with the provisions of Section 177 of the Act. The composition of audit committee meets with the requirement of the Act and the details of meetings attended by its members are given below:

Name of the Director	Category	No of Meetings during the Financial Year 2014-15 in his tenure	
		Held	Attended
Mr. Govind Saboo**	Non Executive-Independent Director	2	2
Mr. Sanjiv Singhal***	Nominee Director	1	1
Mr. Rajendra Kumar Setia	Executive Director	5	5
Mr. Arjun Das Setia **	Executive Director	4	4
Mr. Anshuman Goenka*	Nominee Director	4	4

*Resigned as Nominee Director of the company w.e.f March 25,2014

** Appointed as the member of the committee w.e.f Jan 30,2015 and replaced Mr. Arjun Das Setia.

** *Appointed as the member of the committee w.e.f March 25,2015

The Audit Committee is chaired by an independent director. All the members of the committee are financially literate and have accounting and financial management expertise.

Meetings of the Audit Committee are scheduled well in advance. The Audit Committee met four times on May 27, 2014, August 12, 2014, November 14 , 2014 , February 2, 2015 and March, 31,2015.

The terms of reference of audit committee is as follows:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act;
   b. changes, if any, in accounting policies and practices along with reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions; and
   g. qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
9. Discussing with the internal auditors any significant findings and follow up there on;
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
13. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
14. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the debt/ equity listing agreements as and when amended from time to time.

    Further, the Audit Committee shall mandatorily review the following:

    a) management discussion and analysis of financial condition and results of operations;
    b) statement of significant related party transactions (as defined by the Audit Committee),
       Submitted by management;
    c) management letters / letters of internal control weaknesses issued by the statutory auditors;
    d) internal audit reports relating to internal control weaknesses; and
    e) The appointment, removal and terms of remuneration of the chief internal audit

    The committee reviewed the quarterly financial statements before submission to the Board for approval. The committee reviews the reports of the internal auditors and statutory auditors along with the comments and corrective action taken by the Management .

    The committee also reviews the asset-liability management system. The Audit Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the committee.

    The Board has delegated responsibility of overseeing Risk Management framework to the Audit Committee.

    The Audit Committee reviews the key risks associated with the business of the Company, the procedures adopted to assess the risks, efficacy and mitigation measures.

ii. Nomination & Remuneration Committee

The nomination & remuneration committee was re-constituted on 30th Jan, 2015 in compliance with the provisions of section 178 of the Act. The composition of Nomination & Remuneration committee meets with the requirement of Section 178 of the Act and the details of meetings attended by its members are given below:

Name of the Director	Category	No of Meetings during the Financial Year 2014-15 in his tenure	
		Held	Attended
Mr. Rajendra Kumar Setia	Executive Director	5	5
Mr. Anshuman Goenka**	Nominee Director	4	4
Mr. Naval Jawaharlal Totla*	Nominee Director	1	1
Mr. Shalini Setia	Executive Director	5	5
Mr. Govind Saboo ***	Non Executive-Independent Director	1	1

*Resigned as Nominee Director of the company w.e.f May 20,2014

** Appointed as the member of the committee w.e.f Jan 30 ,2015
***Resigned as Nominee Director of the company w.e.f March 25,2015

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas under Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board.

During the year, the Nomination and Remuneration Committee met five times on May19, 2015, August25, 2014,Nov 27,2014, Feb 2,2015,March 31,2015.

Nomination & Remuneration Policy

Based on recommendation of Nomination and Remuneration Committee, the Board, had approved a remuneration policy for directors, key managerial personnel and other employees, which was revised by the Board at its meeting held on 30 Jan, 2015. Following is the revised remuneration policy for directors, key managerial personnel and other employees:

1. **Criteria of selection of Non-executive Directors**

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

2. **Positive attributes of directors**

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

i. Qualification, expertise and experience of the Directors in their respective fields;
ii. Personal, Professional or business standing;
iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-executive Directors shall be entitled to receive sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and

The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.CEO & Executive Chairman / Director – Criteria for selection /appointment

For the purpose of selection of the CEO & Executive Chairman/ Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Executive Chairman / Director .At the time of appointment or re-appointment, the CEO &Executive Chairman / Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and

CEO & Executive Chairman / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Executive Chairman / Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Chairman will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

ROLE OF INDEPENDENT DIRECTORS

Independent directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing, accountancy, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee, the and the CSR Committee have a majority of independent directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, and as approved by the board, from time to time. Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as directors of the Company.

iii. Risk Management Committee

The Risk Management committee was constituted in compliance with the RBI guidelines. The composition of Risk Management committee and the details of meetings attended by its members are given below:

Name of the Director	Category	No of Meetings during the Financial Year 2014-15 in his tenure	
		Held	Attended
Mr. Rajendra Kumar Setia	Executive Director	4	4
Mr. Shalini Setia	Executive Director	4	4
Mr. Arjun Das Setia	Executive Director	4	4

The Company has constituted a risk management framework laying down the procedures for risk assessment and mechanisms for their mitigation. The Committee has the Risk Management Policy and recommended the same for the approval of the Board. The Risk Management Policy defines the role and responsibilities of the Committee and delegation of appropriate authority. The terms of reference to the Committee include overall responsibility to monitor and manage enterprise-wide risk i.e., overall risk in the Company. The Committee shall approve and monitor the overall risk management framework for management of credit risk, market risk, operational risk, asset liability management, compliance risk, etc.

The Committee will also review all the policies of the Company; and risk profile of the Company at periodical intervals; thereafter, the same will be recommended to the Board for review/approval.

The Committee meets at periodical intervals and reviews the key risks associated with the business of the Company, causes and efficacy of the measures taken to mitigate the same. The Committee also reviews the risk profile of the Company on a quarterly basis and apprises the Board of Directors about the key risks associated with the business of the Company, its risk profile, overall risk rating and steps taken to mitigate the same.

Further, the Audit Committee and the Board of Directors review the key risks associated with the business of the Company, the procedures in place to assess the risks and the mitigation mechanisms.

During the year, the Risk Management Committee met four times on May 30, 2014, August 20, 2014, Nov 24,2014,Feb 3,2015.

iv. Asset Liability Management Committee

The Board has set up Asset Liability Committee pursuant to the requirement of Reserve Bank of India for NBFC. The Committee regularly review the Company's assets and liabilities it's quality and business risk The composition of Asset Liability Management committee and the details of meetings attended by its members are given below:

Name of the Director	Category	No of Meetings during the Financial Year 2014-15 in his tenure	
		Held	Attended
Mr. Rajendra Kumar Setia	Executive Director	4	4
Mr. Shalini Setia	Executive Director	4	4
Mr. Arjun Das Setia	Executive Director	4	4

The ALCOis authorized by the Board:

(a) to investigate any activity within its terms of reference;

(b) to seek any information it requires and

(c) subject to the Company's procedure for seeking external advice, to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The duties of the ALCO Committee shall be:

a. To review Asset Liability Mismatch with regard to ALM Statement on Quarterly Basis

b. To monitor the asset liability gap and strategize action to mitigate the risk associated.

c. Review of the lending facilities and their outstanding status & review of cost of borrowing

v. Corporate Social Responsibility Committee

During the year, the Corporate Social Responsibility (CSR) Committee met on January 30, 2015 and recommended the CSR Policy to the Board for approval. The particulars of members of the Committee, number of meetings attended/ held during the tenure of a particular Director, attendance of the members at the meetings are mentioned hereunder:

Name of the Director	Category	No of Meetings during the Financial Year 2014-15 in his tenure	
		Held	Attended
Mr. Rajendra Kumar Setia	Executive Director	4	4
Mr. Shalini Setia	Executive Director	4	4
Mr. Govind Saboo*	Non-Executive & Independent Director	4	4
Mr. Amar Chand Chug**	Non-Executive & Independent Director	1	1

* Appointed as the member of the committee w.e.f Jan 30,2015

** Appointed as the member of the committee w.e.f March 31,2015

General Body Meetings

i. General Meeting

a. Annual General Meeting

Financial Year	Date	Time	Venue
2011-12	26th June,2012	11.00 am	G1-2, New Market, Khasa Kothi, Jaipur -302001
2012-13	3rd Sept,2013	11.00 am	
2013-14	30th Sept,2014	1.00 pm	

b. Extraordinary General Meeting:
During the 2014-15 , two general meetings were held on 12th May,2014 & 29th Dec,2014.

iii. Special Resolutions:

Year	Special Resolution passed.
2013-2014	a. To creation of mortgage or charge, sale, lease or otherwise dispose off the whole or substantially the whole of the undertaking(s) of the company to secure the borrowings u/s 180(1)(a) b. For approval of Borrowing power of the Board of Directors pursuant to section 180(1)(c) of the Companies Act, 2013.
2012-2013	No Special resolution passed.
2011-2012	a. Increase in Authorised Share Capital & amendment to the constitutional documents of the company. b. Amendment to the Constitutional Documents of the Company to reflect the provision of transaction documents.

Disclosures

a. Related Party Transactions: Disclosure on materially significant related party transactions that may have potential conflict with the interests of Company at large.

All material transactions entered into with the related parties as defined under the act during the financial year were in the ordinary course of business. These have been approved by the audit committee. The details of Related Party Transactions are provided in AOC-2 attached under the head of Director's Report

b. Code of Conduct

The Company has framed and adopted a Code of Conduct for its Directors and senior management personnel, duly approved by the Board. For the year under review, all the Directors and senior management personnel have affirmed compliance with the provisions of the said Code. The above annual affirmations are placed before the Board for information.

In terms of the Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013 w.e.f. April 01, 2014, the Board has adopted the said Code and all the Independent Directors have affirmed that they abide by the said Code.

c. Vigil Mechanism / Whistle Blower Policy

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees ,to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. No person has been denied access to the chairman of the audit committee. The said policy has been also put on the website of the company.

d. Fair Practice Code

The company has adopted Fair practice code as per RBI Guidelines and may amend from time to time. The said code has been also put on the website of the company.

e. ALM Policy

The company has adopted ALM Policy as per RBI Guidelines and may amend from time to time.

f. Details of non-compliance by the Company, penalties and strictures imposed on the company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years: During last 3 years , there has been no instance of non- Compliance by the company ,and no penalties ,strictures imposed on the company by the stock exchanges or any statutory authority .

g. The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

h. In practice, the role of the company secretary has developed into much more than the basic statutory requirements outlined above. Most notably, the responsibility for developing and implementing processes to promote and sustain good corporate governance has fallen largely within the remit of the company secretary.

There are a number of responsibilities, some of which have been explicitly referenced to in the above guidance, where the company secretary can assist and add value:

- Organisational Governance
- Supporting the chairman
- Board and committee processes
- Board development
- Communication with stakeholders
- Disclosure and reporting

The role has expanded beyond simply ensuring statutory compliance to become a pivotal one where the skills of the company secretary can have a direct impact on the effectiveness of the Board and organisation. Company secretaries can add real value to their role and increase their impact by bringing commercial acumen, strategic understanding and softer people skills in addition to their already much sought after legal and governance knowledge.

VI Means of Communication

1. The half yearly and annual results of the company are in the prescribed form are sent to the Stock Exchange and the same are published in at least one leading newspapers in India within prescribed time .
2. The Management, Discussion and Analysis Report forms a part of this Annual Report.
3. During the year company do not have any investor complaints registered on SCORES.

V General Shareholder Information

AGM Date Time and Venue	24th Septembert,2015 at 11.00 am G1& 2,New Market, Khasa Kothi Circle,Jaipur-302001
Financial Calendar	April to March Announcement of Audited / Un-audited Results (tentative) Half Yearly Results - First week of November Annual Results - Last week of May
Listing on Stock Exchange	BSE Limited (BSE) 25th Floor, P.J Towers, Dalal Street, Mumbai 400001
Corporate Identity Number (CIN) of the company	U65923RJ1994PTC009051
Registrars and transfer Agents	Sharepro Services (I) Pvt. Ltd. 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072
Share Transfer	100 % of the equity shares of the company System are in electronic form. Transfers of these shares are done through the depositories with no involvement of the company.

VIII Shareholding as on March 31, 2015

a. Distribution of equity shareholding as on March 31,2015

Number of Shares	Holding	Percentage to capital	Number of Accounts	Percentage to total accounts
1-10000	2767	1.37%	2	50%
10001-50000	NIL	NIL	NIL	NIL
50001-100000	1,99,648	98.63%	2	50%
	2,02,415	**100%**	**4**	**100%**

b. Categories of equity shareholders as on March 31, 2015

Category	No of equity shares	Percentage of Holding
Promoters- Individual	1,99,648	98.63%
Banks/FI	2,707	1.34%
Foreign Banks/FI	60	0.03%
	2,02,415	**100.00%**

c. Top ten equity shareholders of the company as on March 31,2015

S. No.	Name of the shareholder	No of equity shares held	Percentage of Holding
1	Rajendra Kumar Setia	99,880	49.34%
2	Shalini Setia	99,768	49.29%
3	LadderUp Finance Limited	2,707	1.34%
4	BanyanTree Growth Capital LLC	60	0.03%
	Total	**202,415**	**100.00%**

IX Dematerialization of shares

Equity Shares of the company representing 100 % of the companys' equity share capital are Dematerialization of shares as on March 31,2015.

X Outstanding GDR/Warrants/Convertible Instruments

The Company has compulsory Convertible preference shares of amounting Rs.1,19,94,000/-

By Order of the Board of Directors

For Ess Kay Auto Finance Private Limited

	Sd/-	Sd/-
Place: Jaipur	**Rajendra Kumar Setia**	**Shalini Setia**
Date: 22nd August, 2015	Managing Director	Director
	(DIN: 00957374)	(DIN: 02817624)

Registered Office:
G 1-2, NEW MARKET, KHASA KOTHI, JAIPUR -302001
CIN: U65923RJ1994PTC009051

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Overview of Global Economy

The global economy in 2014-15 was featured by uneven economic recovery and drop in commodity prices lead by crude. While US & UK showed signs of recovery among the developed economies, China's slowdown intensified and Eurozone grappled with currency crisis. Growth in emerging economies and commodity exporting economies was also challenging across the globe. Amidst worry of deflation in the global economic scenario, US Fed is speculating reversal of interest rate cycle by increase in interest rate on the back of their economic recovery.

2. Overview of Indian Economy

Domestic economy witnessed fiscal consolidations and new policy initiatives due to formation of new government subsequent of a single largest party getting majority in 2014 general elections.

Advance CSO estimates indicate GDP growth of 7.4% in FY'15 as against 6.9% in FY'14 and 5.1% in FY'13. Accounting for a lion's share, services segment was the key driver growing at 10.6% in FY'15. Growth of Industrial sector improved to 5.9% in FY'15 as compared to 4.5% in FY'14 and 2.3% in FY'13 (also indicated by 2.8% growth in IIP as compared to (-)0.1%). Agricultural growth continued to remain weak on account of erratic and sub-optimal monsoon. The International Monetary Fund (IMF) in its annual assessment of the Indian economy, raised the growth estimate to 7.2% for 2015-16 based on firm policy action and lower global oil prices. However, reforms in agriculture, land acquisition, mining, power sectors and labour markets would be crucial to enhance growth.

Key highlight of the domestic economy was dip in inflation supported by drop in international prices. Food inflation came down, aided by a limited increase in minimum support prices for food grains, subdued rural wage growth and the government's offloading of food stocks. Other highlights are reduction in policy interest rates, moderation of CAD and expansion of country's forex reserve.

3. NBFC Sector

Non-banking financial companies (NBFCs) play a vital role in circulation of finance for meeting the credit needs of the productive sectors of the Indian economy. According to economic survey 2014-15, NBFCs has accounted for 13.1% of bank assets as on 31 March 2014. The total number of NBFCs registered with the RBI declined from 12,158 (as on 30 September 2013) to 11,932 (as on 30 September 2014). The number of NBFCs-D declined from 253 to 226, while the number of NBFC-ND with asset size Rs 100 crore and above increased from 437 to 465 during the same period. The number of NBFCs-ND-SI stood at 200 as on 30 September 2014. Loans and advances by NBFCs witnessed a growth of 13.1 % during 2013-14. From the perspective of deployment of funds, loans and advances accounted for more than two-thirds of their total deployment of funds.

Indian rural economy has slowed down over the last two years which has adversely affected the asset quality to some extent and weakened the growth for the NBFC sector. NBFCs though, stand to benefit from the reduction in the cost of funding, which in turn should help to improve margins. A strong monsoon and pro-growth rural focused policy measures should lead to a pick-up in the rural economy and augur well for the NBFC sector with rural presence.

3.1 Change in regulatory norms

The RBI has issued a revised regulatory framework for NBFCs in November 2014 to hedge risks arising out of counterparty failures, funding and asset concentration, interest rate movement and risks pertaining to liquidity and solvency. New regulations are in place to address risk, remove gaps and arbitrage arising from differential regulations within the sector. Key highlights of the new regulatory framework are as under:

- Increase in minimum NOF requirement from Rs. 25 lakhs to Rs. 200 lakhs.
- Threshold for defining systemic importance in case of NBFC-ND increased from Rs. 100 crores to Rs. 500 crores.
- NBFCs-ND with asset size less than Rs. 500 crores are exempt from complying with minimum requirement of CRAR and credit concentration Norms.
- Leverage ratio of 7:1 introduced for NBFCs-ND with asset size less than Rs. 500 crores
- Revision in NPA guidelines to bring NBFCs 'at Par' with banks
- Provisions on standard assets increased to 0.40% from 0.25%
- Increased standards of corporate governance and disclosures

In regard to the amendments made to the NBFC regulations, they clearly seem to suggest that RBI intends to ensure transparency, strengthen the capital and provisioning requirements, to enable NBFCs withstand internal and external shocks, harmonise the regulations applicable to all kinds of NBFCs (barring few exceptions) and concentrate on regulating only such players which could seriously pose a threat to the economic system.

While the higher Tier-I capital requirement and creation of provisions on an accelerated basis (at par with banks) may impact profitability of the NBFCs, in the long run it will strengthen the standing of NBFCs and could help ensure that only serious players remain in the industry. Also, the emphasis on improvement in corporate governance and increased role of statutory auditors should go a long way in improving the sector.

4. Commercial vehicle Industry

In light of continuous improvement in market sentiments, cuts in Excise Duty, Government emphasis on Infrastructure, Opening of Mining sector and Infrastructure Sectors, decrease in the Global Crude Oil Prices, the Indian automotive industry showed signs of revival in FY'2015.

The sale of new Passenger Cars & MUVs (Multi Utility Vehicles) recorded a growth of 3.9% during FY'2015 against 6.1% de-growth in FY'2014. After two years of down cycle, the domestic Commercial Vehicle (CV) industry is gradually showing some signs of recovery. Though the overall commercial vehicles segment sales reported a decline of 2.83% in FY'2015, SIAM data showed that sales of utility vehicles grew by 5.30 percent at 553,699 units, while the off -take of vans declined by 10.19 percent at 171,395 units.

5. Pre-owned Commercial Vehicles

Pre-owned commercial vehicles segment is the key segment of presence for the company. The company targets the segment of preowned light commercial vehicles – those used in local transportation, thereby generating stable cash flows and having a small area of operations. Market for pre-owned LCV financing is under penetrated with 65-70% of the market with private financiers who charge high interest rates. These pre-owned vehicles being affordable for small aspiring owner-cum-drivers are preferred to initiate their entrepreneurial journey as a Small Road Transport Operator (SRTO). The company empowers such small SRTOs and new drivers with affordable financing and advice regarding the commercial vehicles.

Automobile Domestic Sales Trends

Passenger Vehicles	2,665,015	2,503,509	2,601,111
Commercial Vehicles	793,211	632,851	614,961
Three Wheelers	538,290	480,085	531,927
Two Wheelers	13,797,185	14,806,778	16,004,581
Grand Total	**17,793,701**	**18,423,223**	**19,752,580**

Source: SIAM

6. About Ess Kay

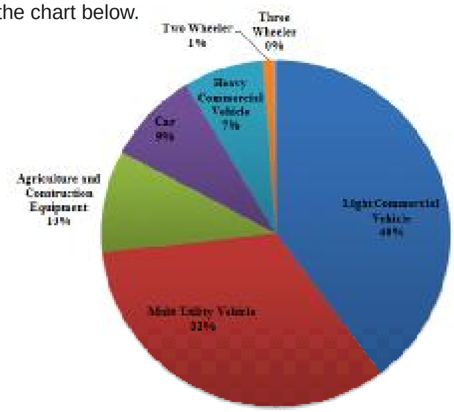
Ess Kay has wide spread operation with presence in states of Rajasthan & Gujarat. Ess Kay has a closely knit branch network of 102 branches as on March 2015 which covers whole of Rajasthan and north Gujarat mainly financing income generating assets viz. Light Commercial Vehicle and Multi Utility Vehicles.

6.1 Product Portfolio

Ess Kay has categorized vehicles into seven broad categories on which finance is provided viz. Light Commercial Vehicle Financing (LCV's), Multi Utility Vehicle Financing (MUV's), Medium & Heavy Commercial Vehicle Financing (MHCV's), Agriculture and Construction Equipments, Car, Three Wheeler and Two Wheeler.

Though Ess Kay has product diversity in disbursement, Light

commercial vehicles continues to be at highest exposure at 40% of disbursement in Financial Year 2014-15 followed by Multi Utility Vehicles at 33%. Remaining 27% share is acquired others as given in the chart below.



Segment wise disbursement

6.2 New Initiative

During the year gone by Ess Kay has undertaken detailed study for expanding product portfolio to initiate Small Median Enterprise (SME) loans and Loan against Property (LAP). Ess Kay has launched both these products in 2015 which are also secured in nature. This will further diversify the products and will limit the dependency of profitability of business on a single segment in particular.

6.3 Branch Operations

Ess Kay has branches in all districts of Rajasthan. As a part branch expansion strategy Ess Kay has opened 37 new branches in financial year 2014-15. With a branch network of 102 branches in rural and urban areas.

6.4 Funding Source

Ess Kay is having diversified sources of Funds with credit arrangement with 24 entities including Banks and Financial Institutions. Ess Kay has a balance of borrowing on fixed and floating rates.

7. Risk Management

In light of economic uncertainties, Ess Kay has in place proper risk re-addresal mechanism to identify risk and ways to mitigate risk thereby enhancing stakeholder's value.

Risk management in Ess Kay has evolved gradually over time and the Risk Management committee is actively involved in identification and mitigation of the risks, its functioning is covered in corporate governance report separately. Brief discussion on risk identified by Ess Kay:

7.1 Regulatory Compliance Risk

Business performance is subjected to regulatory environment and scrutiny. Ess Kay is well acquainted with the importance of regulatory framework, its challenges and compliance hence anticipating the regulatory requirement and integrating the same in business strategy is the key mitigant.

7.2 Interest Rate Risk

Major risk for Ess Kay is Interest Rate Risks which include exposure to movements in interest rates due to policy changes and foreign exchange movement. Ess Kay largely depends on banks and FIs for funding requirement and has a balance of borrowing on floating rate of interest and fixed rate of interest to limit risk due to fluctuation of interest rate to some extent.

7.3 Credit Risk

Ess Kay is exposed to credit risk as target customers are rural based, un-banked, self employed individual with no documented income proof but it has succeeded in managing the risk so far through deep understanding of nature of borrower and business activity which has established credit norms and policies. Besides it, the loans are secured by the hypothecation of vehicle, in case of default the company has legal rights to repossess and sell the vehicle to recover its loan overdue. For valuation of used vehicles, the company has empanelled third party valuers. Decision of loan amount depends on valuation report of the vehicle and internal grid, whichever is lower.

7.4 Assets Liabilities Management Risk

Ess Kay had a total borrowing of 296.89 crores as on 31 March 2015. The Company's Asset-Liability Committee (ALCO), monitors asset-liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet. The functions of the committee are given separately in corporate governance report.

7.5 Strong Internal Control System

Ess Kay believes that if the company can identify and address internal risk factors it can overcome any economic risk or systemic risk. Ess Kay has established adequate internal controls to monitor every financial transaction on both sides of balance sheet followed by dual reporting to further eliminate any single occurrence of risk factor. A team of internal auditors from a reputed firm are dedicatedly engaged to scrupulously record and monitor all transactions on daily basis. On the basis of their findings and suggestions put before the board, corrective actions are followed to improve internal control mechanism.

8. Outlook 2015-16

According to India Rating and Research (ind Ra) NBFC sector will maintain a stable outlook in Financial year 2015-16. As per their report asset quality will start improving in 2HFY16. However, Ess Kay believes that despite of improvement in CV market because of economic recovery, maintaining NPA position at Status Quo will be a challenge not due to asset quality but due to change in regulatory norm i.e. recognizing NPAs on 150 DPD (days past due) in place of 180 DPD. Moreover, applicability of SARFAESI Act to NBFCs will empower the recoveries.

In terms of borrowings, Ess Kay is focused on bringing the cost of funds down by further 150-200 bps. As RBI has reduced the repo rate in its policy review dated March 4, 2015 by 25 bps, Ess Kay is assertive on achieving the targeted cost of funds.

Ess Kay anticipates the Financial Year 2015-16 to be moderate in terms of overall performance of the company. While there will be pressure on asset quality of the company, profitability will not be a challenge for the company.

9. Cautionary Statement

Management Discussion and analysis described overall view of management and objectives which are based on economic prediction and financial projections under applicable law. Actual results may vary significantly from the statement given in this report subject to various risks involved in the business viz. economic risk, political scenario, volatility in market conditions regulatory norms and interest rate risk etc. The Company does not undertake to update these statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **ESS KAY AUTO FINANCE PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **ESS KAY AUTO FINANCE PRIVATE LIMITED ("the Company'),** which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss , the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

   (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigation on its financial position in its financial Statements- Refer note 28 to the Financial Statements.

      ii. The Company did not have any outstanding long term contracts including derivative contracts as at 31st March, 2015 for which there were any material foreseeable losses and

      iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No. 93214

Place: Jaipur
Date: 28th May, 2015

Annexure to the Auditors' Report

The Annexure referred to in our paragraph "Report on other legal and Regulatory Requirements" report to the members of **ESS KAY AUTO FINANCE PRIVATE LIMITED ("the company')** for the year ended 31 March 2015.We report that

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a phased programme of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this program, certain fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.

(ii) The company does not hold any inventory. Hence, the provisions of Clause 3(ii) (a),(b) & (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.

(iii) According to the information and explanations given to us, during the year the Company has granted interest bearing loans to a parties listed in the register maintained under Section 189 of the Act. All loans were repaid during the year except two loan which is outstanding as on 31st March,2015 is repayable on demand.

(iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system.

(v) In our opinion and according to the information and explanations given to us ,the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other provision of the Companies Act and the rules framed there under are not applicable to the company.

(vi) According to the information and explanations given to us, maintenance of cost records prescribed by the Central Government of India under section 148(1) of the Companies Act, 2013 is not applicable to the company. Therefore, provisions of Clause 3 (vi) of the order are not applicable to the company.

(vii) (a) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, value added tax, Income tax, Sales tax, Service tax, Wealth tax, duty of Customs ,duty of Excise , Cess and any other material statutory dues to the extent applicable to it and there are no such undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March,2015.

(b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, service tax, wealth tax, excise duty, value added tax and Cess which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us, the Company did not have any dues on account of Investor Education and Protection Fund.

(viii) The Company does not have accumulated losses as at the end of the financial year. There are no cash losses during the financial year under report and in the immediately preceding financial year.

(ix) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company has not defaulted in repayment of dues to any financial institution or bank during the year.

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 3(x) of the order are not applicable to the Company.

(xi) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the term loans taken by the Company have been applied for the purpose for which they were obtained.

(xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No. 93214

Place: Jaipur
Date: 28th May, 2015

BALANCE SHEET AS AT MARCH 31, 2015

S.No.	PARTICULARS	NOTE NO.	AMOUNT AS AT 31-Mar-15	AMOUNT AS AT 31-Mar-14
I	EQUITY AND LIABILITIES			
1	**SHAREHOLDER'S FUNDS**			
	SHARE CAPITAL	3	32,235,500	32,235,500
	RESERVES AND SURPLUS	4	587,384,605	497,201,700
	TOTAL(1)		**619,620,105**	**529,437,200**
2	**SHARE APPLICATION MONEY PENDING ALLOTMENT**	5	-	-
3	**NON-CURRENT LIABILITIES**			
	LONG TERM BORROWINGS	6	1,492,085,332	1,481,143,243
	OTHER LONG-TERM LIABILITIES	7	9,714,065	7,675,030
	LONG-TERM PROVISIONS	8	12,811,781	11,620,647
	TOTAL(3)		**1,514,611,178**	**1,500,438,920**
4	**CURRENT LIABILITIES**			
	SHORT TERM BORROWINGS	9	165,039,249	142,084,041
	OTHER CURRENT LIABILITIES	10	1,538,257,515	958,247,559
	SHORT TERM PROVISIONS	8	27,489,221	16,945,788
	TOTAL(4)		**1,730,785,985**	**1,117,277,388**
	TOTAL(1+2+3+4)		**3,865,017,268**	**3,147,153,508**
II	ASSETS			
1	**NON-CURRENT ASSETS**			
	FIXED ASSETS			
	i) TANGIBLE ASSETS	11	34,061,555	25,229,812
	ii) INTANGIBLE ASSETS	11	594,826	157,612
	NON-CURRENT INVESTMENTS	12	9,280,886	9,280,886
	DEFERRED TAX ASSETS (NET)	13	11,825,772	5,802,284
	LONG-TERM LOANS AND ADVANCES	17	1,679,222,450	1,460,868,230
	OTHER NON-CURREN T ASSETS	14	41,597,635	29,000,000
	TOTAL(1)		**1,776,583,124**	**1,530,338,824**
2	**CURRENT ASSETS**			
	TRADE RECEIVABLES	15	4,862,814	2,616,117
	CASH AND BANK BALANCE	16	247,593,158	224,373,432
	SHORT-TERM LOANS AND ADVANCES	17	1,615,428,442	1,257,645,250
	OTHER CURRENT ASSETS	18	220,549,730	132,179,885
	TOTAL(2)		**2,088,434,144**	**1,616,814,684**
	TOTAL(1+2)		**3,865,017,268**	**3,147,153,508**

Overview and significant accounting policies **1 & 2**
The accompanying notes are an integral parts of the financial Statements
As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

For and on behalf of the board of Directors of
Ess Kay Auto Finance Private Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(YOGESH GUPTA)	**(RAJENDRA KUMAR SETIA)**	**(ARJUN DAS SETIA)**	**(ATUL ARORA)**	**(ANAGHA BANGUR)**
PARTNER	MANAGING DIRECTOR	DIRECTOR	CHIEF FINANCIAL	COMPANY
(M. No - 093214)	(DIN- 00957374)	(DIN - 00469127)	OFFICER	SECRETARY

Place : Jaipur
Date : 28th May, 2015

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2015

S.No.	PARTICULARS	NOTE NO.	AMOUNT AS AT 31-Mar-15	AMOUNT AS AT 31-Mar-14
	REVENUE			
I	Revenue from Operations	19	851,427,960	638,830,477
II	Other Income	20	34,708,420	23,930,564
III	**TOTAL REVENUE(I+II)**		**886,136,380**	**662,761,042**
IV	**EXPENSES:**			
	Employee Benefit Expenses	21	103,658,718	71,521,719
	Finance Cost	22	407,291,011	298,365,461
	Depreciation And Amortization Expenses	23	7,303,756	3,271,916
	Other Expenses	24	230,414,501	166,913,013
V	**TOTAL EXPENSES**		**748,667,986**	**540,072,109**
VI	**PROFIT BEFORE TAX (III-V)**		**137,468,394**	**122,688,933**
VII	**TAX EXPENSE**			
	(1) CURRENT TAX		52,904,646	44,220,731
	(2) EARLIAR YEARS TAX		-	480,516
	(3) DEFERRED TAX		(5,886,533)	(2,044,179)
VIII	**PROFIT AFTER TAX**		**90,450,281**	**80,031,865**
XVI	**EARNING PER EQUITY SHARE**	25		
	(1) BASIC		447	401
	(2) DILUTED		334	299

Overview and significant accounting policies **1 & 2**

The accompanying notes are an integral parts of the financial Statements

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

For and on behalf of the board of Directors of Ess Kay Auto Finance Private Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(YOGESH GUPTA)	**(RAJENDRA KUMAR SETIA)**	**(ARJUN DAS SETIA)**	**(ATUL ARORA)**	**(ANAGHA BANGUR)**
PARTNER	MANAGING DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER	COMPANY SECRETARY
(M. No - 093214)	(DIN- 00957374)	(DIN - 00469127)		

Place : Jaipur
Date : 28th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

S. No.	PARTICULARS	AMOUNT AS AT 31-Mar-15	AMOUNT AS AT 31-Mar-14
1	**CASH FLOW ARISING FROM OPERATING ACTIVITIES:**		
	NET PROFIT BRFORE TAX AS PER P&L A/C	137,468,394	122,688,932
	ADJUSTMENT FOR:		
	Depreciation and Amortisation	7,303,756	3,271,916
	Provisions on Advances	14,829,147	1,576,230
	Loss on Sale of Fixed Assets	(37,097)	-
	Provision for employee benefits	-	-
	Dividend	-	(130)
	Bad Debts	24,781,955	14,530,741
	Operating Profit before working capital Changes	**184,346,155**	**142,067,689**
	ADJUSTMENT FOR CHANGES IN WORKING CAPITAL		
	(Increase) / Decrease in Trade Receivables	(2,246,697)	2,016,264
	(Increase) / Decrease in Short term Loans and Advances	(382,565,147)	(542,966,388)
	(Increase) / Decrease in Long term Loans and Advances	(218,385,220)	(409,206,855)
	(Increase) / Decrease in Other Non -Current Assets	(12,597,635)	25,000
	(Increase) / Decrease in Other Current Assets	(88,369,845)	(53,031,838)
	Increase / (Decrease) in Other Current Liability	12,062,211	(337,626,470)
	Increase / (Decrease) in Other Long term Liabilities	2,039,035	7,675,030
	Increase / (Decrease) in Other Short term provision	85,932	1,039,266
	Increase / (Decrease) in Other Long term provision	1,229,605	4,043,670
	Increase/(Decrease) in Deposits	(6,935,883)	(139,014,134)
	Cash generated from Operations before tax	**(511,337,489)**	**(1,324,978,766)**
	Net Taxes Paid	(57,314,763)	(42,305,631)
	Net Cash Flows from Operating activities (A)	**(568,652,252)**	**(1,367,284,397)**
2	**CASH FLOW ARISING FROM INVESTING ACTIVITIES:**		
	Inflow/ (Outflow) on account of:		
	(Increase) / Decrease of Investments	-	(9,280,886)
	Dividend from Investment	-	130
	Purchase of Fixed Assets	(17,092,544)	(8,013,392)
	Sale of Fixed Assets	185,000	-
	Net cash flow in cases of Investing Activities(B)	**(16,907,544)**	**(17,294,148)**
3	**CASH FLOW ARISING FROM FINANCING ACTIVITIES**		
	Proceeds from Issue of Share Capital	-	289,700
	Proceeds from Share Premium	-	7,335,300
	Secured Non Convertible Debentures	425,000,000	110,000,000
	Share Application Money	-	(7,625,000)
	Long Term Borrowings (Net of Repayments)	153,888,635	1,633,362,681
	Short Term Borrowings (Net)	22,955,208	(370,522,186)
	Corporate dividend tax paid	(204)	(195)
	Net Cash flow in cases of Financing Activities (c)	**601,843,639**	**1,372,840,300**
	Net Increase/(Decrease) in Cash and Cash equivalent (A+B+C)	16,283,843	(11,738,245)
	cash and cash equivalent as at the beginning of the year	26,176,504	37,914,749
	cash and bank balance at the End of the year as per books	42,460,347	26,176,504
	Less Bank deposit not considered as cash or cash equivalent as defined in AS-3	-	-
	Net cash or cash equivalent as defined in AS-3	**42,460,347**	**26,176,504**

Summary of significant accounting policies **2.1**

The accompanying notes are an integral parts of the financial Statements

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

For and on behalf of the board of Directors of
Ess Kay Auto Finance Private Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(YOGESH GUPTA)	**(RAJENDRA KUMAR SETIA)**	**(ARJUN DAS SETIA)**	**(ATUL ARORA)**	**(ANAGHA BANGUR)**
PARTNER	MANAGING DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER	COMPANY SECRETARY
(M. No - 093214)	(DIN- 00957374)	(DIN - 00469127)		

Place : Jaipur
Date : 28th May, 2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

1. CORPORATE INFORMATION

Ess Kay Auto Finance Private Limited is a Private Limited Company incorporated under the provisions of Companies Act, 1956 in the state of Rajasthan. The company is engaged in the business of providing finance and allied activity.

The Company is holding 'CoR' as Non-Banking Financial Institution, without accepting public deposits, registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and is primarily engaged in the lending and distribution of third party financial products.

1.1. Changes in Accounting Policy:

- **BORROWING COST**

  During the year the Company has changed its accounting policy from charging borrowing costs to revenue in the year of incurrence to amortized over the tenure of loan.Unamortised borrowing costs remaining, if any, is fully expensed off as and when the related borrowing is prepaid & cancelled.

  Pursuant to the aforesaid change the borrowing cost is reduced by Rs. 2,55,77,076/- and profit and loss is increased by Rs. 2,55,77,076/-.

- **CHANGE IN USEFUL LIFE OF THE ASSETS**

  During the year the Company has changed the life of the assets as per the life specified in Schedule II of the Companies Act, 2013.

  Accordingly, an amount of Rs. 2,65,973/- (net of deferred tax) representing assets beyond their useful life as of April 01, 2014 has been charged to General Reserve and in respect of the remaining assets, an additional depreciation amounting to Rs. 25,21,409/- has been charged to the Profit and Loss Statement for the year.

- **PROVISIONING OF NPA ASSETS AND RECOGNITION OF OVERDUE INTEREST**

  During the year the Company has changed its provisioning norms on NPA Assets. The New provisioning norms are given below:

	Particulars	F.Y. 2014-2015	F.Y. 2013-2014
a.	**Standard Assets**		
	Upto 4 months	0.25% of outstanding amount	0.25% of outstanding amount
	More than 4 months upto 6 months	5.00% of outstanding amount	0.25% of outstanding amount
b.	**Substandard Assets**		
	Upto 6 months	25.00% of outstanding amount	50.00% of outstanding amount
	More than 6 months upto 12 months	50.00% of outstanding amount	100.00% of outstanding amount
	More than 12 months upto 18 months	100.00% of outstanding amount	100.00% of outstanding amount
c.	**Doubtful assets**	100.00% of outstanding amount	100.00% of outstanding amount
d.	**On Assigned Cases**	Provisioning norms will be at par with Own Books provisioning.	0.35% of outstanding Principal

Pursuant to the aforesaid change the provision is reduced by Rs.1,03,10,293/- and Profit and loss is increased by Rs.1,03,10,293/-.

During the year, the Company has changed the estimation of overdue interest from booking the interest on all standard assets (overdue for less than 180 days) to the interest income for less than 90 days.

Pursuant to the aforesaid change ,income of overdue interest is reduced by Rs. 1,31,52,182/- and profit and loss is reduced by Rs. 1,31,52,182/- .

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and on accrual basis of accounting in accordance with generally accepted accounting principles in India and comply in material aspect with the measurement and recognition principals of Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act"), read with rule 7 of Companies (Accounts) Rules, 2014, the Reserve Bank of India ('RBI') Act 1934 and Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008. The accounting policies have been consistently applied by the company and are consistent with those used in previous year except for the changes in accounting policy explained below, if any.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 USE OF ESTIMATES

The presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liability) on the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of these financial statements are prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

2.3 REVENUE RECOGNITION

a. The company follows the accrual method of accounting for its income and expenditures unless disclosed specifically.

b. Interest income from financial activities is recognized on accrual basis and is calculated as per the agreement made with the borrower. Interest on delayed payment is accounted in the period in which the default is made, at the ultimate expected rate. Reported figures of Income in respect of non-performing and other classes of assets are made based on periodic review of receivables and guidelines issued by Reserve Bank of India.

c. Income from Assignment/ Securitization

In case of assignment / securitization of receivables, the assets are de-recognized in the books as all the rights, title, future receivables and interest thereof are transferred to the purchaser. The gain arising on such transfer is accounted over the tenure of the assets. In case of loss if any, the same is charged to the statement of profit and loss immediately at the time of transfer.

Company's contractual rights to receive the share of future interest (i.e. interest spread), in the transferred assets from the SPV is capitalized at the present value as Interest Only (I/O) strip with a corresponding liability created for unrealized gain on loan transfer transactions.

The excess interest spread on the securitization / assignment transactions are recognized as and when it is redeemed by the SPV / Assignment agreement.

d. Income from other financial support services are accounted on accrual basis and other incidental income i.e. delay charges etc., are generally recognized as and when same is received.

2.4 FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction and include amount added on allocation of pre-operative expenses less depreciation. The cost comprise purchase price and directly attributable cost of bringing the assets to its working condition for the intended use.

2.5 INTANGIBLE ASSETS

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Computer software which is not an integral part of the related hardware is classified as an Intangible asset and is being amortized over the estimated useful life which the company has estimated as three years.

2.6 DEPRECIATION/AMORTIZATION

Depreciation on tangible fixed assets has been provided on straight line method on the basis of useful life specified in schedule II of the Companies Act. 2013. Intangible assets are amortized over a period of three years. Assets whose cost is under Rs. 5,000/- has been fully depreciated in the year of acquisition.

2.7 FOREIGN CURRENCY TRANSACTION

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

Foreign currency monetary items are reported using the closing rate.

Any gain or loss on account of exchange difference arising either on the settlement or on reinstatement of foreign currency monetary items is recognized as Profit/Loss, except exchange difference arising on long term foreign currency monetary items relating to acquisition of depreciable fixed assets, which is adjusted to the carrying amount of such assets.

An asset shall be designated as a long term foreign currency monetary item, if the asset or liability is expressed in foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

2.8 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 cost or fair market value whichever is less and Long term investments are carried at cost. However provision in diminution have been made to recognize a decline, other than temporary, in the carrying value of each investment.

2.9 EMPLOYEE BENEFITS

Short term employee benefits are recognized as an expenses at the undiscounted amount in the year In which the related service is rendered.

Provident fund and Employee State Insurance are defined contribution plans. The contribution to the same are deposited in relevant Govt. administered funds and is charged to the Statement of Profit and Loss in the year to which it relates. The Company has no obligation other than the contribution payable to the Employee Provident Fund Scheme and Employee State Insurance.

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date. Actuarial gains and losses are recognized as and when incurred. The company does not have any fund for payment of gratuity.

The company accounts for the liability for compensated absence based on an independent actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date.

2.10 TAXATION

The Tax Liability is estimated considering the provisions of the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on time differences being the differences between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods in due recognitions of AS-22, issued by MCA.

2.11 EARNING PER SHARE

In determining the earning per share, the company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of 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 shareholder and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.12 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the period in which an asset is defined as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount and such loss either no longer exists or has decreased.

2.13 BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sales. Borrowing costs and other ancillary cost is amortized over the tenure of loan.Unamortised borrowing costs remaining, if any, is fully expensed off as and when the related borrowing is prepaid & cancelled.

2.14 SEGMENT REPORTING

The Company's primary business comprises only of Financing related activities i.e. lending by way of secured and unsecured Loans to corporate and others for the purpose of AS-17. The Company operates only in India hence it has only one geographical segment viz. India.

2.15 OPERATING LEASE

Lease rentals in respect of assets taken on operating leases are charged to the Statement of Profit and Loss account with reference to lease terms and other consideration.

2.16 CASH FLOW STATEMENT:

Cash-flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Cash Flow Statements (AS-3). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

2.17 CASH & CASH EQUIVALENT:

Cash and Cash equivalent comprise of cash and cash on deposit with bank. The Company considers all highly liquid investment with an original maturity at the date of purchase of three months or less and they are readily convertible.

2.18 PROVISIONS, CONTINGENT LIABILITIES, AND CONTINGENT ASSETS

i. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

ii. Provision is made for Secured /Unsecured loans/ advances and Contingent assets as per Company's policy subject to the minimum provision required as per Non-Banking Finance Companies Prudential Norms (Reserve Bank) Directions, 1998. The details of which are as under: -

Asset Category	Provision
a. Standard Assets	
Upto 4 months	0.25% of outstanding amount
More than 4 months upto 6 months	5.00% of outstanding amount
b. Substandard Assets	
Upto 6 months	25.00% of outstanding amount
More than 6 months upto 12 months	50.00% of outstanding amount
More than 12 months upto 18 months	100.00% of outstanding amount
c. Doubtful assets	100.00% of outstanding amount
d. On Assigned Cases	Provisioning norms will be at par with Own Books provisioning.

iii. General Provisions is made to meet any foreseeable potential losses which are inherent and not yet identified and are disclosed in the long term provisions.

NOTES TO FINANCIAL STATEMENTS

3 SHARE CAPITAL:

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of 100/- each				
Opening	450,000	45,000,000	450,000	45,000,000
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	**450,000**	**45,000,000**	**450,000**	**45,000,000**
Preference shares of Rs. 100/ each				
Opening	125,000	12,500,000	125,000	12,500,000
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	125,000	12,500,000	125,000	12,500,000
Total	**575,000**	**57,500,000**	**575,000**	**57,500,000**
Issued , Subscribed and Paid Up				
Equity Shares of 100/- each				
Opening	202,415	20,241,500	199,518	19,951,800
Additions	-	-	2,897	289,700
Deductions	-	-	-	-
Closing	**202,415**	**20,241,500**	**202,415**	**20,241,500**
Preference shares of Rs. 100/ each				
Opening	119,940	11,994,000	119,940	11,994,000
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	119,940	11,994,000	119,940	11,994,000
Total	**322,355**	**32,235,500**	**322,355**	**32,235,500**

Terms/ rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs 100/- per share. Each shareholder is entitled to one vote per share. During the year the company has not declared and paid any dividend. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

Terms/ rights attached to Preference Shares

The 119940 Compulsory convertible Preference Shares (CCPS) were issued in the year 2012 having face value of Rs.100/- each fully paid-up at a premium of Rs. 1400/- Per share to Banyan Tree Growth Capital LLC . CCPS shall rank senior to all present and future preference shares and/or equity shares issued by the company. CCPS shall be entitled to dividend of 0.01% annually plus conditional dividend which shall be equal to dividend on any other class of shares / share equivalent. Holder of CCPS can opt to convert its shares into equity shares in the ratio of 0.57 to 0.72 Equity shares for each preference shares, any time after March 31, 2013 or on final conversion date i.e. end of 7th year from the date of issue or any day after the end of seven year as mutually agreed but such date cannot exceed beyond 19 years from closing date. The converted shares shall rank pari passu with preference level of existing equity shares.

Details of shareholder holding more than 5% Equity shares are as under:

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Rajendra Kumar Setia	99,880	49.34%	90,550	44.73%
Shalini Setia	99,768	49.29%	99,768	49.29%
Preference Shares				
BanyanTree Growth Capital LLC	119,940	100%	119,940	100%

NOTES TO FINANCIAL STATEMENTS

4 RESERVE & SURPLUS:

	Particular		As at 31 Mar 2014
A	**SECURITIES PREMIUM RESERVE**		
	Balance as per the last financial Statements		238,287,200
	Additions during the year		7,335,204
	Closing Balance		**245,622,404**
B	**STATUTORY RESERVE**		
	Balance as per the last financial Statements		34,234,894
	Additions during the year		16,006,373
	Closing Balance		**50,241,267**
C	**SURPLUS/ (DEFICIT)IN THE STATEMENT OF PROFIT AND LOSS**		
	Balance as per last financial Statement		137,313,940
	Add: Profit for the Year		80,031,865
	Less : Appropriations		
	Dividend		1,199
	Tax on Dividend		204
	Transfer to Statutory Reserve		16,006,373
	Adjustment of carrying amount of the tangible assets in accordance with schedule II of the Companies Act, 2013		-
	Net Surplus/ (deficit)in the Statement of Profit and loss		**201,338,029**
	Total Reserve and Surplus		**497,201,700**

4.1 In accordance with the provisions of section 45-IC of the RBI Act, 1934, the Company has created a Reserve Fund (Statutory Fund) and during the period the Company has transferred 20% profit after tax to the said Reserve Fund.

5 SHARE APPLICATION MONEY PENDING ALLOTMENT

Particular		As at 31 Mar 2014
Share application money pending allotment		
At the Beginning of the year		7,625,000
Less Shares allotted during the year		7,625,000
NIL(P. Y. 2897Shares were allotted @ 2632/ per share)		
Closing balance		**-**

6 LONG TERM BORROWINGS

	Particular	Non Current Portion		Current Maturities	
		31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
A	**DEBENTURES**				
	Secured				
	Redeemable Non Convertible Debentures (Refer Note No 6.3)	400,833,334	55,000,000	134,166,666	27,500,000
	Unsecured				
	Redeemable Non Convertible Debentures (Refer Note 6.4)	165,000,000	165,000,000	-	-
	Total (A)	**565,833,334**	**220,000,000**	**134,166,666**	**27,500,000**
B	**LOANS**				
	Secured				
	From Banks (Refer Note No 6.1)	774,096,426	778,866,137	570,736,717	336,308,376
	From others (Refer Note No 6.2)	152,155,572	482,277,106	306,886,546	348,026,685
	unsecured loans				
	Loan From Others	-	-	300,000,000	4,508,322
	Total (B)	**926,251,998**	**1,261,143,243**	**1,177,623,263**	**688,843,383**
	TOTAL(A+B)	**1,492,085,332**	**1,481,143,243**	**1,311,789,929**	**716,343,383**
	Secured	1,327,085,332	1,316,143,243	1,011,789,929	711,835,061
	Unsecured	165,000,000	165,000,000	300,000,000	4,508,322
	Total	**1,492,085,332**	**1,481,143,243**	**1,311,789,929**	**716,343,383**
	Less Amount disclosed under the head Other current Liabilities	-	-	(1,311,789,929)	(716,343,383)
	TOTAL	**1,492,085,332**	**1,481,143,243**	**-**	**-**

NOTES TO FINANCIAL STATEMENTS

6.1 SCHEDULE OF SECURED TERM LOAN FROM BANKS

Particular	Non Current Portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
RATNAKAR BANK LTD (Term Loan - I) The loan is repayable in 45 monthly installments of Rs. 3,442,813/- each including interest from 02.01.2013. The Loan is secured against the exclusive hypothecation first charge over book Debts/ receivables which are not more than 30 days overdue and bank lien on FDR to the extent of 10% total outstanding of the bank and personal guarantees of Mr. Rajendra Kr. Setia, Mrs. Shalini Setia, Mr. Arjun das Setia Directors of the company and carries interest @ BBR+ 3.00% presently 14.00%.p.a.	16,412,872	52,890,080	36,291,238	31,279,481
RATNAKAR BANK LTD (Term Loan - II) The loan is repayable in 36 monthly installments of Rs. 2,777,778/- each excluding interest from 14.10.2013 i.e. the next month after disbursement . The Loan is secured against the exclusive hypothecation first charge over specific book Debts/ receivables which are not more than 30 days over due and bank lien on FDR to the extent of 10% total outstanding of bank and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia Directors of the company and carries interest @ BBR+ 3.00% presently 14.00%.p.a.	16,666,664	49,999,997	33333336	33,333,336
RATNAKAR BANK LTD (Term Loan - III) The loan is repayable in 36 monthly installments of Rs. 2,777,778/- each excluding interest from the 31.01.2015 i.e. next fourth month after disbursement . The Loan is secured against the exclusive hypothecation first charge over specific book Debts/ receivables which are not more than 30 days overdue and bank lien on FDR with bank to the extent of 10% total outstanding of the bank and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia Directors of the company and carries interest @ BBR+ 2.25% presently 13.25%.p.a.	58,333,330	-	33333336	-
BANK OF INDIA The loan is repayable in 36 monthly installments comprising first 35 installments of Rs. 2,778,000/- being last installment of Rs. 2,770,000/- excluding interest from 31.05.2014. The loan is secured against the exclusive hypothecation of specific book Debts/ receivables which are not more than 30 days overdue and cash collateral of Rs. 15,000,000/- and personal guarantees of Mr. Rajendra Kumar Setia and of Mrs. Shalini Setia, Directors of the company and carries interest @ BBR+4.15% presently 14.35%.p.a.	36,106,000	69,442,000	33,336,000	30,558,000
HDFC BANK LTD (Term Loan - II) The loan is repayable in 24 monthly installments of Rs.2,374,743/- each including interest from 07.06.2013. The Loan is secured against the exclusive hypothecation over book Debts/ receivables which are not more than 30 days overdue and personal guarantee of Mr. Rajendra Kumar Setia, Director of the company and carries interest @ 12.90% p.a.	-	4,673,954	4,673,931	26,038,864
HDFC BANK LTD (Term Loan - III) The loan is repayable in 36 monthly installments of Rs. 5,036,049/- each including interest from 07.09.2013. The Loan is secured against the exclusive hypothecation over book Debts/ receivables which are not more than 30 days overdue and personal guarantee of Mr. Rajendra Kumar Setia, Director of the company and carries interest @ 12.75% p.a.	24,397,114	77,948,999	53,551,886	47,173,091
IDBI BANK LIMITED (Term Loan - I) The loan is repayable in 36 monthly installments comprising 35 installments of Rs. 2,800,000/- each and last installment of Rs. 2,000,000/- excluding interest from 01.01.2014. The Loan is secured against the exclusive hypothecation charge over book	24,400,000	58,000,000	33,600,000	33,600,000

NOTES TO FINANCIAL STATEMENTS

Particular	Non Current Portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Debts/ receivables and Cash collateral of Rs. 13,100,000/- and personal guarantees of Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia, Mrs. Shalini Setia Directors of the company along with Mr. Raj Kumar Setia, Mrs. Bhajan Devi Setia, Mr. Sanjay Agarwal, Mr. Ashish Acharya and Corporate Guarantee of Star Auto Lounge Pvt Ltd. and carries interest BBR+ 4% presently @ 14.25%.p.a.				
IDBI BANK LIMITED (Term Loan - II) The loan is repayable in 36 monthly installments comprising 35 installments of Rs. 4,200,000/- each being last installment of Rs. 3,000,000/- excluding interest thereof from 01.05.2014. The Loan is secured against the Exclusive first charge over the book debts/ receivables and personal guarantees of Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia, and Mrs. Shalini Setia Directors of the company alongwith Mr. Raj Kumar Setia, Mr. Sanjay Agarwal, Mr. Ashish Acharya and carries interest @ BBR+ 3.75% presently @ 14.00%.p.a.	49,200,000	103,800,000	50,400,000	46,200,000
BANK OF BARODA (Term Loan - I) The loan is repayable in 36 monthly installments comprising 35 installment of Rs. 7,000,000/- each and last installment of Rs. 5,000,000/- excluding interest from 01.10.2014 i.e. six month after disbursement of the loan. The Loan is secured against the exclusive charge on the receivables and personal guarantees of Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia, Mrs. Shalini Setia, Directors of the company and carries interest @ BBR+ 2.85% presently @ 13.10%.p.a.	124,000,000	201,000,000	84,000,000	49,000,000
BANK OF BARODA (Term Loan - II) The loan is repayable in 36 monthly installments comprising 35 installments of Rs. 4,175,000/- each and last installment of Rs. 3,875,000/- excluding interest from 01.10.2015 i.e. six month after disbursement the Loan is secured against the exclusive charge on the receivables and personal guarantees of Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia and Mrs. Shalini Setia, Directors of the company and carries interest @ BBR+ 2.75% presently @ 13.10%.p.a.	124,950,000	-	25,050,000	-
CENTRAL BANK OF INDIA (Term Loan - I) The loan is repayable in 36 monthly installments of Rs. 2,777,778/- excluding of interest from 30.09.2014. The Loan is secured against the hypothecation of exclusive first charge over book Debts/ receivables which are not more than 30 days overdue and bank lien on FDR of Rs. 15,000,000/- with bank and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia Directors of the company and carries interest @ BBR+ 4.15% presently 14.40%.p.a.	47,213,872	80,555,553	33,333,336	19,562,802
CENTRAL BANK OF INDIA (Term Loan - II) The loan is repayable in 36 monthly installments of Rs. 2,777,778/- excluding of interest from 30.09.2014. The Loan is secured against the hypothecation of exclusive first charge over book Debts/ receivables which are not more than 30 days overdue and bank lien on FDR of Rs. 15,000,000/- with bank and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia Directors of the company and carries interest @ BBR+ 4.15% presently 14.40%.p.a.	47,213,872	80,555,554	33,333,336	19,562,802
THE SOUTH INDIAN BANK LIMITED The loan is repayable in 12 quarterly installments i.e. 11 installments of Rs. 83.00 lac and last installments of Rs. 87.00 lac excluding interest from 22.03.2015 i.e. the three month after disbursement. The Loan is secured against the exclusive	58,500,000	-	33,200,000	-

NOTES TO FINANCIAL STATEMENTS

Particular	Non Current Portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
hypothecation first charge over specific book Debts/ receivables both present and future on standard assets portfolio and personal guarantees of Mr. Rajendra Kumar Setia and Mrs. Shalini Setia Directors of the company and carries interest @ BBR+ 2.50% presently 13.00%.p.a.				
KARNATAKA BANK LIMITED The loan is repayable in 12 quarterly installments i.e. 11 installments of Rs. 83.00 lac and last installments of Rs. 87.00 lac excluding interest from 19.03.2015 i.e. the three month after disbursement . The Loan is secured against the exclusive hypothecation first charge over specific book Debts/ receivables and personal guarantees of Mr. Rajendra Kr. Setia and Mrs. Shalini Setia Directors of the company and carries interest @ BBR+ 3.25% presently 14.00%.p.a.	58,503,694	-	33,200,000	-
STATE BANK OF INDIA The loan is repayable in 12 equal quarterly installments of Rs. 1.25 Cr each excluding interest from 04.2015. The Loan is secured against the exclusive hypothecation first charge over specific standard book Debts/ receivables and bank lien on FDR pledged with bank to the extent of 10% of the loan amount and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia and Arjun Das Setia Directors of the company and carries interest @ BR+ 3.10% presently 13.10%.p.a.	87,494,915	-	50,000,000	-
STATE BANK OF PATIALA The loan is repayable in 84 equal monthly installments of Rs. 15,322/- inclusive of interest from 30.06.2014 The loan is secured against hypothecation of car and personal guarantee of Mr. Rajendra Kumar Setia Managing Director of the company and carries interest @ BR +0.75% presently 11.00% p.a.	704,093	-	100,318	-
TOTAL	**774,096,426**	**778,866,137**	**570,736,717**	**336,308,376**

6.2 SCHEDULE OF SECURED TERM LOAN FROM OTHERS

Particular	Non Current Portion		Current Maturities	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)	33,300,000	49,980,000	16,680,000	16,680,000
MAS FINANCIAL SERVICES LIMITED				
Loan Account No 1	-	4,166,664	-	16,666,668
Loan Account No 2	-	6,944,442	-	16,666,668
Loan Account No 3	-	15,706,331	-	16,610,486
RELIANCE CAPITAL LIMITED				
Loan Account No 1	-	18,215,706	18,215,707	24,375,923
Loan Account No 2	-	24,627,436	24,627,436	23,552,184
AU Financiers India Limited				
Loan Account No 1	84,238,608	265,352,881	181,114,272	154,880,339
IFMR Capital Finance Pvt Ltd.				
Loan Account No 1	-	8,359,431	-	14,974,152
Loan Account No 2	-	13,903,415	-	24,915,329
Loan Account No 3	-	7,362,375	7,362,375	9,723,561
Loan Account No 4	-		25,845,295	
Sundaram Finance Ltd	34,616,964	67,658,425	33,041,461	28,981,375
Total	**152,155,572**	**482,277,106**	**306,886,546**	**348,026,685**

Loan from SIDBI is repayable in 54 monthly installments comprising first 53 installments of Rs.1,390,000/- each and last installment of Rs. 1,330,000/- excluding interest from 29.10.2013. The Loan is secured against the hypothecation of exclusive first charge over book Debts/ receivables which are not more than 30 days overdue and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia Directors of the company and carries interest @ 14.25% p.a. which can be revised by SIDBI at the end of every year.

NOTES TO FINANCIAL STATEMENTS

Loan No 1 of MAS is repayable in 36 equal monthly installment w.e.f. 29.07.2012, excluding interest which is payable monthly. The Loan is secured against the hypothecation of exclusive charge over book debts both present and future which are not more than 30 days overdue and carries interest at MAS PLR + 0.50% at present @ 15.50%.p.a.

Loan No 2 of MAS is repayable as per matching future flow from the specified book debts along with interest. The Loan is secured against the hypothecation of exclusive charge over book Debts both present and future which are not more than 30 days overdue and carries interest at MAS PLR + 0.50% at present @ 15.50%.p.a.

Loan No 3 of MAS is repayable in 36 equal monthly installment w.e.f. 01.03.2013, excluding interest which is payable monthly. The Loan is secured against the hypothecation of exclusive charge over book debts both present and future which are not more than 30 days overdue and carries interest at MAS PLR + 0.25% at present @ 15.25% p.a.

Loan no. 1 of Reliance Capital Ltd is repayable in 24 equal monthly installments of Rs. 2,396,631/- including interest from 01.12.2013. The Loan is secured against the exclusive hypothecation first charge over book Debts/ receivables which are not more than 90 days overdue, cash collateral @ 10% of the finance amount and personal guarantees of Mr. Rajendra Kumar Setia and Mrs. Shalini Setia Directors of the company and carries interest @ 13.83% p.a.

Loan no. 2 of Reliance Capital Ltd is repayable in 24 equal monthly installments of Rs. 2,396,631/- including interest from 01.03.2014. The Loan is secured against the exclusive hypothecation first charge over book Debts/ receivables which are not more than 90 days overdue, cash collateral @ 10% of the finance amount and personal guarantees of Mr. Rajendra Kumar Setia and Mrs. Shalini Setia Directors of the company and carries interest @ 13.83% p.a.

Loan from AU Financiers (India) Pvt Ltd is repayable in 36 equal monthly installments of Rs. 17,516,866/- including interest from 23.09.2013. The Loan is secured against the hypothecation of exclusive first charge over book Debts/ receivables which are not more than 90 days overdue and personal guarantee of Mr. Rajendra Kumar Setia, Managing Director of the company and carries interest @ 15.75% p.a. which can be reset by lender on 01.04.2014 and every six moths thereafter.

Loan from IFMR Capital is repayable in 24 equal monthly installments comprising 23 installments of Rs. 1,464,000/- and last installment of Rs. 1,465,320/- including interest from 23.09.2013. The Loan is secured against the exclusive first hypothecation charge over book Debts/ receivables that meet the portfolio origination criteria and cash collateral security @ 10% of the finance amount and personal guarantee of Mr. Rajendra Kumar Setia, Director of the company and carries interest @ 15.64% p.a.

Loan from IFMR Capital is repayable in 24 equal monthly installments comprising 23 installments of Rs. 2,418,000/- and last installment of Rs. 2,425,439/- including interest from 28.10.2013. The Loan is secured against the exclusive first hypothecation charge over book Debts/ receivables that meet the portfolio origination criteria and cash collateral security @ 10% of the finance amount and personal guarantee of Mr. Rajendra Kumar Setia Director of the company and carries interest @ 15.64% p.a.

Loan from IFMR Capital is repayable in 24 equal monthly installments comprising 23 installments of Rs. 976,000/- and last installment of Rs. 969,010/- including interest from 30.12.2013. The Loan is secured against the exclusive first hypothecation charge over book Debts/ receivables that meet the portfolio origination criteria and cash collateral security @ 7.50% and personal guarantee of Mr. Rajendra Kumar Setia Director of the company and carries interest @ 15.64% p.a.

Loan from IFMR Capital is repayable in 12 equal monthly installment comprising first 11 installments of Rs.4,487,000/- and last installments of Rs. 4,478,608/- including interest from 30.10.2014. The Loan is secured against the hypothecation of specified book Debts/ receivables and personal guarantees of Mr. Rajendra Kumar Setia, Director of the company and carries interest @ 13.90% p.a.

Loan from Sundaram Finance is repayable in 36 monthly installments comprising first installment of Rs.3,360,200/- and balance 35 installments of Rs. 3,373,000/- including interest from 28.03.2014. The Loan is secured against the hypothecation of specified book debts/ receivables and personal guarantees of Mr. Rajendra Kumar Setia, Mrs. Shalini Setia and Mr. Arjun Das Setia Directors of the company and carries interest @ 14.00% p.a.

6.3 SCHEDULE OF REDEMABLE SECURED DEBENTURES

Particular	Non Current Portion		Current Maturities	
	31-03-2015	**31-03-2014**	**31-03-2015**	**31-03-2014**
Redeemable Secured Non Convertible Debentures				
from Kotak Mahindra (International) Ltd.	27,500,000	55,000,000	27,500,000	27,500,000
from FMO (Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V)	373,333,334	-	106,666,666	-
Total	**400,833,334**	**55,000,000**	**134,166,666**	**27,500,000**

The Company had issued and allotted 1100, 12.20% Secured Non-Convertible Debentures (“NCDs”) of face value of Rs. 100,000/- each, aggregating up to Rs.110,000,000/- on 15.10.2013 which are repayable in 4 equal annual installments of Rs 27,500,000/- excluding interest from 31.03.2014 and final redemption date being 31st March 2017 and were privately placed. The NCD’s are secured against the hypothecation of exclusive first charge over book Debts/ receivables to the extent of 125% of outstanding principal and shall not be more than 30 days overdue and personal guarantee of Mr. Rajendra Kumar Setia Director of the company.

The Company had issued and allotted 480, 14.75% Secured Non-Convertible Debentures (“NCDs”) of face value of Rs. 100,000/- each, aggregating up to Rs.480,000,000/- on 28.05.2014 which are repayable in 9 equal semi annually installments of Rs 53,333,333/- excluding interest from 31.05.2015 and final redemption date being 30 May 2019 and were privately placed. The NCD’s are secured against the hypothecation of exclusive first charge over book debts/ receivables to the extent of 120% of outstanding principal or 100% of outstanding principal plus future interest which ever is higher.

NOTES TO FINANCIAL STATEMENTS

6.4 SCHEDULE OF UNSECURED DEBENTURES

Particular	Non Current Portion		Current Maturities	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Unsecured Non Convertible Debentures From BanyanTree Growth Capital LLC	165,000,000	165,000,000	-	-
Total	**165,000,000**	**165,000,000**	**-**	**-**

The Company had issued and allotted 1650, 18% Unsecured Non-Convertible Debentures ("NCDs") of face value of Rs. 100,000/- each, aggregating up to Rs.165,000,000/- on 15.10.2012, which are redeemable on fifth anniversary date i.e. 15.10.2017 and were privately placed.

The aggregate amount of loan guaranteed by directors as on 31.03.2015 Rs. 1,968,110,099/- (as on 31.03.2014 Rs. 2,010,801,086/-)

7 OTHER LONG TERM LIABILITIES

Particular	As at 31 Mar 2015	As at 31-Mar 2014
Unrealised Gain on Loan transfers under Securitization transactions (refer note no. 31 (c))	9,714,065	7,675,030
TOTAL	**9,714,065**	**7,675,030**

8 PROVISIONS

Particular	LONG TERM		SHORT TERM	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
PROVISIONS FOR EMPLOYEES BENEFITS				
Gratuity	3,960,536	4,829,470	1,134,316	1,494,061
Leave Encashment	4,266,925	2,168,386	995,520	549,843
OTHER PROVISIONS				
Provision for Income Tax(Net of Advance Tax)	-	-	1,771,602	6,181,719
Proposed Dividend on Preference Shares	-	-	1,199	1,199
Provision for Dividend distribution Tax	-	-	204	204
Contingent Provisions on other Advances	10,526	1,453,876	3,030,132	2,162,441
PROVISION ON ASSETS (Refer Note 24.3)				
on Standard assets	4,573,794	3,168,915	4,758,592	2,732,707
on Sub standard, Doubtful and Loss assets	-	-	15,797,656	3,823,614
SUB TOTAL	**12,811,781**	**11,620,647**	**27,489,221**	**16,945,788**
TOTAL	**12,811,781**	**11,620,647**	**27,489,221**	**16,945,788**

9 SHORT-TERM BORROWINGS:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
SECURED LOANS FROM BANKS (CASH CREDIT)	165,039,249	142,084,041
TOTAL	**165,039,249**	**142,084,041**

Loan from IDBI bank carry interest rate Base rate + 3.50% presently 13.75% is secured against Exclusive Charge on receivables in respect of loans disbursed and is personally guaranteed by Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia & Mrs. Shalini Setia. It is further secured against collateral security of Equitable Mortgage of immovable properties in owned by Mr. Raj Kumar Setia, Mrs. Shalini Setia, Mr. Arjun Das Setia and Mr. Ashish Acharya . In addition to guarantee from the directors it is also personally guaranteed by Mr. Raj Kumar Setia, Mr. Sanjay Agarwal, Mr. Ashish Acharya & Mrs. Bhajan Devi Setia and Corporate guarantee from Star Auto Lounge (P) Ltd.

Loan from SBBJ is secured against First exclusive charge on Hypothecation of book debts in respect of loans disbursed and are guaranteed personally by Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia & Mrs. Shalini Setia Director of the company along with Mrs. Bhajan Devi Setia. It is further secured against collateral security of Equitable Mortgage of immovable property in name of Mr. Arjun Das Setia and Mrs. Bhajan Devi Setia and lien on FDR of Rs.10,000,000/-. Book debts shall not be overdue by more than 90 days.

Loan from Bank of Maharashtra carry interest rate base rate + 2.50% presently 12.75% is secured against exclusive charge on receivables and are guaranteed personally by Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia & Mrs. Shalini Setia. Book debts shall not be overdue by more than 90 days.

Loan from State Bank of Patiala carry interest rate base rate + 3.25% presently 13.50% is secured against first exclusive Hypothecation charge on loans receivables and collateral security of Lien on FDR of Rs. 15,000,000/- and is guaranteed personally by Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia & Mrs. Shalini Setia. Book debts shall not be overdue by more than 90 days.

Loan from Indian Overseas bank carry interest rate base rate + 4.25% presently 14.50% is secured against Exclusive Hypothecation charge on standard loan receivables and is guaranteed personally by Mr. Rajendra Kumar Setia, Mr. Arjun Das Setia & Mrs. Shalini Setia. It is further secured against lien on Rs. 20,000,000/- and book debts shall not be overdue by more than 90 days.

NOTES TO FINANCIAL STATEMENTS

Loan from Bank of India carry interest rate base rate + 3.65% presently 13.90% is secured against the exclusive hypothecation of specific book debts/ receivables and collateral security of lien on FDR of Rs. 52,500,000/- and personal guarantees of Mr. Rajendra Kumar Setia and of Mrs. Shalini Setia, Directors of the company and carries interest @ BBR+3.65% presently 13.90%.p.a.

10 OTHER CURRENT LIABILITIES

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Current Maturities of Long term Debts	1,311,789,929	716,343,383
Interest Accrued but not due	36,914,102	45,617,033
Interest Accrued and Due on Borrowings	493,768	-
Redeemable Secured NCD	-	27,500,000
Unrealised Gain on Loan transfers under Securitization transactions (refer note no. 31 (c))	40,079,227	23,854,307
Other Payable	95,698,833	104,107,210
Employee Payable	4,520,617	6,908,406
Expense Payable	12,362,302	10,984,008
Unearned Securitization income	19,072,047	-
Other Advances	11,777,946	13,321,822
Dividend Payable	2,398	1,199
Statutory Dues Payables	5,546,346	9,610,191
TOTAL	**1,538,257,515**	**958,247,559**

11 Fixed Assets

TANGIBLE ASSETS	Gross Block				Depreciation & Amortization				Net Block	
Description of Assets	OPENING BALANCE	ADDITION	Adjustment/ Deletion	Total	OPENING BALANCE	ADDITION	Adjustment/ Deletion	Total	At 31-03-2015	At 31-03-2014
TANGIBLE ASSETS										
Furniture and fixture	13,675,934	7,618,259	-	21,294,193	1,610,159	1,634,436.00	-	3,244,595	18,049,598	12,065,775
Vehicles	7,297,432	3,236,429	(707,735)	9,826,126	2,074,290	1,059,466.00	(559,832)	2,573,924	7,252,202	5,223,142
Office Equipments	2,993,662	2,912,536	-	5,906,198	488,773	1,017,043.00	140,227	1,646,043	4,260,155	2,504,889
Computers	9,813,917	2,735,329	-	12,549,246	4,377,910	3,409,034.00	262,701	8,049,645	4,499,601	5,436,007
Building	64,928	-	(64,928)	-	64,928	-	(64,928)	-	-	-
Assets Dep 100%	270,831	-	(270,831)	-	270,831	-	(270,831)	-	-	-
TOTAL	34,116,703	16,502,553	(1,043,494)	49,575,762	8,886,891	7,119,979	(492,663)	15,514,207	34,061,555	25,229,812
PREVIOUS YEAR	26,241,911	7,874,792	-	34,116,703	6,068,375	2,818,516	-	8,886,891	25,229,812	20,173,536
INTANGIBLE ASSETS										
Software	1,381,780	620,991	-	2,002,771	1,224,168	183,777	-	1,407,945	594,826	157,612
TOTAL	1,381,780	620,991	-	2,002,771	1,224,168	183,777	-	1,407,945	594,826	157,612
PREVIOUS YEAR	1,243,180	138,600	-	1,381,780	795,768	428,400	-	1,224,168	157,612	447,412
Grand Total	35,498,483	17,123,544	(1,043,494)	53,665,521	10,111,059	7,303,756	(492,663)	17,907,478	34,656,381	25,387,424
Previous Year	27,485,091	8,013,392	-	35,498,483	6,864,143	3,246,916	-	10,111,059	25,387,424	20,620,948

*Adjustment of carrying amount of the tangible assets of Rs. 402,928/- in accordance with schedule II of the Companies Act, 2013

12 NON-CURRENT INVESTMENTS:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Investment in Pass-Through Certificates (PTC's)	9,280,886	9,280,886
TOTAL	**9,280,886**	**9,280,886**

13 DEFERRED TAX ASSETS (NET):

Particular	As at 31-Mar-15	As at 31-Mar-14
Deferred Tax Liabilities		
Difference between Book and tax depreciation	1,269,894	1,805,804
Gross Deferred tax Liabilities	**1,269,894**	**1,805,804**
Deferred Tax Asset		
Provision on Loans and Advances	9,575,221	4,534,794
Other Expenses	3,520,445	3,073,294
Gross Deferred Tax Assets	**13,095,666**	**7,608,088**
Net Deferred Tax Assets	**11,825,772**	**5,802,284**

NOTES TO FINANCIAL STATEMENTS

14 OTHER NON CURRENT ASSETS

Particular	As at 31 Mar 2015	As at 31 Mar 2014
PRELIMINARY EXPENSES		
Opening balance	-	25,000
Less: written off during the year	-	25,000
FIXED DEPOSIT		
Term Deposits under lien for Borrowings	22,500,000	22,500,000
Term Deposits under lien for Securitisation / Assignment	19,097,635	6,500,000
TOTAL	**41,597,635**	**29,000,000**

15 TRADE RECEIVABLE

Particular	As at 31 Mar 2015	As at 31 Mar 2014
(Unsecured considered Good)		
(1) Outstanding for a period less than six months from the date of due for payment	4,862,814	1,999,415
(2) Outstanding for a period more than six months from the date of due for payment	-	616,702
TOTAL	**4,862,814**	**2,616,117**

16 CASH & BANK BALANCES:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
(a) CASH AND CASH EQUIVALENTS		
Cash on Hand	23,900,856	18,910,262
Balances with bank in current Accounts	18,559,491	7,266,242
(b) OTHER BANK BALANCES		
Term Deposits under lien for Borrowings	186,132,811	186,605,893
Term Deposits under lien for Securitisation / Assignment	19,000,000	11,591,035
TOTAL	**247,593,158**	**224,373,432**

16.1FDR Balances with Bank (Kept as margin money against guarantees/Loan)

Particular	As at 31 Mar 2015	As at 31 Mar 2014
-Upto 3 months maturity from date of acquisition	-	-
-Upto 12 months maturity from date of acquisition	111,838,750	111,906,106
-Maturity more than 12 months but within one year from the reporting date	93,294,061	86,290,822
Shown as Current Assets	**205,132,811**	**198,196,928**
-Maturity more than 12 months but after one year from the reporting date	41,597,635	29,000,000
Shown as Non-current Assets	41,597,635	29,000,000
TOTAL	**246,730,446**	**227,196,928**

17 LOANS & ADVANCES:

Particulars	Non Current		Current	
	As at 31 Mar 2015	As at 31 Mar 2014	As at 31 Mar 2015	As at 31 Mar 2014
Capital Advances	**-**	31,000		
LOAN & ADVANCES				
(Unsecured considered good)				
Related Party	-	-	4,175,394	7,954,045
Advance to staff	-	-	1,379,000	2,371,822
Other Advances	4,210,400	5,363,400	20,646,107	112,063,938
Security Deposits (Against assignment)	-	119,232,070	4,928,669	-
Interest Only strip (I/O) strip under securitisation transactions (refer note no. 31 (c))	9,714,065	7,675,030	40,079,227	23,854,307
Security Deposits (others)	4,865,175	46,042,010		
Other Statutory Receivables	2,315,460		3,654,661	986,666
Secured Advances				
Retained interest under Securitisation / Assignment Transactions	67,437,908	14,958,909	17,039,224	9,684,295
LOAN (Secured Against Hypothecation of Vehicles etc.)				
Standard	1,590,679,442	1,267,565,811	1,479,455,426	1,093,082,949
Sub Standard	-	-	41,620,989	7,647,228
Doubtful	-	-	2,449,745	-
TOTAL	**1,679,222,450**	**1,460,868,230**	**1,615,428,442**	**1,257,645,250**

NOTES TO FINANCIAL STATEMENTS

18 OTHER CURRENT ASSETS:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Prepaid Expenses	738,382	517,714
Unamortised Borrowing cost	25,577,076	-
Income Accrued but not received	194,234,272	131,662,171
TOTAL	**220,549,730**	**132,179,885**

19 Revenue from Operations

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Revenue		
Interest on Hypothecation of Assets	698,569,297	528,818,404
Income from Assignments	61,872,521	27,533,424
Total Revenue	**760,441,818**	**556,351,828**
Other Operating Revenue		
Interest from Margin Money Deposits	29,788,142	29,419,794
Income from Processing and other charges	61,198,000	53,058,855
Total Other Operating Revenue	**90,986,142**	**82,478,649**
TOTAL	**851,427,960**	**638,830,477**

20 OTHER INCOME:

Particular	As at 31-Mar-15	As at 31-Mar-14
Income from Insurance Support Services	27,216,233	20,388,814
Commission	-	252,229
Loans Written off recovered	7,262,144	3,153,995
Misc Income	230,043	135,526
TOTAL	**34,708,420**	**23,930,564**

21 EMPLOYEE BENEFITS EXPENSE

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Salary and Wages	97,314,239	67,770,026
Contribution to Provident and Other Funds	3,546,733	2,167,549
Staff Welfare Expenses	2,797,746	1,584,144
TOTAL	**103,658,718**	**71,521,719**

22 FINANCIAL COSTS:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Interest		
To Bank	198,743,962	112,948,878
To Others	199,915,137	169,798,980
Other Borrowing Costs	8,631,912	15,617,603
TOTAL	**407,291,011**	**298,365,461**

23 DEPRECIATION AND AMORTZATION EXPNSE:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Depreciation of Tangible Fixed Assets	7,119,979	2,818,516
Amortization of Intangible Assets	183,777	428,400
Preliminary Expenses	-	25,000
TOTAL	**7,303,756**	**3,271,916**

NOTES TO FINANCIAL STATEMENTS

24 OTHER EXPENSES:

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Rent Rates & Taxes	12,952,607	8,890,545
Commission & Brokerage	45,144,004	36,324,973
Advertisement & Publicity	995,685	810,975
Travelling & Conveyance	7,731,757	5,779,620
Repair & Maintenance	2,546,195	1,116,408
Legal & Professional Charges	36,493,540	35,139,878
Printing & Stationery	3,210,713	2,197,610
Audit Fees	300,000	150,000
Postage & Telegram	1,377,915	852,708
Electricity & Water	2,240,413	1,624,283
Telephone Expenses	3,048,453	2,245,210
Office expenses	5,088,947	5,006,643
Collection Expenses	18,755,919	19,254,596
Business Promotion Exp.	10,013,093	3,929,269
Rebate & Claim	38,944,158	27,483,324
Bad Debts	24,781,955	14,530,741
Provisions (Refer Note No 24.2)	14,829,147	1,576,230
CSR Expenses (Refer note 34)	1,960,000	-
TOTAL	**230,414,501**	**166,913,013**

24.1 Payment to Auditors

Particular	As at 31 Mar 2015	As at 31 Mar 2014
As Auditor		
Audit Fees inculding Limited Review	500,000	130,000
Tax Audit Fees	-	20,000
In Other Capacity	**-**	
Taxation Matters	-	44,450
Other consultancy services	-	58,900
Reimbursement of Expenses	4,994	35,000
TOTAL	**504,994**	**288,350**

24.2 Transfer from / to Provisions

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Provision for NPA	11,974,042	1,748,820
Provision for Standard Assets	3,430,764	2,076,783
Contingent Provisions for other Advances	(575,659)	(2,249,373)
TOTAL	**14,829,147**	**1,576,230**

24.3Movement in Provision

Assets Classification	As at 31 Mar 2014	Provision made during the year	Provision written back during the year	As at 31 Mar 2015
Standard Assets	5,901,622	3,430,764		9,332,386
Sub- Standard Assets	3,823,614	13,043,674	3519377	13,347,911
Doubtful Assets	-	2,449,745	-	2,449,745
Loss Assets	-	-	-	-
TOTAL	**9,725,236**	**18924183**	**3519377**	**25130042**

24.4Lease Payment

The Company has taken certain offices on cancellable operating lease. Minimum lease payments of Rs. 10,359,709/- (PY Rs. 6,701,645/-) are charged to Statement of Profit & Loss during the year.

NOTES TO FINANCIAL STATEMENTS

25 EARNING PER SHARE

Particular	As at 31 Mar 2015	As at 31 Mar 2014
Basic Earning Per Share		
Net Profit available for Equity Shareholders	90,450,281	80,031,865
Weighted Average No of Equity Shares	202,415	199,518
Basic EPS	**447**	**401**
Diluted Earning Per Share		
Weighted Average No of Equity Shares	202,415	199,518
Effect of Dilution	68,295	68,295
Weighted Average No of Equity Shares in Dilution	270,710	267,813
Weighted Average Diluted EPS	**334**	**299**

26 EMPLOYMENT BENEFIT PLANS

As per revised AS-15 provision for gratuity for the current year has been calculated as under:-

a) Defined Contribution Plans:-

The Company has recognised an expense of Rs. 3,546,733/- (Previous Year Rs. 2,167,549/-) towards the defined contribution plan.

b) Defined benefits plans - as per actuarial valuation

	Gratuity Benefit Plan (Unfunded)		Leave Encashment Plan (Unfunded)	
Particulars	**As at 31 Mar 2015**	**As at 31 Mar 2014**	**As at 31 Mar 2015**	**As at 31 Mar 2014**
Changes in Present value of benefit obligation				
Opening present Value of Obligation	6,323,531	3,370,014	2,718,229	588,819
Interest Cost	495,132	306,334	198,492	49,445
Current Service Cost	771,534	1,114,194	819,804	919,232
Past service Cost	-	-	-	-
Benefits Paid	-	-	(366,418)	(89,734)
Actuarial Gain / Loss	(2,495,345)	1,532,989	1,892,338	1,250,467
Closing present Value	**5,094,852**	**6,323,531**	**5,262,445**	**2,718,229**
Component of Employers Expense				
Current Service Cost	771,534	1,114,194	819,804	919,232
Interest Cost	495,132	306,334	198,492	49,445
Expected return on plan assets	-	-	-	-
Net actuarial Gain/ Loss recognise in the year	(2,495,345)	1,532,989	1,892,338	1,250,467
Past service Cost	-	-	-	-
Expenses recognised in P & L A/c	**(1,228,679)**	**2,953,517**	**2,910,634**	**2,219,144**
Movement in net liability recognised in balance sheet				
Opening net Liability	6,323,531	3,370,014	2,718,229	588,819
Expenses Recognised in P & L	(1,228,679)	2,953,517	2,910,634	2,219,144
Contribution			(366,418)	(89,734)
Closing Balance	**5,094,852**	**6,323,531**	**5,262,445**	**2,718,229**
Actuarial Assumptions				
Discount Rate	7.83%	9.09%	7.83%	9.09%
Salary Escalation rate	7.50%	7.50%	7.50%	7.50%
Withdrawal Rate	1%	1%	1%	1%

Gratuity

Particulars	31 Mar 2015	31 Mar 2014	31 Mar 2013	31 Mar 2012	31 Mar 2011
Value of Obligation	5,094,852	6,323,531	3,370,014	2,444,050	1,857,943
Fair Value of Plan Assets	-	-	-	-	-
Balance Sheet Liability/(Asset)	5,094,852	6,323,531	3,370,014	2,444,050	1,857,943
P&L –(Income)/Expenses	(1,228,679)	2,953,517	925,964	586,107	1,187,057
Experience adjustment on Plan Liabilities (Gain) / Loss	(2,823,687)	1,850,301	211,093	(124,957)	(57,025)

Leave Encashment

Particulars	31 Mar 2015	31 Mar 2014	31 Mar 2013	31 Mar 2012	31 Mar 2011
Value of Obligation	5,262,445	2,718,229	588,819	-	-
Fair Value of Plan Assets	-	-	-	-	-
Balance Sheet Liability/(Asset)	5,262,445	2,718,229	588,819	-	-
P&L –(Income)/Expenses	2,910,634	2,219,144	588,819	-	-
Experience adjustment on Plan Liabilities (Gain) / Loss	1,593,081	1,353,491	-	-	-

NOTES TO FINANCIAL STATEMENTS

The company has provided for compensatory leaves which can be availed and not encashed as per policy of the company as present value obligation of the benefit at related current service cost measured using the projected unit credit method on the basis of an actuarial valuation.

27 RELATED PARTY DISCLOSURES

As per the Accounting Standard 18 on 'Related Party Disclosures', the disclosure of related parties of the company are as follows:

List of Related party : Where control exist

Company has no subsidiary and holding company

A Major Equity Shareholder

Rajendra Kumar Setia
Shalini Setia

B Key Management Personal

Rajendra Kumar Setia	Managing Director
Arjun Das Setia	Director
Shalini Setia	Director
Atul Arora	CFO
Deepak Jain (Till the date of 25.03.2015)	CEO
Anagha Bangur	Company Secretary

C. Relatives of Key Management Person

a.. Raj Kumar Setia	Brother of Rajendra Kumar Setia
b.. Surendra Kumar Setia	Brother of Rajendra Kumar Setia
c.. Sameer Arora	Brother of Shalini Setia
d. Sanjeev Arora	Brother of Shalini Setia

D. Enterprises owned and significantly influenced by key management personal or their relatives

Setia Automobiles Pvt. Ltd
Setia Auto Finance Pvt. Ltd
Sharma Brothers
Shubham Leasing & Financial co.
Diamond Capfin Pvt. Ltd
Computer Hardware 'N' Trade Center
V. R. Financers
Friend Software Services
Chamunda Computers

NATURE OF TRANSACTION		As at 31 Mar 2015	As at 31 Mar 2014
EXPENDITURE			
Salary	**Key Management Personnel**		
	Rajendra Kumar Setia	2,100,000	2,100,000
	Arjun Das Setia	1,200,000	1,200,000
	Shalini Setia	720,000	720,000
	Atul Arora	948,971	772,439
	Deepak Jain	1,500,000	1,000,000
	Anagha Bangur	238,711	70,623
	Relative of Key Management personnel		
	Sameer Arora	900,000	661,164
	Sanjeev Arora	457,626	339,541
	Deepika Dhingra	480,000	360,000
	Deepa Jain	1,000,000	-
Provident Fund paid	Atul Arora	3,900	7,800
	Anagha Bangur	6,342	-
Commission	**Relative of Key Management personnel**		
	Surendra Kumar Setia	526,365	427,980
	Raj Kumar Setia	33,575	110,378
	Enterprises under significant Influence		
	Shubham Leasing & Finance Co.	185,850	363,660
	V.R Financers	509,713	-
	Friend Software Services	120,000	-
Fixed Asset Purchased	**Enterprises under significant Influence**		
	Chamunda Computer	-	10,000

NOTES TO FINANCIAL STATEMENTS

Particulars	Opening balance	Given	Received Back	Interest	Closing Balance
Advances Given					
Key Managerial Personnel					
Arjun Das Setia	-	5,467,294	5,478,219	10,925	-
Enterprises under significant Influence					
Setia Automobiles Pvt. Ltd	-	8,380,377	8,239,306	141,071	-
Setia Auto Finance Pvt. Ltd	-	20,000,000	20,079,562	79,562	-
Sharma Brothers	-	30,091,685	30,150,438	58,753	-
Shubham Leasing & Financial co.	6,697,318	-	7,142,312	444,994	-
Chamunda Computers	-	25,485,000	26,979,232	1,494,232	-
Diamond Capfin Pvt. Ltd.	-	6,100,000	2,544,544	445,438	4,000,894
Saral Insurance Broking Private Limited	-	174,500	-	-	174,500
Relative of Key Management personnel					
Surendra Kumar Setia	1,256,727	-	1,407,207	150,480	-
Advances Taken	**Opening balance**	**Taken**	**Paid Back**	**Interest**	**Closing Balance**
Key Managerial Personnel					
Rajendra Kumar Setia	-	2,519,978	2,510,000	9,978	-

28 CONTINGENT LIABILITY, CAPITAL AND OTHER COMMITMENTS

Particulars	As at 31 Mar 2015	As at 31 Mar 2014
(a) Claims against the company not acknowledged as debt	-	-
Service tax demand		
(b) Guarantees	-	
Corporate Guarantee/ Corporate Undertaking on assignment of loan assets	-	201,661,275
Bank Guarantee given to Judicial Magistrate Class I for " Supurdgi" of vehicle no RJ 12 T 0253	80,000	
Credit enhancement provided by the company towards securitisation transaction	-	-
Bank Guarantees given by the bankers on behalf of the Company in respect of credit facilities availed by the other company	-	-
Income Tax Demand	314,360	
There is no capital commitment on the part of the company		

29 Details of Dues under MSMED Act

There are no outstanding liability of the undertaking which are registered under the Micro, Small and Medium Enterprises, Development Act, 2006. The information required under the said Act has been complied by the company and this has been relied upon by the auditors.

30 SUPPLEMENTRY STATUTORY INFORMATION IN PURSUANT TO CLAUSE 32 OF THE DEBT LISTING AGREEMENT

There are no transactions which are required to be disclosed separately under this clause.

31 SECURITISATION / ASSIGNMENT TRANSACTIONS

a During the year, the company has without recourse securitised vide PTC route, loan receivables of 3533 contracts (2286) amounting to Rs. 541,175,560/- (P.Y. Rs. 352,492,665/) for a consideration of Rs. 541,175,560/- (Rs. 352,492,665/-) and de-recognised the assets from the books.

b During the year, the company has without recourse assigned loan receivables of 1348 contracts (P.Y. 1056 contracts) amounting to Rs. 232,822,018/- (P.Y. Rs. 174,882,415/-) for a consideration of Rs. 219,380,716/- (P.Y. Rs 168,586,648/-) and de-recognised the assets from the books.

c In terms of the accounting policies stated in 2.3 (c), securitisation income is recognised as per RBI guidelines dated 21.08.2012. Accordingly, Interest only(I/O) strip representing present value of interest spread receivable has been recognised and reflected under loans and advances (refer note no. 16 & 20) and equivalent amount of Unrealised gain has been recognised as liabilities (refer note no. 7 & 11)

d Excess Interest spread redeemed during the year by the Special Purpose Vehicle Trust (SPV Trust) has been recognised as income & included in income from assignment/ securitisation.

e Disclosure in the notes to accounts in respect of securitisation transactions as required under revised guidelines on securitisation transactions issued by RBI vide circular no. DNBS.PD.No.301/3.10.01/2012-13 dated 21.08.2012.

Applicable for transactions effected after the date of circular

NOTES TO FINANCIAL STATEMENTS

S.No.	Particulars	No. / Amount
1	No of SPVs sponsored by the NBFC for securitisation transactions	5
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	619,680,200
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	
	a) Off-balance sheet exposures	
	* First Loss	
	* Others	
	b) On-balance sheet exposures	
	* First Loss	36,797,635
	(Cash collateral term deposits with banks)	
	* Others	70,437,638
4	Amount of exposures to securitisation transactions other than MRR	
	a) Off-balance sheet exposures	
	i) Exposure to own securitisations	
	* First Loss	-
	* Others	-
	ii) Exposure to third party securitisations	
	* First Loss	-
	* Others	-
	b) On-balance sheet exposures	
	i) Exposure to own securitisations	
	* First Loss	-
	* Others	-
	(Investment in Pass- through Certificates(PTC))	
	ii) Exposure to third party securitisations	
	* First Loss	
	* Others	

f Disclosure in the notes to accounts in respect of assignment transactions as required under revised guidelines on securitisation transactions issued by RBI vide circular no. DNBS.PD.No.301/3.10.01/2012-13 dated 21.08.2012.

Applicable for transactions effected after the date of circular

S.No.	Particulars	No. / Amount
1	No. of the transactions assigned by the company	3
2	Total amount outstanding	233,203,800
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	
	a) Off-balance sheet exposures	
	* First Loss	-
	* Others	-
	b) On-balance sheet exposures	
	* First Loss	-
	* Others	23,320,380
4	Amount of exposures to assignment transactions other than MRR	
	a) Off-balance sheet exposures	
	i) Exposure to own assigned transactions	
	* First Loss	-
	* Others	-
	ii) Exposure to third party assigned transactions	
	* First Loss	-
	* Others	-
	b) On-balance sheet exposures	
	i) Exposure to own assigned transactions	
	* First Loss	-
	* Others	-
	ii) Exposure to third party assigned transactions	
	* First Loss	-
	* Others	-

32 .1 There were no cases (P.Y. Nil cases) of frauds amounting to Rs NIL (P.Y. 1098250/-) reported during the year and has initiated appropriate legal actions against the individuals involved.

32.2 As required by paragraph 13 of Non Banking Financial(Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, the required scheduled is annexed

NOTES TO FINANCIAL STATEMENTS

33 DISCLOSURE AS PER RBI NBFC (NON-DEPOSIT ACCEPTING) DIRECTIONS, 2007

33.1 Disclosure as per RBI Guidelines of systematic Important Non Deposit taking Non Banking Financial Company pertaining to capital to Risk Asset Ratio (CRAR)

Particulars	2014-15	2013-14
CRAR(%)	19.70%	20.60%
CRAR-Tier- I Capital(%)	17.06%	16.96%
CRAR-Tier- II Capital(%)	2.64%	3.64%

33.2 Exposure to Real Estate Sector both Direct and Indirect

The company does not have any direct or indirect exposure to real estate sector during the year ended on March 31, 2015 and March 31, 2014

33.3 Asset Liability Management

Maturity pattern of certain items of assets and liability as required by the RBI Guidelines is enclosed at Annexure "A"

34 Corporate Social Responsibility

In line with the provisions of Section 135 of Companies Act 2013, the company was required to spend Rs 2,371,000/- towards CSR expenditure for the Financial Year 2014-15. However the company actually spent Rs 19,60,000/- for the same.

CSR project or activity identified	Sector in which the project is covered	Amount spent on the projects or programs
Eradicating poverty, hunger, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Poor relief	25,000
Promoting empowering women reducing inequalities faced by socially and economically backward groups	Woman Empowerment	10,000
Promoting education providing quality education initiatives or by financial assistance to the poor and needy students, vocational education, adult education programs. Eradicating hunger, poverty, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Education & Healthcare	100,000
Animal welfare, afforestation, planting of trees, maintain public garden, playground cleanliness and such other like programme	Animal Welfare	325,000
Eradicating poverty, hunger, malnutrition, preventive health care programme, sanitation and making safe drinking water available.	Promoting & preventive healthcare programme	1,500,000
TOTAL		1,960,000

35 OTHER DISCLOSURES

a. Balances of various accounts including loans, Creditors and Advances recoverable are subject to confirmation from respective parties.

b. Security deposit for assigned cases is maintained as cash collateral deposits with the assignee.

c. Provision for impairment loss as required under AS-28 on impairment of assets is not necessary as in the opinion of management there is no impairment of the company's assets in terms of AS-28.

d. The Company has no transaction/exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as on 31st March, 2015 (P.Y. Nil)

e. Previous year figures have been re-grouped/re-arranged to make them comparable with current year figures.

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

For and on behalf of the board of Directors of
Ess Kay Auto Finance Private Limited

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
(YOGESH GUPTA)	**(RAJENDRA KUMAR SETIA)**	**(ARJUN DAS SETIA)**	**(ATUL ARORA)**	**(ANAGHA BANGUR)**
PARTNER	MANAGING DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER	COMPANY SECRETARY
(M. No - 093214)	(DIN- 00957374)	(DIN - 00469127)		

Place : Jaipur
Date : 28th May, 2015

Annexure "A"

(iii) Asset Liabilities Management:-

As certified by the management

Maturity pattern of certain items of assets & liabilities

(Rs. in Lacs)

Particulars	1 day to 30/31 day (1 month)	Over one smonth to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	372.49	434.80	641.83	1348.53	4560.12	7738.01	2.95	0.00	15098.72
Market Borrowings	273.56	768.07	322.44	860.61	5185.85	6646.56	533.33	0.00	14590.42
Assets									
Advances	1285.61	1289.77	1285.81	3836.37	7956.30	16608.61	14.67	0.00	32277.15
Investments	-	-	-	-	-	92.81	-		92.81

ANNEX - SCHEDULE

Balance Sheet of a non-deposit taking non-banking financial company

[as required in terms of paragraph 13 of Non-Banking Financial Non-Deposit Accepting or Holding Companies Prudential Norms Reserve Bank Directions, 2007]

(Rs. In Lacs)

	Particulars		
	Liabilities Side:	**Amount outstanding**	**Amount overdue**
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	5584.88	
	: Unsecured	1757.98	
	(Other than falling within the meaning of public deposits*)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans From bank	13459.63	Nil
	(d) Inter-corporate loans and borrowing	4601.11	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans (Specify nature)		
	Loan from: -		
	(i) Directors	Nil	Nil
	(ii) Shareholders	Nil	Nil
	(iii) CC Limit from Bank	1650.39	Nil
	(iv) Un Loan from Bank and Inst	3000.00	Nil

	Assets side:	**Amount outstanding**
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
	(a) Secured	31986.83
	(b) Unsecured	290.32
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors	Nil
	(a) Financial lease	
	(b) Operating lease	
	(ii) Stock on hire including hire charges under sundry debtors:	Nil
	(a) Assets on hire	
	(b) Repossessed Assets	
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	32277.15
4	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	(i) Shares: (a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	
	(iv) Government Securities	
	(v) Others (please specify)	

	2. Unquoted:	
	(i) Shares: (a) Equity	Nil
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of mutual funds	
	(iv) Government Securities	
	(v) Others (please specify)	
	Long term investments	
	1. Quoted:	
	(i) Shares: (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	
	(iii) Units of mutual funds	
	(iv) Government Securities	
	(v) Others (please specify)	
	2. Unquoted:	
	(i) Shares: (a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of mutual funds	
	(iv) Government Securities	
	(v) Others (please specify)	92.81

5 Borrower group-wise classification of assets finances as in (2) and (3) 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	41.75	41.75
2. Other than related parties	31986.83	248.57	32235.4
Total	**31986.83**	**290.32**	**32277.15**

6 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		
(b) Companies in the same group	Nil	Nil
(c) Other related parties		
2. Other than related parties		
Total		

** As per Accounting Standard of ICAI (Please see Note 3)

(7) Other information

	Particulars	Amount
1	Gross Non-Performing Assets	
	(a) Related Parties	Nil
	(b) Other than related parties	440.71
ii	Net Non-Performing Assets	
	(a) Related Parties	Nil
	(b) Other than related parties	282.73
iii	Assets acquired in satisfaction of debt	Nil

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Reg. No. 000756N

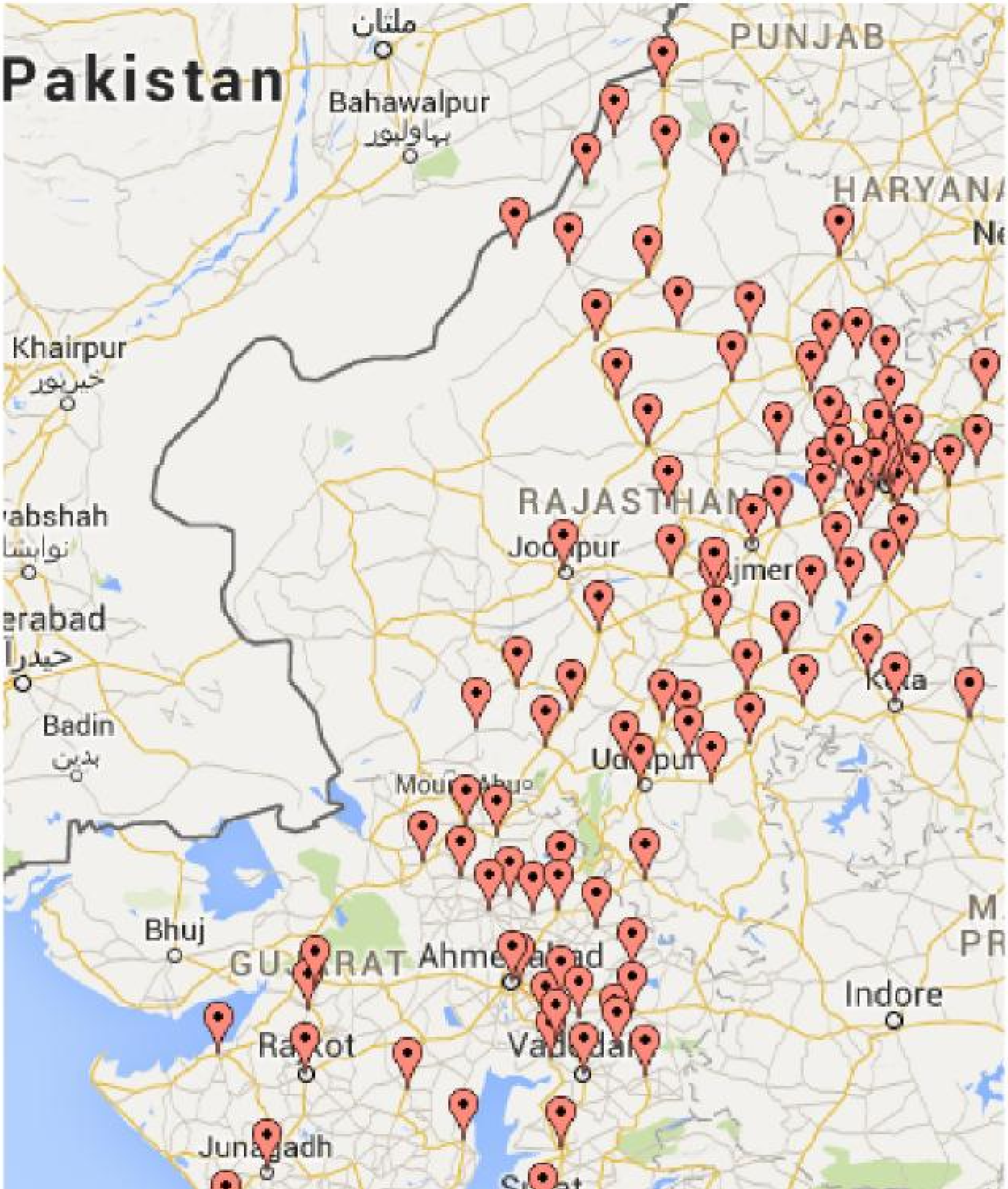
Sd/-
(YOGESH GUPTA)
PARTNER
(M. No - 093214)

Place : Jaipur
Date : 28th May, 2015

Saath Aapke... Hamesha

Annual Report 2014-15

Branches of Ess Kay Auto Finance Private Limited



sk FINANCE

Saath Aapke... Hamesha

Ess Kay Auto Finance Private Limited

CIN: U65923RJ1994PTC009051

Registered Office:
G1 & 2, New Market, Khasa Kothi Circle,
Jaipur - 302 001 (Rajasthan)

Corporate Office:
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