SHRIRAM City
MONEY WHEN YOU NEED IT MOST

April 12, 2017

To

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra- Kurla Complex Bandra (E)
Mumbai 400 051

Kind Attn: Sri Jiten Patel, Assistant Manager, Listing Compliance

Dear Sir,

The Reserve bank of India ("RBI") vide their order No. DNBS (Che) No. 170713.18.033/2016-17 dated April 11, 2017 communicated to us about the levy of penalty of ₹ 20 lakhs on the Company for violation of Fair practices Code of RBI. As per the Fair Practices Code, the Company is required for

a. Execution of Loan agreements/Sanction letters etc in vernacular language as understood by the borrower.
b. Stating Penal interest charges/delayed payment charges in bold letters in agreement / sanction letters etc.
c. Communicating the annualized rate of interest.
d. Advance EMIs to be reflected in interest calculation.

In the course of inspection by RBI team, which is done by RBI annually, RBI found certain lapses /d elay in compliance with the said Fair Practices Code of RBI by the Company. The Company represented before RBI for these matters. RBI decided for levying of penalty of ₹ 20 lakhs.

There is no material impact of this on the Company.

This may please be taken on record.

For Shriram City Union Finance Limited

C R Dash
Company Secretary