

**REPORT OF THE AUDIT COMMITTEE OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED (“STFCL” OR “THE COMPANY”) RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF SHRIRAM EQUIPMENT FINANCE COMPANY LIMITED WITH SHRIRAM TRANSPORT FINANCE COMPANY LIMITED AND THEIR RESPECTIVE SHAREHOLDERS (“SCHEME”)**

**Members present in the meeting held on June 26, 2015**

1. Mr. S. Sridhar - Chairman
2. Mrs. Kishori Udeshi - Member
3. Mr. S. M. Bafna - Member

**By invitation**

1. Mr. Umesh Revankar - CEO & Managing Director
2. Mr. Vinay Kelkar - Deputy Managing Director
3. Mr. S. Sunder - Executive Director (Accounts & Admin)
4. Mr. Parag Sharma - Chief Financial Officer
5. Mr. Vivek Achwal - Company Secretary

1. A meeting of the Audit Committee was held on June 26, 2015 to consider the proposal for amalgamation of Shriram Equipment Finance Company Limited (“SEFCL”) with the Company. Mr. Umesh Revankar made the presentation to the Audit Committee on the proposed amalgamation.
2. The Securities and Exchange Board of India, *vide* its Circular No. CIR/CFD/DIL15/2013 dated February 04, 2013 read with Circular No. CIR/CFD/DIL18/2013 dated May 21,2013 had, amongst other requirements, sought a report from the audit committee of listed Companies recommending the draft Scheme of Amalgamation after taking into consideration, *inter alia*, the Fairness Opinion.
3. The Audit Committee, examined Scheme of Amalgamation (“**Scheme**”), which *inter alia*

provides for the following:

*Merger of Shriram Equipment Finance Company Limited (“SEFCL”) (“the Transferor Company”) with the Company, for which no consideration shall be paid by the Company since it is a wholly owned subsidiary of the Company with effect from the “Appointed Date” as defined in the Scheme;*

4. The Audit Committee in light of the SEBI Circular No. CIR/CFD/DIL18/2013 dated May 21, 2013 further took note of the fact that the “Valuation Report from Independent Chartered Accountant” need not be required as there is no change in the shareholding pattern of the Company pursuant to the Scheme.
5. Further, the Audit Committee *inter alia* has taken into consideration, the Fairness Opinion, dated June 26, 2015, by Intensive Fiscal Services Private Limited, a category-I Merchant Banker, on the draft Scheme of Amalgamation.
6. We note that the draft Scheme does not adversely affect any of the rights of the shareholders or employees or creditors of Shriram Transport Finance Company Limited.
7. The Audit Committee, based on its observations and the discussions, has unanimously recommend the draft Scheme for favourable consideration by the Board of Directors of Shriram Transport Finance Company Limited, the Stock Exchange(s) and Securities Exchange Board of India

**Place :** Mumbai

**Date :** June 26, 2015

By Order of the Audit Committee

**For Shriram Transport Finance Company Limited**



**Chairman, Audit Committee**