



Ref: SCRIP ID- SRGSFL, SCRIP CODE-536710, ISIN NO - INE326P01019

Date: 26.08.2016

The GM (Listing)
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Dear Sir,

Subject: Regulation 34 of SEBI (LODR) Regulations, 2015

With reference to above mentioned subject, please find herewith attached copy of Annual Report of the Company for the FY 2015-16, as approved and adopted by the Members at the 21st AGM as annexure.

Request you to kindly take the same on your records.

Thanking You,

Yours Faithfully,

For S R G Securities Finance Limited

Vinod K. Jain
Managing Director
DIN: 00248843



SRG



2015-16 *ANNUAL REPORT*



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ABOUT S R G SECURITIES

S R G Securities Finance Ltd. is a BSE SME listed Non-Banking Finance Company (NBFC). It was incorporated on 6th March, 1995. The company started its operations after getting registered with RBI in year 1999.

S R G Securities Finance Ltd. is a part of SRG Group of Companies, one of the most respected organizations in South Rajasthan with over 21 Years of robust customer focused approach and a continuous quest for being the most preferred when it comes to financial assistance.

The Company is engaged in providing financial assistance to people in Tier-III and Tier-II Cities. The company has various products like Business Loans, Vehicle Finance, Equipment Finance and Loans against Property.

The Triumph of S R G Securities Finance Ltd. is the outcome of the agitated efforts of its Promoter and Managing Director Mr. Vinod K. Jain. With an experience of more than 2 decades Mr. Jain has proved his acumen and business skills in all over Rajasthan. His relentless ambition has established the brand SRG and fueled the company to the new heights of success.

The S R G Securities Finance Ltd. strongly acknowledges its role in developing economic health of every person residing in its area of operation and thereby contributes in the development of the strong Economic Scenario of the Nation.

BUSINESS HIGHLIGHTS

High Capital adequacy Ratio

Company's Capital Adequacy Ratio is 53.49 % as on March, 2016 which we believe provides an adequate cushion to withstand business risks and is above the minimum rate of 15% as prescribed by RBI.

Diversified Products

Company has wide range of products categorized as Equipment Finance, Vehicle Finance, Business Loan and Loan Against Property.

Adequate Internal Control System

Company has adequate internal financial controls and systems over System financial reporting.

MIS Reporting

Proper MIS Reporting is the base of adequate control systems in the organisation.

Experienced Promoters

More than 20 years of experience in the field of Insurance, Financial Services, driving operational growth, maximizing business opportunities and ensuring compliance with regulatory requirements

Brand Name of SRG

Established Brand Name of SRG in Asset Financing mainly in the Rajasthan.

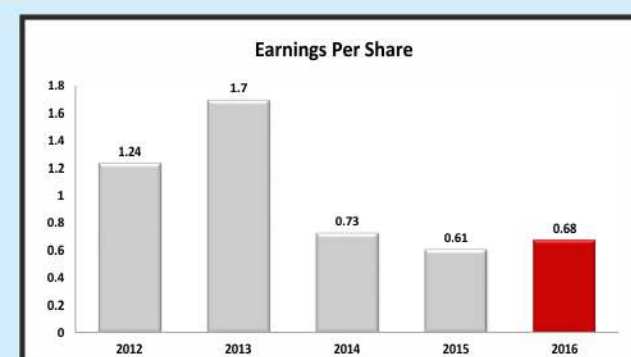
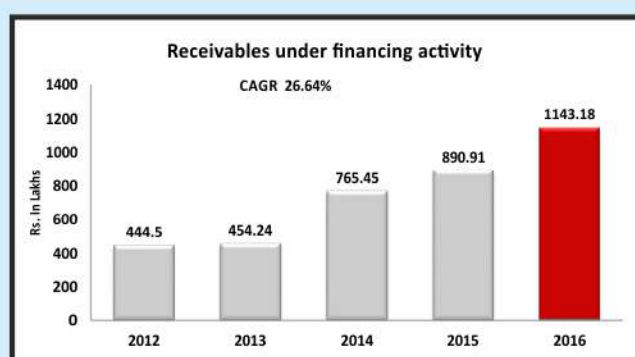
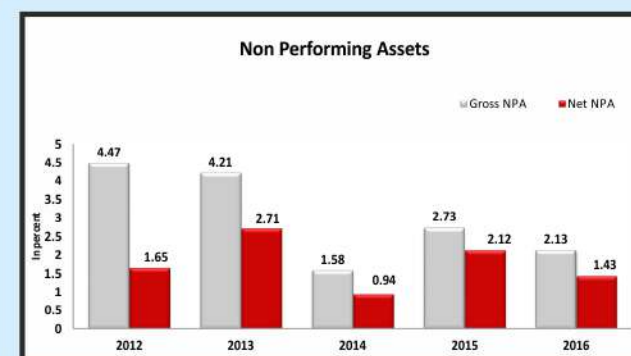
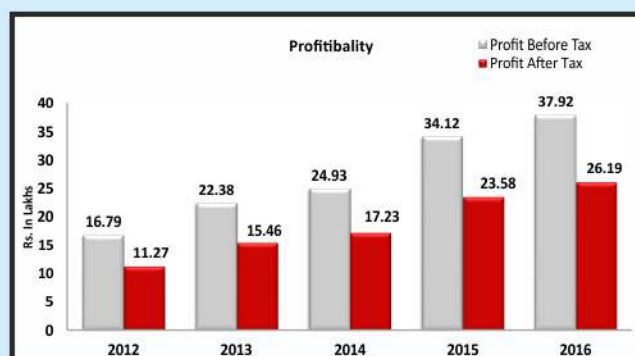
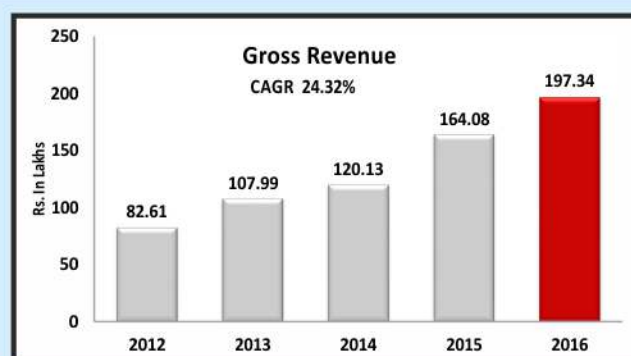
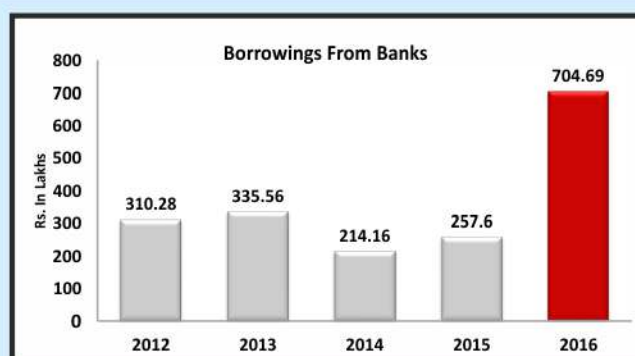
High Growth Rates

PAT and Gross Revenue CAGR: 23.47% & 24.32% respectively.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Gross Revenues	82.61	107.99	120.13	164.08	197.34
Shareholders' Funds	140.42	160.61	680.84	703.37	726.66
Share Capital	91.16	91.16	387.54	387.54	387.54
Reserve and Surplus	49.26	69.45	293.29	315.83	339.12
Borrowings from Banks	310.28	335.56	214.16	257.60	704.69
Receivables under financing activity	444.50	454.24	765.45	890.91	1143.18
Profit After Tax	11.27	15.46	17.23	23.58	26.19
Profit Before Tax	16.79	22.38	24.93	34.12	37.92
Earnings Before Interest & Tax	58.81	71.68	61.89	73.81	91.93
Earning Per Share	1.24	1.70	0.73	0.61	0.68
Gross Non Performing Assets	4.47	4.21	1.58	2.73	2.13
Net Non Performing Assets	1.65	2.71	0.94	2.12	1.43



LETTER TO SHAREHOLDERS

Dear Shareholders,

I am extremely delighted to present the 21st Annual report of S R G Securities Finance Ltd. (SRGSFL) which contains Financial performance as well as values, beliefs and practices that shape the company.

In these 2 decades, SRGSFL has established itself as one of the premier non-banking financial companies (NBFCs) in Rajasthan. The business model of SRGSFL is built on well-defined customer segmentation along with diversified products within a robust risk management and operational excellence framework.

The highlights of the performance of the company are as under :

★ **High Growth Rates:**

● **PAT CAGR : 23.47%** ● **Revenue CAGR : 24.32%**

- ★ **Earning per share increased from 0.61 in 2014-15 to 0.68 in 2015-16**
- ★ **Revenue grew from Rs. 164.08 Lacs in 2014-15 to Rs. 197.34 Lacs in 2015-16**
- ★ **Profit after tax increased from Rs. 23.58 lacs in 2014-15 to Rs. 26.19 Lacs in 2015-16**
- ★ **High Capital Adequacy Ratio : 53.49% as on March 31st, 2016**
- ★ **EBIT grew by 24.54% to Rs. 91.93 Lacs in 2015-16 from Rs. 73.81 Lacs in 2014-15**



We are constantly evolving by introducing new products, entering new markets and expanding our business segments.

We believe in reaching customers, whatever the location or the social strata. The cornerstone of our continued growth over the years has been the ability to have a deep local connect with the market and customer, without losing sight of national opportunities.

Our ability to create long-term sustainable relationships with our stakeholders based on mutual respect and fairness is at the heart of our success.

S R G Securities Finance Limited is indeed well poised to enter a new growth trajectory going forward – by customer category, region and an expanding product portfolio led by the fundamentals of integrity, commitment to performance and innovation.

I would like to thank all my colleagues for their unflinching dedication, commitment and contribution for strengthening SRGSFL. We are looking forward to continue on our mission of achieving excellence.

I would also like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in SRGSFL.

Yours sincerely,

Sd/-

Vinod K. Jain

Managing Director

DIN: 00248843

CORPORATE INFORMATION

BOARD OF DIRECTORS

Managing Director

Shri Vinod K. Jain



Whole Time Director

Smt. Seema Jain

Non- Executive Director

Shri Rajesh Jain

Independent Director

Shri Bhupesh K. Jain
Shri Arjun Lal Jain
Shri Nishant Badala

EXECUTIVES

CFO

Mrs. Aarti Jain

Company Secretary

Ms. Garima Soni

STATUTORY AUDITOR

M/s. Valawat Jha Pamecha & Co.
Chartered Accountants

SECRETARIAL AUDITOR

M/s. Deepak Vijaywargye & Associates
Practicing Company Secretary

INTERNAL AUDITOR

M/s Ketan & Co.
Chartered Accountants

PRINCIPAL BANKER

STATE BANK OF INDIA

LISTED ON STOCK EXCHANGES

BSE SME

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Phones: 022-28515606, 28515644,
Fax: (022) 2851288

BOARD COMMITTEES

Nomination & Remuneration Committee

Chairman

Shri Arjun Lal Jain

Members

Shri Bhupesh Kumar Jain

Shri Nishant Badala

4 COMMITTEES
ASSISTS THE BOARD
OF DIRECTORS
IN ITS WORK

Stakeholder's Relationship Committee

Chairman

Shri Bhupesh Kumar Jain

Members

Shri Arjun Lal Jain

Shri Rajesh Jain

Audit Committee

Chairman

Shri Nishant Badala

Members

Shri Vinod K. Jain

Shri Bhupesh Kumar Jain

Risk Management Committee

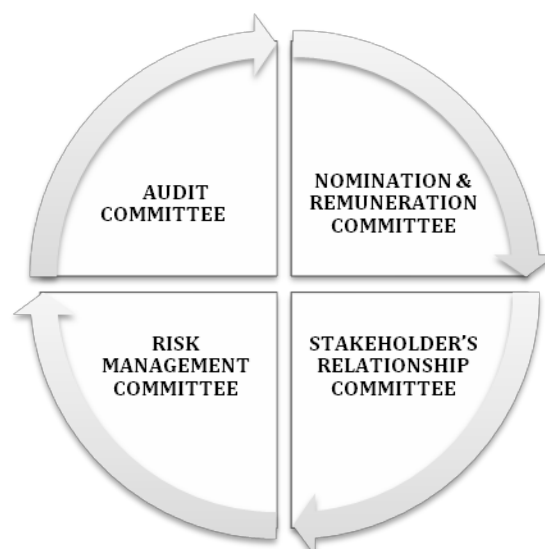
Chairman

Shri Vinod K. Jain

Members

Shri Arjun Lal Jain

Shri Nishant Badala



Registered Office:

322 SM Complex Lodha

Near Shastri Circle Udaipur (Raj.)-313001

Email-srgsecurities@gmail.com

Website: www.srgfin.com

Phone: 0294-2561882

Fax: 0294-5100098

CIN: L67120RJ1995PLC009631

DIRECTOR'S REPORT

To ,

The Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS & STATE OF AFFAIRS:

(Rs. In Lakhs)

Particulars	2015 -16	2014 -15
Gross Income	197.34	164.08
Less: Finance Cost	54.01	39.68
Overheads	92.71	84.23
Depreciation	12.70	6.04
Profit before Tax & Exceptional Items	37.92	34.13
Add : Exceptional Items	0.00	0.00
Profit before Tax	37.92	34.13
Less : Provision for taxation	13.50	11.24
Profit after tax	24.42	22.89
Deferred Tax Assets	1.77	0.70
Add : Balance b/d from the previous year	36.57	18.78
Excess provision for Income Tax	0.19	0
Surplus available for appropriations	62.95	42.37
Appropriations		
Transferred to Special Reserve	5.25	4.75
Provision for standard Assets	0.63	0.28
Provision for NPA	2.47	0.60
Assets W/o as per Co. Act, 2013	0.00	0.14
Excess Provision for Income Tax	0.00	0.03
Balance carried over to Balance Sheet	54.60	36.57

LENDING OPERATIONS & DISBURSEMENT OF LOANS:

Your Company registered a remarkable growth in its operations. The highlights of Company's Performance are as follows:

- ★ The operating profit before charging depreciation and tax amounted to Rs 50.62 lakhs in the year 2015-16 as against Rs. 40.17 lakhs in the preceding year; representing a rise of 26.01%.
- ★ Profit after Tax (PAT) before extraordinary items went up by 11.07% to Rs. 26.19 lakhs in the year 2015-16 from Rs.23.58 lakhs in the previous year.
- ★ As at 31st March, 2016, the loan portfolio stood at Rs. 1143.18 lakhs as against Rs. 890.91 lakhs in the previous year an increase of 28.32%.
- ★ Disbursements during the year amounted to Rs. 5.12 Crores in 2015-16.

As part of its liability management, your Company endeavors to diversify its resource base in order to achieve an appropriate maturity structure and minimize the weighted average cost of borrowed funds. During the year under review, financial assistance of Rs. 9.00 Crores was sanctioned from State Bank of India.

DIVIDEND:

Your Directors felt it prudent to retain the earnings for the year under review to be ploughed back in business, which shall result in further augmentation of the Company's growth and shareholders' wealth.

CHANGES IN SHARE CAPITAL:

During the year under review, there were no changes in the share capital of the Company.

UNCLAIMED DIVIDEND:

Under the provisions of section 125 of Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As at March 31st, 2016 there are no unpaid/ Unclaimed Dividend to be transferred to Investor Education and Protection Fund.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to SEBI (LODR) Regulations, 2015, Report on Management Discussion and Analysis is annexed herewith in Annexure IV.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (3) (c) of the Companies Act, 2013, and based on the information provided by the management, your Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed;
- (b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2016 and of the profit of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) The annual accounts of the Company have been prepared on a going concern basis.
- (e) Internal controls have been laid down to be followed by the Company and such internal controls were adequate and were operating effectively.
- (f) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in SEBI (LODR) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report in ANNEXURE VI.

Certificate from the Statutory Auditors of the company confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 is attached to this report.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto.

RELATED PARTY TRANSACTIONS:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link (<http://srgfin.com/BestPracticesSub/26/Policy%20on%20Related%20Party>).

Your Directors draw attention of the members to Note 20 to the financial statement which sets out related party disclosures.

RISK MANAGEMENT POLICY:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & SEBI (LODR) Regulations, 2015, the company has in place a risk management framework approved by the Board of Directors. SRGSFL's Risk Management framework provides the mechanism for risk assessment and mitigation. Company has in place Risk Management Committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, at present the CSR provisions are not applicable to the Company.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by board. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board and/or to the Managing Director.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal auditor, respective heads undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and/or to the Managing Director.

DIRECTORS:

In accordance with the provisions of the Act and the Articles of Association of the Company Mr. Rajesh Jain ,Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re appointment.

The term of appointment of Mr. Vinod K. Jain, Managing Director expires on 23.06.2016 and therefore Board of Director have in their meeting held on 16.05.2016 re- appointed Mr. Vinod K. Jain as Managing Director on such terms and conditions as decided by Board in consultation with Nomination & Remuneration Committee and Audit Committee and subject to the approval of members in the general meeting.

Necessary Resolutions for the re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for re-appointment are mentioned in the explanatory statement of the notice. Your Directors recommend their appointment/ re-appointment.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

There was no change in Key Managerial Personnel during the year.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence as laid down in Section 149(6).

AUDITORS:**Statutory Auditors:**

At the 19th Annual General Meeting held on September 18th, 2014, the members had re-appointed M/s Valawat Jha Pamecha & Co. Chartered Accountants (registration No. 008265 C) as the statutory auditors of the Company for a period of 3 years upto the conclusion of 22nd Annual General Meeting to be held in the year 2017, subject to them ratifying the said appointment at every AGM. The Company has received a confirmation from M/s Valawat Jha Pamecha & Co. Chartered Accountants, to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and rules made there under. The board proposes to the members to ratify the said appointment of M/s Valawat Jha Pamecha & Co. Chartered Accountants.

Secretarial Auditors:

M/s Deepak Vijaywargey & Associates, Practicing Company Secretary, Udaipur was appointed as the Secretarial Auditor of the Company for the financial year 2015-16 by the Board of Directors pursuant to provisions of Companies Act, 2013 and rules there under. Secretarial audit report as provided by M/s Deepak Vijaywargey & Associates, Practicing Company Secretary is annexed to this Report as ANNEXURE II.

QUALIFICATIONS IN AUDIT REPORTS:

There are no qualifications, reservations or adverse remarks or disclaimer made—

- (a) By the statutory auditor in his report; and
- (b) By the company secretary in practice in his secretarial audit report;

DISCLOSURES:**BOARD MEETINGS:**

The Board of Directors met 11 (Eleven) times during this financial year 2015-16.

COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee consists of adequate composition of Executive and Non-Executive Independent Directors. The details of which are mentioned in the Corporate Governance Report.

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee consists of adequate composition of Non-Executive Independent Directors. The details of which are mentioned in the Corporate Governance Report.

COMPOSITION OF STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee consist of adequate composition of Non- Executive and Independent Directors. The details of which are mentioned in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, apart from the loans made, guarantee given or security provided by the Company in the ordinary course of business, if any, are given in the Notes to accounts forming part of the Audited Financial Statements for the year ended March 31, 2016.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**(A) Conservation of energy:**

The Company's operations are not power intensive. Nevertheless, your Company is taking every step to conserve and minimize the use of energy wherever possible such as using energy efficient computer terminals, purchasing energy efficient equipments etc.

(B) Technology absorption:

The Company has imported no technology. Indigenous technology available is continuously upgraded to improve overall performance.

(C) Expenditure incurred on research and development:

The Company has no formal research and development department but the Company is continuously making efforts to strengthen research and development activities to improve quality and reduce cost.

(D) Foreign exchange earnings and Outgo:

During the year under review there was no earnings and outgo in foreign exchange.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of extract of annual return in MGT 9 is annexed herewith as ANNEXURE III.

PARTICULARS OF EMPLOYEES:

In accordance with the provisions of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, as at March 31st, 2016, there were no employees in SRGSFL throughout the year who were in receipt of remuneration of Rs. 60 lacs or more per annum or Rs. 5 Lacs or more if appointed for the part of the financial year.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

CHANGE IN THE NATURE OF BUSINESS:

There are no changes in the Nature of Business.

DETAILS RELATING TO DEPOSITS:

Your Company has not accepted any deposits from the public during the year under review .The Company has been granted registration by the Reserve Bank of India, as a non-deposit taking NBFC. Being so, the Company has neither accepted in the past nor has any future plans to accept any public deposits.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

The Company has been following directions, guidelines, circulars issued by SEBI, BSE, MCA, RBI etc. from time to time relating to companies and that there are no significant & material orders passed by these regulators so far.

DISCLOSURES ON MANAGERIAL REMUNERATION:

Details of Managerial remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as per "Annexure VIII" to this report.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2016-17 to BSE SME where the Company's Shares are listed.

INVESTOR COMPLAINTS AND COMPLIANCE:

During the year company has not received any investor complaints and that as on date no complaints are pending.

EARNINGS PER SHARE (EPS):

The Earnings Per Share (EPS) is 0.68 as at March 31st, 2016 as against 0.61 as at March 31st, 2015.

CAPITAL ADEQUACY:

Particulars as on 31 st March	2016	2015
Capital Adequacy Ratio	53.49%	72.51%

Your Company's capital adequacy ratio was at 53.49% as on 31st March, 2016, which we believe provides an adequate cushion to withstand business risks and is above the minimum requirement of 15% stipulated by the RBI.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY:

Your Company adhered to the prudential guidelines for Non performing Assets (NPAs), issued by Reserve Bank of India, as amended from time to time. As per the prudential norms, the income on such NPAs is not to be recognised if unrealized.

As per the prudential norms prescribed by the Reserve Bank of India, the Company has made provision for contingencies on standard as well as non-performing assets.

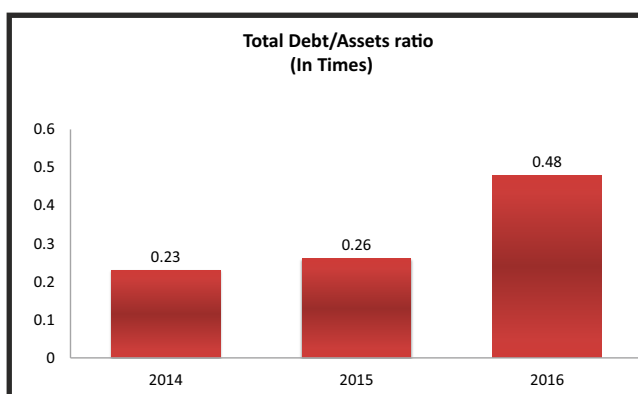
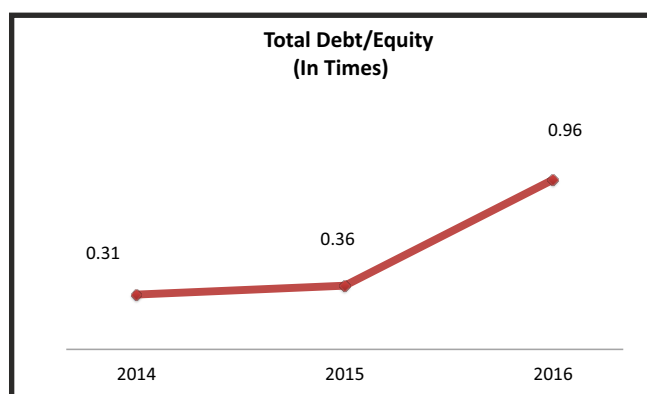
A NOTE OF APPRECIATION:

Your Directors place on record their appreciation for the advice, guidance and support given by various regulatory authorities including the RBI, SEBI, MCA, the Stock Exchange (BSE), Depositories and all the bankers of the Company including State Bank of India. The Directors would also like to acknowledge the role of all its stakeholders – shareholders, borrowers, key partners, and lenders for their continuing support to the Company. Your Directors also record their appreciation for the dedicated services of the employees and their contribution to the growth of the Company. The Board would also like to express its sincere appreciation to all the Company's valued Shareholders, RTA, Service Providers and Counselors for their continued support and patronage.

Best Wishes

Sd/-
Vinod K. Jain
Managing Director
DIN: 00248843
Date : 16.05.2016

Sd/-
Rajesh Jain
Director
DIN: 00212393



POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

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 Nomination & Remuneration 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 Nomination & Remuneration 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.

The Nomination & Remuneration 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 may be paid 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.

EXECUTIVE DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT:

For the purpose of selection of the Executive Director the Nomination & Remuneration 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 fulfills 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 EXECUTIVE DIRECTOR:

At the time of appointment or re-appointment, the Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Executive Director within the overall limits prescribed under the Companies Act, 2013.

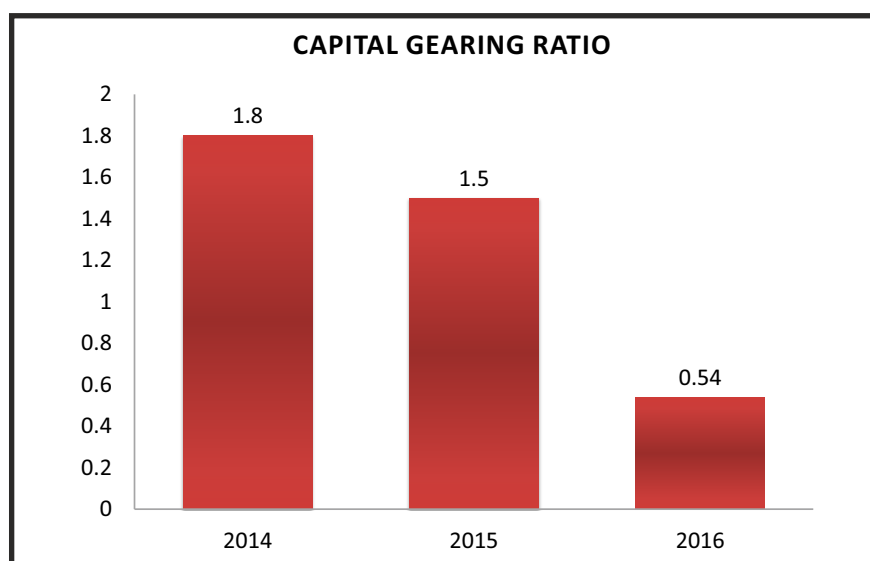
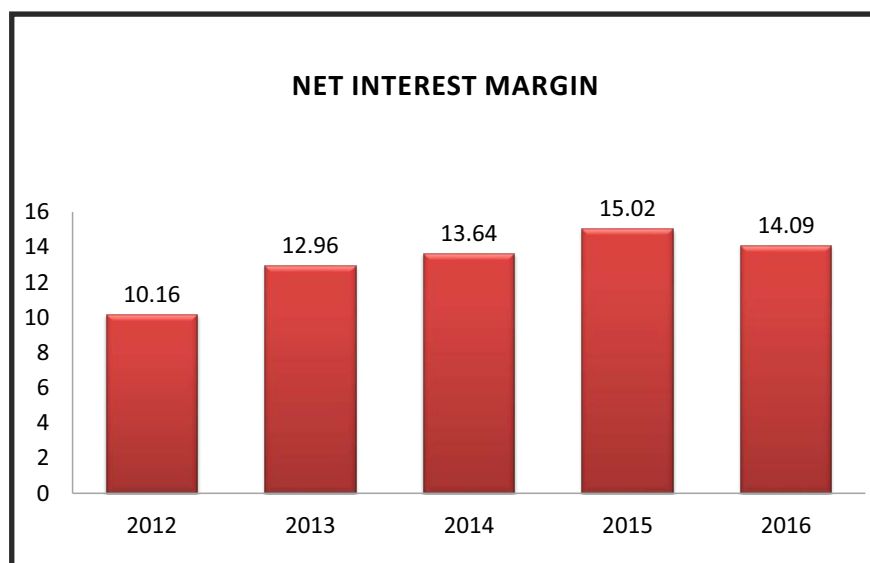
The remuneration of Executive Director shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Executive 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 Nomination & Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Director 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 Nomination & Remuneration Committee for its review and approval.



SECRETARIAL AUDIT REPORT

FORM No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[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]

To,
The Members,
S R G Securities Finance Limited,
322, S.M. Lodha Complex, Near Shastri Circle,
Udaipur-313001, Rajasthan, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S R G Securities Finance 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 31st March, 2016, 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 S R G Securities Finance Limited (CIN:L67120RJ1995PLC009631) ("the Company") having its Registered Office at 322, S.M. Lodha Complex, Near Shastri Circle, Udaipur-313001, Rajasthan, India for the financial year ended on 31st March, 2016 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;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (repealed w.e.f May 15, 2015)
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 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; (Not applicable to the Company during the Audit Period)
- 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)
- i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

VI. The Company has complied with the following specifically other applicable laws to the Company:

- i. Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India. (w.e.f. 1st July, 2015 on its applicability)
- (ii) Listing Agreement clauses for SMEs till 30th November, 2015 and provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1st December, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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 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.

There were no dissenting views on any matter.

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 no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Udaipur
May 16, 2016

For M/s. Deepak Vijaywarghey and Associates,
Company Secretaries
Sd/-
Deepak Vijaywarghey
Proprietor
ACS No: 18221
C P No: 6321

Annexure-III

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS:

CIN	L67120RJ1995PLC009631
Registration Date:	06.03.1995
Name of the Company:	S R G Securities Finance Limited
Category / Sub-Category of the Company:	Public Company Limited by Shares
Address of the registered office and Contact details:	322, SM Lodha Complex, Near Shastri Circle, Udaipur, Rajasthan-313001; Phone: 0294-2561882, 2412609; Fax: 0294-5100098; Email srgsecurities@gmail.com; website-www.srgfin.com
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Pvt. Ltd. Unit- 1, Luthra Ind. Premises. 1 st Flr, 44-E, M Vasanti Marg, Andheri- Kurla Rd, Safed Pool, Andheri (E) - Mumbai 400072 Tel. No. 022-28515606; Fax No. 022-28512885 E-mail: sharexindia@vsnl.com

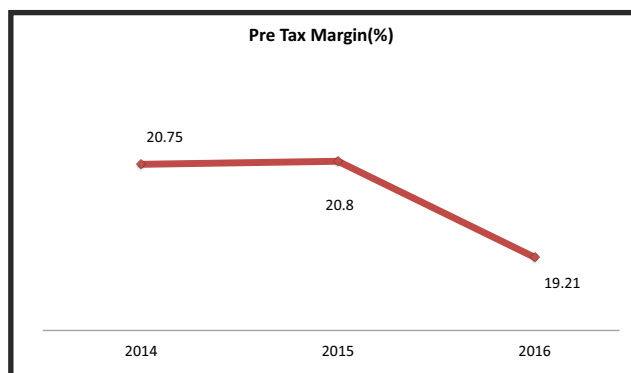
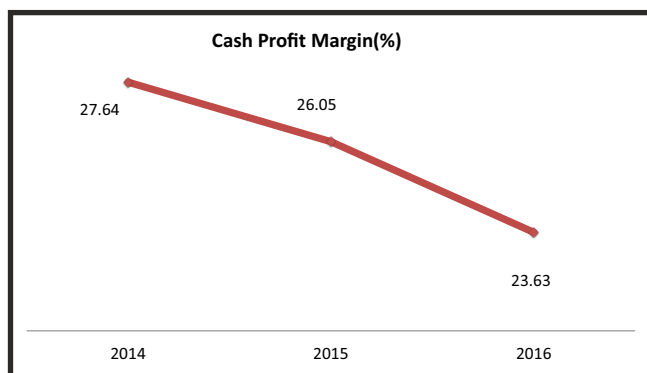
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Financial Services	Section K – Group 649 – Other Financial Service activities, except insurance and pension funding activities	99.98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The company does not have any holding, subsidiary and associate companies.



IV SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(I) Category-wise Share Holding

Category code	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		01/04/2015				31/03/2016				
(A)	Shareholding of Promoter and Promoter Group	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	Indian									
a	Individual/Huf	1791150	-	1791150	46.218	1869150	-	1869150	48.231	2.013
b	Central Govt	-	-	-	-	-	-	-	-	-
c	State Govt(s)	-	-	-	-	-	-	-	-	-
d	Bodies Corporate					150000	-	150000	3.871	3.871
e	Fins / Banks	-	-	-	-	-	-	-	-	-
f	Any Other specify	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)	1791150		1791150	46.218	2019150	-	2019150	52.102	5.884
2	Foreign									
a	Individuals/ NRI	-	-	-	-	-	-	-	-	-
b	Other-Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks / FII	-	-	-	-	-	-	-	-	-
e	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
f	Any Other Specify	-	-	-	-	-	-	-	-	-
	Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
(A)	Total Shareholding of Promoter and Promoter Group	1791150		1791150	46.218	2019150	-	2019150	52.102	5.884
	Total (A)= (A)(1)+(A)(2)									
(B)	Public shareholding									
1	Institutions									
a	Mutual Funds	-	-	-	-	-	-	-	-	-
b	Fins / Banks	-	-	-	-	-	-	-	-	-
c	Central Govt.	-	-	-	-	-	-	-	-	-
d	State Govt.	-	-	-	-	-	-	-	-	-
e	Venture Cap Funds	-	-	-	-	-	-	-	-	-

f	Insurance Comp(s)	-	-	-	-	-	-	-	-	-
g	FII's									
h	Foreign Ven. Capital Funds	-	-	-	-	-	-	-	-	-
i	Any Other - Specify	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2	Non-insitutions									
a	Bodies Corpo- rate									
i.	Indian	600000	-	600000	15.482	564000	-	564000	14.553	-0.929
ii.	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nomi- nal share capital up to Rs 1-Lac	372000	-	372000	9.599	264000	-	264000	6.812	-2.787
	ii) Individual shareholders holding nomi- nal share capital in excess of Rs1- Lac	1112250	-	1112250	28.700	1028250	-	1028250	26.532	-2.168
c	Others(Specify)									
	Non Resident Indians	-	-	-	-	-	-	-	-	-
	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Clearing Members	-	-	-	-	-	-	-	-	-
	Trusts	-	-	-	-	-	-	-	-	-
	Foreign Bod- ies— D R	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	2084250	-	2084250	53.782	1856250	-	1856250	47.898	-5.884
(B)	Total (B)= (B)(1)+(B)(2)	2084250	-	2084250	53.782	1856250	-	1856250	47.898	-5.884
(C)	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TO- TAL (A)+(B) +(C)	3875400	-	3875400	100.000	3875400	-	3875400	100.00	-

(II) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Vinod Kumar Jain	476700	12.301	-	476700	12.301	-	-
2	Rajesh Jain	364200	9.398	-	364200	9.398	-	-
3	Seema Jain	216900	5.597	-	294900	7.610	-	2.013
4	Vinod Jain HUF	156750	4.045	-	156750	4.045	-	-
5	Genda Lal Jain	130200	3.360	-	130200	3.360	-	-
6	Aarti Prakash Jain	127500	3.290	-	127500	3.290	-	-
7	Pushpa Jain	103500	2.671	-	103500	2.671	-	-
8	Genda Lal Jain HUF	86250	2.226	-	86250	2.226	-	-
9	Jikisha Jain	85650	2.210	-	85650	2.210	-	-
10	Sulochana Devi Jain	37500	0.968	-	37500	0.968	-	-
11	Ravi Parasmal Jain	6000	0.155	-	6000	0.155	-	-
12	SRG Housing Finance Limited	0	0.000	-	150000	3.871	-	3.871
	Total	1791150	46.218	-	2019150	52.102	-	5.884

(III) Change in Promoters' Shareholding

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015		Share holding at the end of the Year 31/03/2016			
		No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the company	Date	Increasing / Decreasing in share-holding	Reason	No. of Shares
1	Vinod Kumar Jain	476700	12.301	-	-	-	476700
2	Rajesh Jain	364200	9.398	-	-	-	364200
3	Seema Jain	216900	5.597	10.04.2015	78000	Transfer	294900
4	Vinod Jain HUF	156750	4.045	-	-	-	156750
5	Genda Lal Jain	130200	3.36	-	-	-	130200
6	Aarti Prakash Jain	127500	3.29	-	-	-	127500
7	Pushpa Jain	103500	2.671	-	-	-	103500
8	Genda Lal Jain HUF	86250	2.226	-	-	-	86250
9	Jikisha Jain	85650	2.21	-	-	-	85650
10	Sulochana Devi Jain	37500	0.968	-	-	-	37500
11	Ravi Parasmal Jain	6000	0.155	-	-	-	6000
12	SRG Housing Finance Limited	0	0	26.02.2016	150000	Transfer	150000

(IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

sr . no	Name	No. of Shares at the begin- ning (01-04- 2015) / end of the year (31-03 -2016)	% of total Shares of the com- pany]	Date	Increas- ing / De- creasing in share- holding	Reson	Cumulat- ive No. of Shares	% of total Shares of the company]
1	ARYAMAN CAPITAL MARKETS LIMITED	252000	6.503	-	-	-	252000	6.503
2	HRIDAY CREDIT COOPERATIVE SOCIETY LTD.	162000	4.180	-	-	-	162000	4.180
3	IFCI FINANCIAL SERVICES LIMITED	72000	1.858	10.04.2015	-72000	Transfer	0	0.000
4	DINESH JAIN	60000	1.548	-	-	-	60000	1.548
5	ARCADIA SHARE AND STOCK BROKERS PVT LTD.	60000	1.548	19.06.2015	-60000	Transfer	0	0.000
6	HEM SECURITIES LIMITED	48000	1.239	19.06.2015	-48000	Transfer	0	0.000
				29.01.2016	12000	Transfer	12000	0.310
				05.02.2016	6000	Transfer	18000	0.464
				19.02.2016	6000	Transfer	24000	0.619
				26.02.2016	-6000	Transfer	18000	0.464
				25.03.2016	-12000	Transfer	6000	0.155
				31.03.2016	6000	Transfer	12000	0.310
7	DHARMESH CHAN- DRA JAIN	48000	1.239	-	-	-	48000	1.239
8	REKHA NAWLAKHA	42000	1.084	-	-	-	42000	1.084
9	NEELIMA BODANA	30000	0.774	-	-	-	30000	0.774
10	NEERAJ KUMAR JAIN	30000	0.774	19.02.2016	-30000	Transfer	0	0.000
11	BHANWAR LAL PACHORI HUF	30000	0.774	-	-	-	30000	0.774
12	AMBITIOUS ASSOCIATES PVT. LTD.	0	0.000	19.06.2015	60000	Transfer	60000	1.548
13	DEEPAK KUMAR JAIN	18000	0.464	03.04.2015	-6000	Transfer	12000	0.310
				10.04.2015	-6000	Transfer	6000	0.155
				31.03.2016	48000	Transfer	54000	1.393
14	RHYTHM CONSULTANTS PRIVATE LIMITED	0	0.000	19.06.2015	48000	Transfer	48000	1.239

(V) Shareholding of Directors and Key Managerial Personnels:

1. VINOD K. JAIN MANAGING DIRECTOR

Sl.No.		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	At the beginning of the year	476700	12.301	476700	12.301
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): No Change				
3(1+2)	At the End of the year	476700	12.301	476700	12.301

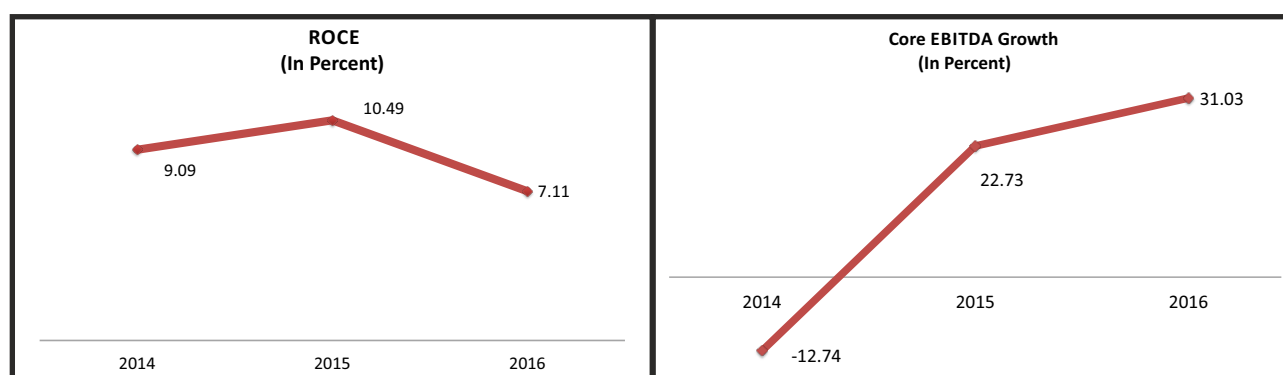
2. RAJESH JAIN DIRECTOR

Sl.No.		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	At the beginning of the year	364200	9.398	364200	9.398
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): No Change				
3(1+2)	At the End of the year	364200	9.398	364200	9.398

3. SEEMA JAIN DIRECTOR

Sl.No.		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	At the beginning of the year	216900	5.597	216900	5.597
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): 10.04.2015- Transfer	78000	2.012	294900	7.610
3(1+2)	At the End of the year	294900	7.610	294900	7.610

No other Directors and KMPs other than those mentioned above holds any shares in the Company.



V INDEBTEDNESS

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

	Secured Loans excluding deposits (Rs. In crores)	Unsecured Loans	Deposits	Total Indebtedness (Rs. In crores)
Indebtedness at the beginning of the financial year				
i) Principal Amount	2.58	-	-	2.58
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2.58			2.58
Change in Indebtedness during the financial year				
· Addition	6.11	-	-	6.11
· Reduction	1.64	-	-	1.64
Net Change	4.47	-	-	4.47
Indebtedness at the end of the financial year				
i) Principal Amount	6.99	-	-	6.99
ii) Interest due but not paid	0.06	-	-	0.06
ii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7.05	-	-	7.05

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager

Sr. No.	Particulars of Remuneration	SEEMA JAIN (Whole Time Director)	Total Amount (Rs in Lacs)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32.37	32.37
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----
2.	Stock Option	----	----
3.	Sweat Equity	----	----
4.	Commission		
	- as % of profit	----	----
	- Others, specify...	----	----
5.	Others, please specify		
	Total (A)	32.37	32.37
	Ceiling as per the Act	84.00*	84.00*

* Pursuant to Section II - A Part II Schedule V to the Companies Act, 2013.

B. Remuneration to other directors:

Company does not pay any remuneration to other Directors except Whole Time Director Mrs. Seema Jain.

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		Garima Soni (Company Secretary) Rs. In Lacs	Aarti Jain (CFO) Rs. In Lacs	Total Rs. In Lacs
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.12	9.00	11.12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----	----
2.	Stock Option	----	----	----
3.	Sweat Equity	----	----	----
4.	Commission			
	- as % of profit	----	----	----
	- others, specify...	----	----	----
5.	Others, please specify	----	----	----
	Total	2.12	9.00	11.12

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMIC OVERVIEW

The global macroeconomic landscape is currently charting a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by;

- (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them,
- (ii) turbulent financial markets (more so equity markets), and
- (iii) volatile exchange rates.

These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress. Even in these trying and uncertain circumstances, India's growth story has largely remained positive on the strength of domestic absorption, and the country has registered a robust and steady pace of economic growth in 2015-16 as it did in 2014-15.

Additionally, its other macroeconomic parameters like inflation, fiscal deficit and current account balance have exhibited distinct signs of improvement. Wholesale price inflation has been in negative territory for more than a year and the all-important consumer prices inflation has declined to nearly half of what it was a few years ago. However, weak growth in advanced and emerging economies has taken its toll on India's exports.

As imports have also declined, principally on account of reduced prices of crude oil for which the country is heavily dependent on imports, trade and current account deficits continue to be moderate. Growth in agriculture has slackened due to two successive years of less than-normal monsoon rains.

Saving and investment rates are showing hardly any signs of revival. The rupee has depreciated vis-à-vis the US dollar, like most other currencies in the world, although less so in magnitude. At the same time, it has appreciated against a number of other major currencies. Given the fact that the government is committed to carrying the reform process forward, aided by the prevailing macroeconomic stability, it appears that conditions do exist for raising the economy's growth momentum and achieving growth rates of 8 per cent or higher in the next couple of years. At the same time, growth in 2016-17 may not pick up dramatically from the levels achieved in 2015-16 as the possibility of slow global economic growth and financial sector uncertainties still loom large. Given the prevalent overall macroeconomic scenario, and assuming a normal level of rains in 2016-17, it would not be unreasonable to conclude that the Indian economy is all set to register growth in excess of 7 per cent for the third year in succession.

(Source: indiabudget.nic.in-Economic Survey 2015-16 - Volume-II)

INDUSTRY OVERVIEW

The Indian economy is currently recovering from the phase of sluggish growth and is characterized by tangible progress towards fiscal consolidation and strong macro-economic fundamentals. The stable government formed in the 16th Lok Sabha elections has acted as a catalyzing agent for uplifting the Indian sentiments by promising stability in providing good governance and the fundamental solutions to present day economic issues. The Make in India campaign, government's initiative on bringing regulatory reforms to facilitate ease of doing business in India, thrust towards growth of infrastructure sector and financial inclusion will also demand NBFCs to shoulder the growth and development phase, India is seemingly walking into.

NBFCs in India have been complimenting the banks in rendering financial services and over the last few years have also been instrumental in bringing about financial inclusion in the country. NBFCs have a critical role playing in infrastructure financing, micro lending, asset backed lending, factoring and have a network which is far wider and granular than banks in some cases.

OPPORTUNITIES & THREATS

SRG SFL has been able to explore new areas for its business . With the innovative marketing strategies, the Company is able to add new customers and retain existing clientele. The clientele mainly comprise of individual borrowers. The limited infrastructure facilities has increased the bottlenecks in transportation, which has resulted in more and more people resorting to the use of commercial vehicles. This has helped to increase the demand for auto loans which has enhanced our market access. There has been increased competition from the scheduled banks and other NBFCs operating in the field of automobile finance.

Company has always maintained sufficient liquid funds, so that its operations are not affected. Constantly sticking on to the traditional values and ethics and with the support of efficient and dedicated resources, we are able to phase out any difficulties in our area of operation.

SEGMENT REPORTING

The Company is exclusively engaged in the Finance business and revenues are mainly derived from this activity. Accounting Standard 17 regarding Segment-wise Reporting issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006 does not apply to your Company since revenues are derived from only one segment i.e. From finance activity.

RISKS AND CONCERNS

Your Company is exposed to internal and external risks. The internal risks relates to the risks within the Company due to change in management, personnel and policies, lapses / inadequacy in existing infrastructure facilities, delinquencies on the part of employees, staff attrition, misfeasance etc. The external risks can be associated to those factors which are not within the control of the Company like change in interest rates, government regulations, competition from others operating in similar business, etc.

RISK MANAGEMENT

Comprehensive risk management practices form an integral part of the operations at SRG SFL. The nature of business the company is engaged in exposes it to a slew of complex and variable risks. The rapid and continuous changes in the business environment have ensured that the organisation becomes increasingly risk focused to achieve its strategic objectives. SRG SFL policies ensure timely identification, management and mitigation of relevant risks, such as credit Risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risks, which help the company move forward with vigour.

INTERNAL CONTROL SYSTEMS & ADEQUACY

SRGSFL has an adequate system of internal control in place which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting. SRGSFL has documented procedures covering all financial and operating functions.

SRGSFL has robust internal audit programme, where the internal auditors, an independent firm of chartered accountants, conduct a risk-based audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems. Internal audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of such recommendations.

INFORMATION TECHNOLOGY

Your Company is developing new in house accounting software which is a step towards aligning technology to the projected business growth. All our operations will be in the "central data base platform" from the coming financial year. The steps taken to upgrade Information Technology platform will facilitate your Company to serve the customer (s) in an efficient manner and which is an integral part of the control mechanism.

DISCUSSION ON FINANCIAL PERFORMANCE AND OPERATIONAL HIGHLIGHTS

The financial and other operational performance of the Company for the year under review has been discussed in detail in the Directors' Report. The Cash-Flow Statement and the Balance Sheet are annexed to this Annual Report.

HUMAN RESOURCES

Human resource development is considered vital for effective implementation of business plans. The Company aims to align HR practices with business goals, motivate people for higher performance and build a competitive working environment. Productive high performing employees are vital to the company's success. The Board values and appreciates the contribution and commitment of the employees towards performance of your Company during the year. In pursuance of the Company's commitment to develop and retain the best available talent, the Company continued to offer in house training programme to staff members in executive development, leadership and management skills. The Company had organised various training programmes for upgrading the skill and knowledge of its employees in different operational areas. The Company also sponsored its employees at various levels to attend various seminars and programs conducted by various organizations and institutions so as to update their knowledge and to keep them abreast of all the developments in their respective fields. Employee relations remained cordial and the work atmosphere remained congenial during the year. SRGSFL's staff strength as at March 31, 2016 was 7.

RELATED PARTY TRANSACTIONS

Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee. None of the transactions with any of the related parties were in conflict with the interests of the Company. The details of transactions with the Company and related parties are given for information under notes to accounts.

LOAN PRODUCTS AND PROCESS :

SRGSFL is primarily engaged in the business of providing Vehicles, construction and mining equipments and Business Loan by offering: (i) Equipment Finance (ii) Vehicle Finance (iii) Business Loan and (iv) Loan Against Property. Entire operations of the Company are handled in the Registered Office in Udaipur along with the branch/Satellite offices of Associate Companies.

Company has a well established and streamlined credit appraisal process. The loan approval & Disbursement process mainly consists of four simple steps – (i) Appraisal (ii) Security Evaluation (iii) Loan Sanction (iv) Loan Disbursement.

MARKETING EFFORTS :

Company's objective behind venturing into this business is to meet the financing needs of all income segments by providing adequate financial resources to fulfill their finance requirements.

Presently, it has a Head office in Udaipur and works from its head office. Further, the company is targeting to expand its market and open new satellite centers which are to be located in various states of the Country to cover the target market. SRGSFL has a strong marketing team, and is active in advertising and various marketing arrangements. The company's marketing is totally strategic and policy driven where the company's core motto is "CUSTOMER IS KING".

DISBURSEMENTS

SRGSFL disbursed Rs. 5.12 Crores during the year 2015-16.

RBI DIRECTIONS

SRGSFL has complied with the directions issued by RBI regarding accounting standards, prudential norms for asset classification, income recognition, provisioning, capital adequacy, concentration of credit, "Know Your Customer" (KYC), Fair Practices Code, grievance redressal mechanism, recovery of dues, etc.

SRGSFL's Capital Adequacy Ratio as at March 31st, 2016 was 53.49% as against RBI's prescribed limit of 15%.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. These statements are based on certain assumptions and expectations of future events over which the Company has no direct control. Important factors that could make a difference to the Company's operations include performance of the overall economy; rate of interest position in the economy; performance of the real estate market and other relevant external and internal factors.

Statements in this report, describing the company's objectives, estimations, projections, expectations are "forward looking statements" based on the management's current expectations and beliefs concerning future developments and their potential effect upon the Company. Several factors could make significant difference to the company's operations. These include economic conditions affecting demand and supply, Government regulations and taxation, natural calamities, etc. over which the company does not have any direct control. SRGSFL assumes no responsibility in case the actual results differ materially due to change in internal or external factors

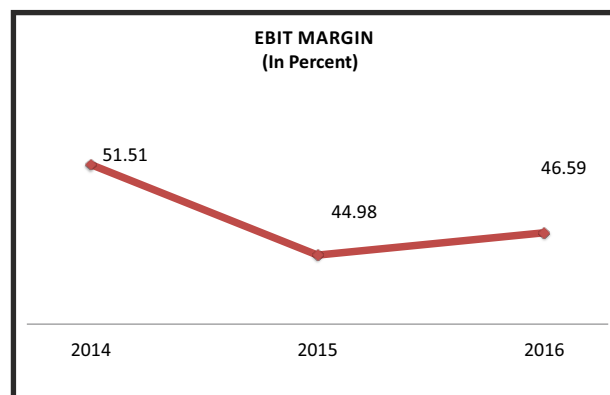
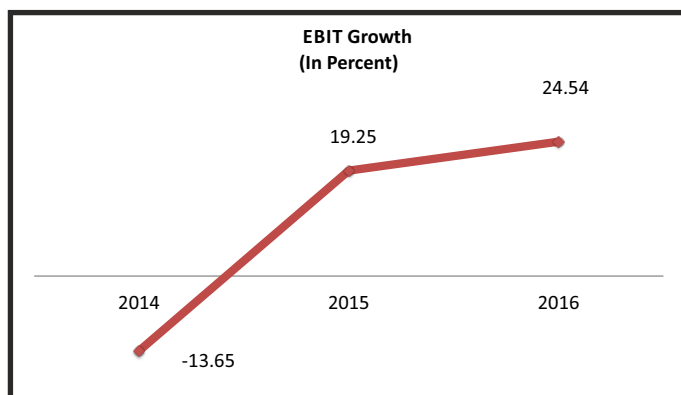
Place: - Udaipur

Date: - 16.05.2016

For and on behalf of the Board of Directors

Sd/-
Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-
Rajesh Jain
Director
DIN: 00212393



Annexure-V

FORM- AOC-2

(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 arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- Name (s) of the related party and nature of relationship
- Nature of contracts/arrangements/transactions
- Duration of the contracts/arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date (s) of approval by the Board
- Amount paid as advances, if any
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis:

NAMES OF RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACTS	TERMS/ DURATION OF CONTRACTS	OUTSTANDING VALUE (as on 31 st March, 2016)	DATE OF APPROVAL BY BOARD/ MEMBER	AMOUNT PAID AS ADVANCES/ SECURITY DEPOSIT
Genda Lal Jain HUF	Immediate Relative is Karta of HUF	Rent	5 years	Nil	04.03.2016	Nil
Seema Jain	Director	Salary	3 years	Nil	13.07.2015	NA
Aarti Jain	Immediate Relative of Director	Salary	On- going	Nil	10.09.2015	NA
Aarti Jain	Immediate Relative of Director	Rent	5 years	Nil	11.06.2016	Rs. 9.00 Lacs
Meenakshi Jain	Relative of Director	Salary	On- going	Nil	10.09.2015	NA
SRG Housing Finance Limited	Public Company in which three Directors are interested	Investment	On- going	Rs. 93.73 Lacs	18.07.2015	NA

Sd/-
Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-
Rajesh Jain
Director
DIN: 00212393

REPORT ON CORPORATE GOVERNANCE

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance systems and processes at S R G Securities Finance Limited is as follows:

At S R G Securities Finance Limited (SRGSFL), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, customers, investors or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The company follows all the principles of corporate governance in its true spirit and at all times.

BOARD OF DIRECTORS

Composition & Category of Directors:

As at 31st March, 2016 the Board of Directors comprises of Six directors, who bring in a wide range of skills and experience to the board. Out of the Six Directors, Three are Independent Directors, One Whole Time Director, One Non-Executive Director and One Managing Director. The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in the provisions of Section 149(6) of the Companies Act, 2013. All directors are appointed by the members of the Company.

The directors bring to the board a wide range of experience and skills.

The composition of the board is in conformity with (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Category	Name of Directors
Promoter Directors	Mr. Vinod K. Jain, Managing Director Mr. Rajesh Jain, Non- Executive Director Mrs. Seema Jain, Whole Time Director
Independent Directors	Mr. Arjun Lal Jain Mr. Nishant Badala Mr. Bhupesh Kumar Jain

Disclosure of relationship between directors inter-se:

Director	Related To	Relation
Mr. Vinod K. Jain	Mrs. Seema Jain	Spouse
	Mr. Rajesh Jain	Brother
Mrs. Seema Jain	Mr. Vinod K. Jain	Spouse
	Mr. Rajesh Jain	Husband's Brother
Mr. Rajesh Jain	Mrs. Seema Jain	Brother's Wife
	Mr. Vinod K. Jain	Brother

None other directors are related to each other.

Responsibilities:

The board of directors represents the interest of the Company's shareholders, in optimising long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

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, Marketing and accountancy. 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 and the Stakeholder's Relationship Committee have a majority of independent directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 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.

Appointment of Independent Directors:

The Company has 3 (three) Independent Directors on its Board. All the Directors viz. Mr. Arjun Lal Jain, Mr. Nishant Badala and Mr. Bhupesh Kumar Jain were appointed at the 19th AGM of the Company for a period of 5 years with effect from September 18th, 2014 and are not liable to retire by rotation.

Formal letters of appointment were issued to the independent directors in terms of the provisions of the Companies Act, 2013. A copy of the letter detailing the terms and conditions of appointment of the independent directors is placed on the Company's website- www.srgfin.com.

All Independent Directors of the Company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided in section 149 of the Companies Act, 2013. In the opinion of the Board, each independent director possesses appropriate balance of skills, experience and knowledge, as required.

Familiarisation Programme for Independent Directors:

The objective of a familiarisation programme is to ensure that the non-executive directors are updated on the business environment and overall operations of the Company. This enables the non executive directors to make better informed decisions in the interest of the Company and its stakeholders. A familiarisation programme was conducted for non-executive directors on areas such as the core functions of the Company, overview of the industry, financials and the performance of the Company. An overview of the familiarisation programme is placed on the Company's website: www.srgfin.com

Evaluation of Directors and Board:

With the objective of enhancing the effectiveness of the board, the Nomination & Remuneration Committee formulated the methodology and criteria to evaluate the performance of the board and each director. The evaluation of the performance of the board is based on the approved criteria such as the board composition, strategic planning, role of the Chairman, non-executive directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the board and adherence to compliance and other regulatory issues.

The independent directors also held a separate meeting to review the performance of the non-executive directors, the Chairman of the Company and the overall performance of the board.

Meetings of Independent Directors:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The Independent Directors of the Company met once during the year on March 7th, 2016 to review the performance of Non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and access the quality, quantity and timeliness of flow of information between the company management and the Board.

Board Meetings, Board Committee Meetings and Procedures**Number of Board Meetings along with dates:**

The meetings of the Board of Directors are generally held at the Registered Office of the Company. During the year, Board met 11 (Eleven) times. The Board of Directors of the Company had met not exceeding with a maximum time gap of one hundred and twenty days.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors present
14-05-2015	6	6
25-05-2015	6	6
13-07-2015	6	6
18-07-2015	6	6
11-08-2015	6	6
07-10-2015	6	6
02-11-2015	6	6
24-11-2015	6	6
16-12-2015	6	6
11-01-2016	6	6
04-03-2016	6	6

The company places before the Board all those details as considered necessary under SEBI (LODR) Regulations, 2015. The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda notes are sent to the directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Board takes on record the actions taken by the company on all its decisions periodically.

Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM) and the details of other chairmanship / directorship / committee membership of each Director as on 31st March 2016 is given below:

Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM	Number of Directorships in other companies	Number of Committee Memberships in other companies	
					Chairman	Member
Mr. Vinod K. Jain	11	11	Yes	2	0	0
Mr. Rajesh Jain	11	11	Yes	1	0	1
Mrs. Seema Jain	11	11	Yes	1	0	0
Mr. Arjun Lal Jain	11	11	Yes	0	0	0
Mr. Nishant Badala	11	11	Yes	1	0	1
Mr. Bhupesh Kumar Jain	11	11	Yes	0	0	0

Notes:

Other directorships exclude foreign companies, private limited companies and Companies under section 8. In accordance with SEBI (LODR) Regulations, 2015 membership/ Chairpersonship of only Audit Committee and Stakeholders' Relationship Committee have been reckoned in all other public limited Companies.

None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Board Committees

Composition of Board Committees :

STAKEHOLDER'S RELATIONSHIP COMMITTEE Mr. Bhupesh Kumar Jain-Chairman of the Committee Mr. Arjun Lal Jain- Member Mr. Rajesh Jain- Member	RISK MANAGEMENT COMMITTEE Mr. Vinod K. Jain- Chairman of the Committee Mr. Nishant Badala- Member Mr. Arjun Lal Jain- Member
NOMINATION AND REMUNERATION COMMITTEE Mr. Arjun Lal Jain- Chairman of the Committee Mr. Bhupesh Kumar Jain - Member Mr. Nishant Badala - Member	AUDIT COMMITTEE Mr. Nishant Badala - Chairman of the Committee Mr. Vinod K. Jain- Member Mr. Bhupesh Kumar Jain - Member

Committee Meetings and Attendance of the Members:

BOARD COMMITTEES	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	STAKEHOLDER'S RELATIONSHIP COMMITTEE	RISK MANAGEMENT COMMITTEE
Meetings Held	8	4	4	2
Director's Attendance				
Vinod K. Jain	8	N.A.	N.A.	2
Rajesh Jain	N.A.	N.A.	4	N.A.
Nishant Badala	8	4	N.A.	2
Bhupesh Kumar Jain	8	4	4	N.A.
Arjun Lal Jain	N.A.	4	4	2

* Mrs. Seema Jain is not a member or Chairman of any of the committee.

Procedure at Committee Meetings :**Audit Committee****Compositions:**

The Composition of Audit Committee comprises as follows:

- Mr. Nishant Badala—Chairman of the Committee
- Mr. Vinod K. Jain-Member
- Mr. Bhupesh Kumar Jain- Member

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015. Members of the Audit Committee are financially literate and have relevant finance / audit exposure. Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 10th September, 2015.

Powers and Roles of the Committee:

The audit committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in SEBI (LODR) Regulations, 2015 and also those specified in section 177 of the Companies Act, 2013. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with legal and statutory requirements, the half yearly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of internal auditor, statutory auditor. The committee also looks into those matters specifically referred to it by the Board.

Meetings:

The audit committee met 8(Eight) times during the year on 25.05.2015, 11.07.2015, 17.07.2015, 08.08.2015, 02.11.2015, 25.11.2015, 11.01.2016, 03.03.2016.

The details of the meetings and attendance are given on page no 34.

Nomination and Remuneration Committee

Compositions:

The Composition of Nomination & Remuneration committee comprises as follows:

- Mr. Arjun Lal Jain- Chairman of the Committee
- Mr. Bhupesh Kumar Jain - Member
- Mr. Nishant Badala- Member

The Committee's composition meets with the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (LODR), Regulations, 2015.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board.

The role of the Nomination and Remuneration Committee inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board of the remuneration policy; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Meetings:

During the financial year 2015-2016, the committee met 4 (Four) Times on 11.07.2015, 08.08.2015, 25.11.2015, 03.03.2016.

The details of the meetings and attendance are given on page no 34.

Stakeholder's Relationship Committee

Compositions:

The Composition of Stakeholder's Relationship Committee comprises as follows:

- Mr. Bhupesh Kumar Jain- Chairman of the Committee
- Mr. Arjun Lal Jain- Member
- Mr. Rajesh Jain - Member

The Committee's composition meets with the requirements of Regulation 20 of SEBI (LODR), Regulations, 2015 and provisions of the Companies Act, 2013.

Ms. Garima Soni is the Company Secretary cum Compliance Officer of the Company.

Terms of reference of the Committee:

The committee met regularly to redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc. The terms of reference of the committee meet with the requirements of SEBI (LODR) Regulations, 2015 and provisions of the Companies Act, 2013.

Investor Grievance Redressal:

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. During the year company did not receive any complaints from investors.

Meetings: The committee met 4 (Four) times during the year 2015-2016 on 25.05.2015, 15.07.2015, 12.10.2015, 11.01.2016. The details of the meetings and attendance are given on page no 34.

Remuneration policy:

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure I to the Directors' Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. A copy of the said policy is available at the website www.srgfin.com.

Director's Remuneration**Non-Executive Directors:**

During the financial year 2015-16, no payment is made to Non Executive Directors.

Executive Director:

Detail of the remuneration paid to the Whole Time Director during the year is provided in MGT-9.

Transactions with Non-executive Directors:

There was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the company during the Financial Year ended 31st March, 2016.

Details of shareholding of Directors as on 31st March, 2016:

The shareholding details of the directors as at March 31st, 2016 are included in MGT-9 forming part of the Director's Report.

Codes and Standards**Vigil Mechanism:**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Regulation 22 of SEBI (LODR) Regulations, 2015, Company have made a formal Vigil Mechanism Policy which provides detailed procedure to protect the interest of employees of the company. The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee. The same can be read from the link (<http://srgfin.com/BestPracticesSub/20/Vigil%20Mechanism%20Policy>).

Prevention of Insider Trading:

Your Company has formulated and adopted a Code for Prevention of Insider Trading Practices in accordance with the model code of conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The code is applicable to all directors, senior employees and their dependents. The said persons are restricted from dealing in the securities of the Company during the 'restricted trading periods' notified by the Company, from time to time. The said policy is available on the website of the company www.srgfin.com.

Fair Practice Code:

Your Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with customers and on the organization's policies vis-à-vis client protection. The FPC captures the spirit of the RBI's guidelines on fair practices for NBFC Code of Conduct.

Code of Conduct for the Board of Directors and the Senior Management:

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website www.srgfin.com. As provided under Regulation 5 of SEBI (LODR) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2015-2016.

A declaration signed by the Company's Managing Director is published in this Report.

Declaration under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Declaration by Board:

Board hereby confirms that company has devised proper systems to ensure compliance of all laws applicable to the company.

Disclosures**Related Party Transaction:**

There have been no materially significant related party transactions with the company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy.

Details of RPT in form AOC 2 attached to Board Report may also be referred to.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT and the Related Party Transactions Policy are disseminated on the website of the Company (www.srgfin.com)

Accounting Treatment:

There has been no difference in the Accounting treatment from that of AS.

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report forms part of the Directors' Report

General Meetings:

The details of the Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

Annual General Meetings of the Company:

Venue	Financial Year	Date & Time
322, SM Lodha Complex, Near Shastri Circle, Udaipur	2012-2013	20/07/2013 at 11:30 AM
Hotel Q, 2-A New Flora Complex, Near New Pula Bridge, Fatehpura, Udaipur	2013-2014	18/09/2014 at 10:00 AM
Hotel Ambience, Plot No 8, Near Mahila Police Thana, 100 ft Rd, Roop Nagar, Bhuvana Opposite The Occasion Wedding & Special Event Garden, Udaipur Rajasthan	2014-2015	10/09/2015 at 10:00 AM

The details of special resolutions passed in AGM/EGM in the last 3 years are as follows:

AGM/EGM	Subject
Extra ordinary general meeting held on 27/05/2013	Increase in authorized capital
Extra ordinary general meeting held on 24/06/2013	Approval of borrowing powers, issue of bonus shares, further issue of equity shares, appointment of managing director, appointment of independent director & company secretary.
18 th Annual general Meeting held on 20/07/2013	Appointment of whole time director & Paying Remuneration by way of commission to executive director.
19 th Annual general Meeting held on 18/09/2014	Appointment of Independent Directors Borrowing Powers Power to create Charge Re-appointment of Managing Director
20 th Annual General Meeting held on 10/09/2015	Re-appointment of Whole Time Director Approval of related party transaction Adoption of new set of Article of Association.

Postal Ballot:

No resolution was passed by postal ballot and there is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

Dematerialisation of shares:

SRGSFL's shares are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to SRGSFL's equity shares is INE326P01019.

As at March 31st, 2016, 100 % of equity shares of SRGSFL have been dematerialised by members through NSDL and CDSL.

Means of Communication:

The main source of information for the shareholders is the Annual Report that includes inter alia, the Director's Report, the shareholder's information and the audited financial results. SRGSFL recognizes the importance of regular dialogue with its shareholders to ensure that the Company's strategy is clearly understood.

Shareholders are intimated through the press, email and SRGSFL's website www.srgfin.com of the half yearly performance and financial results of the company. Shareholders have an opportunity to attend the Annual General Meeting at which the business outlook is presented and relevant aspects of the company's operations are discussed. In addition, the registered office as well as the Registrar's office (RTA), serves as a contact point for shareholders on issues such as share transfers, dividends and announcements. Along with the financial results, other information as per the listing regulations such as Annual Report and Shareholding Pattern, are being uploaded on BSE website under "BSE Listing Centre". The Company does not make any presentation to analysts or to institutional investors. The half yearly and annual financial results of the Company are published in leading newspapers and are communicated to the stock exchanges as per the provisions of SEBI (LODR) Regulations, 2015 and uploaded on Company's website.

The Ministry of Corporate Affairs (MCA) and the Companies Act, 2013, has taken a "Green Initiative" in corporate governance by allowing paperless compliances by the Companies through electronic mode. The SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 permits companies to send soft copies of the annual report to all those shareholders who has registered their e-mail addresses with the Company/Depository participant. The Company has been requesting the shareholders holding shares in demat form to register/update their e-mail addresses to the company/depository participants. Accordingly, the annual report for 2015-16, notice for AGM etc., are being sent in electronic mode to shareholders who have registered their e-mail addresses with the Company/depository participants. For those shareholders who have not opted for the above, the same are being sent in physical form.

The annual report also contains a section on "Shareholder's Information" which inter alia provides information relating to the AGM date, time and venue, shareholding pattern, distribution of shareholding, top shareholders, monthly high and low quotations of the equity share during the year and other corporate governance information as required under SEBI (LODR) Regulations, 2015, The Company has designated the e-mail id srgsecurities@gmail.com to enable the shareholders to register their grievances.

MD and CFO Certification:

The Managing Director / Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report. (Annexure- VII)

Subsidiary Companies:

The company has no Subsidiary Companies.

General Shareholder Information:**Outstanding ADRs/GDRs/ Warrants**

The company does not have any GDRs/ ADRs/ Warrants or any convertible instruments.

Commodity Price Risk/ Foreign Exchange Risk/ Hedging Activities

Company does not have any Commodity Price Risk or Foreign Exchange Risk and Hedging activities.

Annual General Meeting:

Date and time:	22.08.2016 at 10:30 P.M.
Venue:	Hotel Ambience Plot No. 8, Near Mahila Police Thana, 100 Feet Road, Roop Nagar, Bhuwana Opposite The Occasion Wedding & Special Event Garden, Udaipur, Rajasthan 313001
Book Closure Date :	16.08.2016 to 22.08.2016
Financial Year	1 st April to 31 st March

Financial Calendar 2016-17 (tentative) :

Financial Results will be announced as per the following tentative schedule:

Half Year ending September, 2016	By 15 November, 2016
Half Year/ Year ending March, 2017	Within 60 Days from 31 st March, 2017
Annual General Meeting	By September, 2017

Particulars of Dividend for the year ended 31.03.2016:

No dividend has been declared by the Company during the financial year 2015-16.

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE– SME)	536710
ISIN allotted by Depositories (Company ID Number)	INE326P01019

Listing of Shares:

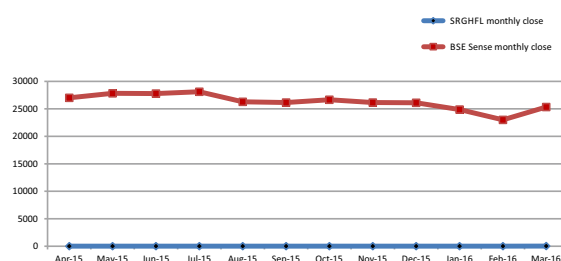
(Note: Annual Listing fees for the year 2016-17 was duly paid to the above stock exchange)

Stock Market Data:

The Bombay Stock Exchange Limited

Month	Open Price	High Price	Low Price	Close Price	BSE Sensex (Monthly Close)
Apr-15	22	22.5	21.75	22	27011
May-15	21.85	21.85	21	21	27828
Jun-15	19.5	19.5	19	19	27781
Jul-15	18.5	18.5	18	18	28115
Aug-15	17.5	17.5	17	17	26284
Sep-15	-	-	-	17	26155
Oct-15	-	-	-	17	26657
Nov-15	-	-	-	17	26146
Dec-15	16.25	16.25	15.75	15.75	26118
Jan-16	15.9	19.5	15.9	19.5	24871
Feb-16	20.2	29.75	20	23.5	23002
Mar-16	23.4	29.5	22.25	29.5	25342

SHARE PRICE OF BSE SENSEX AND SRGSFL



Shareholding Pattern as on 31st March 2016 :

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
a	Individual/Huf	11	1869150	1869150	48.231	48.231	-	-
b	Central/State Gov	-	-	-	-	-	-	-
c	Fins / Banks	-	-	-	-	-	-	-
d	Any Other specify-Bodies Corporates	1	150000	150000	3.871	3.871	-	-
	Sub Total(A)(1)	12	2019150	2019150	52.102	52.102	-	-
2	Foreign							
a	Indv NRI/For Ind	-	-	-	-	-	-	-
b	Government	-	-	-	-	-	-	-
c	Insitutions	-	-	-	-	-	-	-
d	Foreign Porfolio Investor	-	-	-	-	-	-	-
e	Any Other Specify	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	12	2019150	2019150	52.102	52.102	-	-
	Total (A)= (A)(1)+(A)(2)							
(B)	Public shareholding							
1	Insitutions							
a	Mutual Funds	-	-	-	-	-	-	-
b	Venture Capital Funds	-	-	-	-	-	-	-
c	Alternate Investment Funds	-	-	-	-	-	-	-
d	Foreign Venture Capital Investors	-	-	-	-	-	-	-
e	Foreign Porfolio Investors	-	-	-	-	-	-	-
f	Financial Insitutions/ Banks	-	-	-	-	-	-	-
g	Insurance Companies	-	-	-	-	-	-	-
h	Provident Funds/ Pension Funds	-	-	-	-	-	-	-
i	Any Other -Specify	-	-	-	-	-	-	-
	Sub- Total (B)(1)	-	-	-	-	-	-	-
2	Central Government/ State Government (s)/ President of India	-	-	-	-	-	-	-
	Sub- Total (B)(2)	-	-	-	-	-	-	-

B 3	Non-insitutions							
a	Individuals						-	-
	i. Individual share-holders holding nominal share capital up to Rs. 2 lakhs.	78	800250	800250	20.649	20.649	-	-
	ii. Individual share-holders holding nominal share capital in excess of Rs. 2 lakhs.	15	492000	492000	12.695	12.695	-	-
b	NBFCs registered with RBI	-	-	-	-	-	-	-
c	Employee Trusts	-	-	-	-	-	-	-
d	Overseas Depositories holding DRs) (balancing figure)	-	-	-	-	-	-	-
e	Any Other -Bodies Corporates	7	564000	564000	14.553	14.553	-	-
	Sub-Total (B)(3)	100	1856250	1856250	47.898	47.898	-	-
(B)	Total (B)=(B)(1)+(B)(2)+(B)(3)	100	1856250	1856250	47.898	47.898	-	-
	TOTAL (A)+(B)	112	3875400	3875400	100.000	100.000	-	-
(C)	Non Promoter Non Public							
(C1)	Shares underlying DRs	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	112	3875400	3875400	100.000	100.000	-	-

Distribution of Shareholding as on 31st March 2016:

Number of Equity Shares held	Number of Share holders	Number of Shares	% of Capital
UPTO TO 100	-	-	-
101 TO 200	-	-	-
201 TO 500	-	-	-
501 TO 1000	-	-	-
1001 TO 5000	-	-	-
5001 TO 10000	46	276000	7.12
10001 TO 100000	56	1381650	35.65
100001 TO ABOVE	10	2217750	57.23
Total	112	3875400	100.00

Registrar and Share Transfer Agents:

Sharex (Dynamic) India Private Limited, having its registered office at Unit-1, Luthra Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri- Kurla Rd, Safed Pool, Andheri (E)- Mumbai-400072 are the Registrars for the demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within 15 days of lodgment.

Corporate Benefits to Investors:

Dividend Declared: NIL

Bonus Issue of Fully Paid up Equity Shares:

Financial Year	Ratio
2013-14	1:2

Information in respect of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the provisions of the Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. There are no Unpaid/ Unclaimed Dividend as on 31.03.2016.

Shareholders holding shares in electronic form are requested to deal only with their Depository Participant in respect of change of address, nomination facility and furnishing bank account number, etc.

Request to Investors :

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company.

As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants/Cheques etc. This would avoid wrong credits being obtained by unauthorized persons.

Reconciliation of Share Capital :

A quarterly audit was conducted by a practicing company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2016, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 3875400 equity shares representing 100% of the paid up equity capital have been dematerialized as on 31st March 2016.

Information to Shareholders :

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

Nomination Facility:

Since all the shares of the Company are in demat for, shareholders are requested to contact their Depository Participants for availing nomination facility.

Plant Locations :

Not Applicable being an NBFC registered with RBI.

Address for Correspondence:

To contact Registrars & Share Transfer Agents for matters relating to shares

M/s. Sharex (Dynamic) India Pvt. Ltd.
Unit -1, Luthra Ind. Premises, 1st Floor, 44-E, M, Vasanti Marg,
Andheri – Kurla Rd., Safed Pool, Andheri (E) Mumbai-400072
Tel: 022-28515606; Fax No: 022-28512885
Email- sharexindia@vsnl.com

For any other general matters or in case of any difficulties / grievance

Ms. Garima Soni
Company Secretary and Compliance Officer
S R G Securities Finance Limited
322, SM Lodha Complex, Near Shastri Circle, Udaipur,
Rajasthan-313001
Tel : 0294-2561882; Fax : 0294-5100098
E-mail : srgsecurities@gmail.com

Website Links:

As required under the various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the web link of some of the important documents placed on the website of the company is prescribed below:

Policy on Determination of Materiality <http://srgfin.com/BestPracticesSub/6/Others>

Archival Policy <http://srgfin.com/BestPracticesSub/6/Others>

Compliance Certificate of the Auditors:

Certificate from the Company's Auditors, M/s. Valawat Jha Pamecha & Co., confirming compliance with conditions of Corporate Governance as stipulated in SSEBI(LODR) Regulations, 2015, is attached to this Report.

Non Mandatory Requirements:

The Company is moving towards a regime of unqualified financial statements. The Company shall endeavour to adopt the non-mandatory requirements as and when necessary.

Compliance:

The Company has complied with the mandatory requirements as stipulated under Regulation 34(3) and 53 of SEBI (LODR) Regulations, 2015 . The Company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit, as and when required.

Going Concern:

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

Risk Management Committee:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has also formulated a policy for Risk management of the Company.

The Composition of Risk Management committee comprises as follows:

- Mr. Vinod K. Jain- Chairman of the Committee
- Mr. Arjun Lal Jain– Member
- Mr. Nishant Badala,- Member

The Committee's composition meets with the requirements of provisions of the Companies Act, 2013 and Regulation 21 of SEBI (Listing obligation Disclosure Requirement) 2015.

The Board:

Independent Directors possess the requisite qualification and experience to contribute effectively to the company in their capacity as independent director.

Nomination & Remuneration Committee:

A Nomination & remuneration committee has been set up under the chairmanship of Mr. Arjun Lal Jain and Mr. Bhupesh Kumar Jain and Mr. Nishant Badala are the other members of the committee. All the three members are Non-Executive directors with Chairman and a member being Independent Director.

Audit Qualifications:

The statutory financial statements of the company are unqualified.

Separate posts of Chairman and MD:

The Company has appointed only MD of the Company.

Reporting of Internal Auditor:

The Internal Auditor of the company directly reports to the Audit Committee.

Declaration by Managing Director on Code of Conduct under Regulation 18(3) of SEBI (LODR) Regulations, 2015.

To

The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31st, 2016.

Date: 16.05.2016

Place: Udaipur

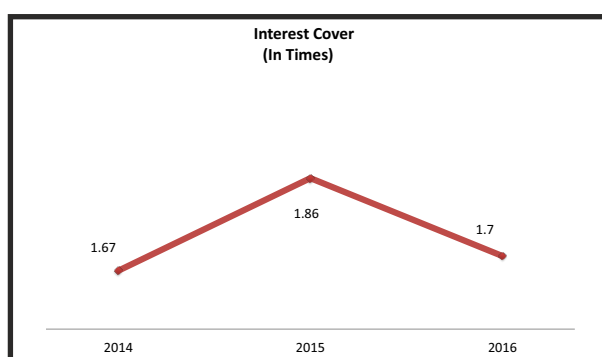
Best Wishes

Sd/-

Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-

Rajesh Jain
Director
DIN: 00212393



CERTIFICATE BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD

We, Vinod K. Jain, Managing Director and Aarti Jain, Chief Financial Officer of S R G Securities Finance Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that we have disclosed to the statutory auditors and the audit committee, deficiencies in the design or operations of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

Place : Udaipur
Date : 16.05.2016

Sd/-
Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-
Aarti Jain
Chief Financial Officer

DETAILS OF MANAGERIAL REMUNERATION

SL. NO.	REQUIREMENTS	DISCLOSURES
(i)	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2015-16.	<p><u>Executive Director</u></p> <p>Mrs. Seema Jain– Whole Time Director– 15.79x</p>
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	<p><u>Executive Director</u></p> <p>Mrs. Seema Jain– Whole Time Director– 33.33%</p> <p>Mrs. Aarti Jain—CFO– 33.33%</p>
(iii)	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 26.32%
(iv)	The number of permanent employees on the rolls of company	There were 7 permanent employees on the rolls of the Company, as on March 31, 2016.
(v)	The explanation on the relationship between average increase in remuneration and company performance;	<p>The average increase in remuneration of the employees of the Company was in line with the increase in the profitability of the Company. The Company, inter-alia, considers the following factors for deciding upon the increase in the remuneration of the employees:</p> <ol style="list-style-type: none"> Individual performance/ contribution of the Employee vis-à-vis Company Performance. Industry Benchmarking Balance between fixed and incentive pay reflecting short and long term performance objectives.
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	For the Financial year 2015-16, the total remuneration paid to the KMPs were approx 53.91% of the net profit for the year.
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	The Market capitalisation of the Company has increased from Rs. 8.13 crores as of March 31, 2015 to Rs. 11.43 crores as of March 31, 2016. Over the same period, the price to earnings ratio moved from 34.42x to 43.38x. The Company's stock price as at March 31, 2016 has increased by 47.5% to Rs.29.5/- (BSE) over the last public offering, i.e. IPO as on the date of allotment i.e. 23.10.2013 at the price of Rs. 20/- per share.
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<ul style="list-style-type: none"> Average increase in the remuneration of all employees excluding KMPs and Directors: 0.00% Average increase in the remuneration of KMP: 31.01% Justification: KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company is as under:

Particulars	% of the Net Profit for the FY 2015-16
Whole Time Director	123.60%
CFO	34.36%
CS	8.10%

(x) The key parameters for any variable component of remuneration availed by the directors;

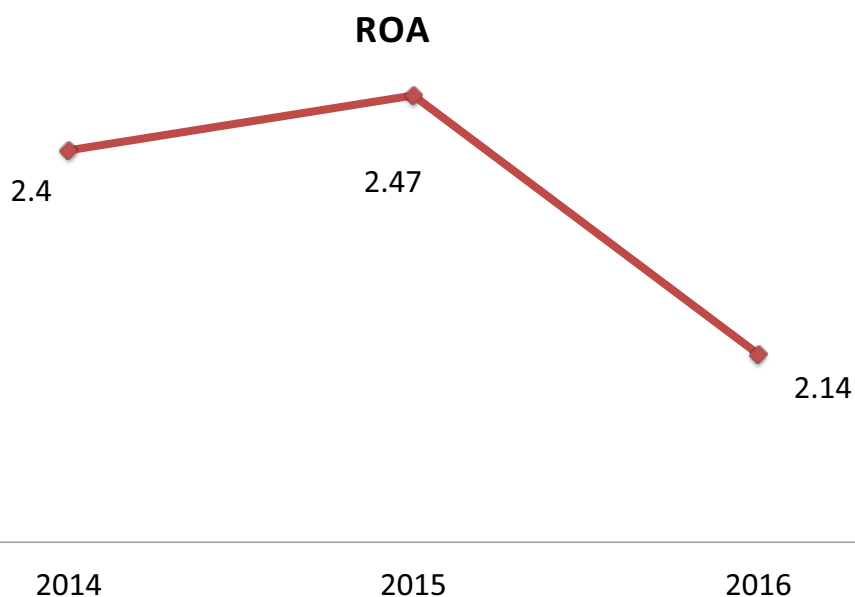
Any variable component of remuneration payable to the Directors (if any), is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination & Remuneration Committee of the Board. The said parameters are set considering the provisions of applicable laws, Remuneration Policy of the Company and the respective resolution(s) of the Members of the Company, as applicable

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

During the financial year 2015-16, there is no employee in the Company who is not a Director but receives remuneration in excess of the highest paid director i.e. Whole Time Director of the Company.

(xii) Affirmation that the remuneration is as per the remuneration policy of the company.

It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
S R G SECURITIES FINANCE LIMITED,

We have examined the compliance of conditions of corporate governance by S R G Securities Finance Limited ("the Company"), for the year ended on 31st March, 2016 as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015 of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of my information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For VALAWAT JHA PAMECHA & CO
Chartered Accountants
FRN: 008265 C
Sd/-
(Jinendra Jain)
Partner
M.No.072995

Date: 16.05.2016
Place: Udaipur

INDEPENDENT AUDITOR'S REPORT

To
The Members
S R G Securities Finance Limited

We have audited the accompanying financial statements of S R G SECURITIES FINANCE LIMITED ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and 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 of the 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 the 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 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 there under.

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. 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,

- a.) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016
- b.) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c.) In the case of the Cash Flow Statement, of the 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, 2016 ("the Order"), as issued by Central Government of India in terms of sub section (11) of section 143 of Companies Act, 2013 (18 of 2013) we hereby give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 ; and
 - e. On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
 - f. On the basis of the information and explanation of the Company provided to us and in our opinion, the Company has adequate internal financial controls, systems over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2016 based on the internal control over financial reporting criteria established by the Company. Further refer our separate report in "Annexure A"
 - g. 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 does not have any pending litigations which would impact its financial position;
 - ii The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii As represented by the company, there is no amount required to be transferred to Investor Education and Protection Fund by the Company.

For Valawat Jha Pamecha & Co.
Chartered Accountants
(FRN 008265 C)

Place: Udaipur
Dated: 16.05.2016

Sd/-
(Jinendra Jain)
Partner
M.No. 072995

ANNEXURE TO THE AUDITOR'S REPORT

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of S R G SECURITIES FINANCE LIMITED on the financial statements for the year ended 31st March, 2016]

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
b) Fixed Assets have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) The company does not have any immoveable property.
2. According to the information and explanations given to us, the Company has not having any Inventory and there-fore paragraph 2 of the Order is not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3 of the Order is not applicable.
4. According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
5. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company
7. a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, em-employees state insurance, income tax, sales tax, value added tax, service tax, custom duty, excise duty, cess and any other statutory dues as applicable with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2016.
b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax as at 31st March 2016, which has not been deposited on account of dispute.
8. According to the information and explanations given to us and records of the Company examined by us the com-pany has not defaulted in repayment of loans or borrowing to any financial institution, bank, Government or dues to debenture holders.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instru-ments) during the year. The Term loans obtained during the year were applied by the Company for the purpose for which they were obtained.
10. According to the information and explanations given to us, we have not noticed or reported any fraud by the Company or any fraud on the Company by its officer or employees during the year.
11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. The company is not a Nidhi Company, hence this clause of the Caro 2016 is not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under provisions of section 192 of Companies Act, 2013.
16. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. As per Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, we report that:
 - i. The Company has been allotted registration from RBI, Jaipur as per section 45 I A of the Reserve Bank of India Act, 1934.
 - ii. The Company is entitled to hold COR in terms of its Assets/Income pattern as on March 31, 2016
 - iii. In case of Non Banking Finance Company , not accepting public deposit : -
 - (i) The Board of Directors have passed resolution for not accepting public deposit.
 - (ii) The Company has not accepted public deposit during the year 2015-16.
 - (iii) The Company have complied with prudential norms relating to the Income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable it in terms of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

For Valawat Jha Pamecha & Co.
Chartered Accountants
(FRN 008265 C)

Place: Udaipur
Dated: 16.05.2016

Sd/-
(Jinendra Jain)
Partner
M.No. 072995

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF S R G SECURITIES FINANCE LIMITED

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of S R G Securities Finance Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Valawat Jha Pamecha & Co.
Chartered Accountants
(FRN 008265 C)

Place: Udaipur
Dated: 16.05.2016

Sd/-
Jinendra Jain
Partner
M.No. 072995

BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	38754000	38754000
(b) Reserves and Surplus	2	33911650	31583077
(2) Non-Current Liabilities			
(a) Long Term Borrowing	3	56545855	0
(3) Current Liabilities			
(a) Short-term borrowings	4	13923160	25759936
(b) Other current liabilities	5	359644	639203
(c) Short-term provisions	6	2425583	1890176
Total		145919892	98626392
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	3526683	2667768
(b) Non-current investments	8	1000	1000
(c) Deferred tax assets (net)	9	408551	231076
(d) Other non-current assets	10	2402160	2003760
(2) Current assets			
(a) Current Investment	8	9373064	0
(b) Receivables under financing activity	11	114318485	89091384
(c) Cash and cash equivalents	12	11211910	1006085
(d) Other current assets	13	4678039	3625319
Total		145919892	98626392

The accompanying notes are an integral part of these financial statements

In terms of our report attached 1 to 31

As per Our Report of even date

For Valawat Jha Pamecha & Co.

Chartered Accountants

FRN : 008265 C

Sd/-
(Jinendra Jain)

Partner

Membership No. 072995

Date : 16.05.2016

Place : Udaipur

For & On Behalf of the Board

Sd/-

Vinod K. Jain

Managing Director

DIN: 00248843

Sd/-

Seema Jain

Whole Time Director

DIN: 00248706

Sd/-

Garima Soni

Company Secretary

A38351

Sd/-

Rajesh Jain

Director

DIN: 00212393

Sd/-

Aarti Jain

CFO

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	Note No	As at 31 st March, 2016	As at 31 st March, 2015
I. Revenue from operations	14	19730633	16407769
II. Other Income	15	3535	0
III. Total Revenue		19734168	16407769
IV. Expenses:			
Employee benefit expense	16	6076148	4216740
Financial costs	17	5401418	3968497
Depreciation and amortization expense	7	1270319	603752
Other expenses	18	3194461	4206159
V. Total Expenses		15942346	12995148
VI. Profit before tax (III-V)		3791822	3412621
VII. Tax expense:			
(1) Current tax		1350240	1124593
(2) Deferred Tax		-177475	-70094
VIII. Profit/(Loss) for the period (VI-VII)		2619057	2358122
IX. Earning per equity share:			
Basic & diluted		0.68	0.61

The accompanying notes are an integral part of these financial statements

In terms of our report attached

1 to 31

As per Our Report of even date
For Valawat Jha Pamecha & Co.
Chartered Accountants
FRN : 008265 C

For & On Behalf of the Board

Sd/-	Sd/-
Vinod K. Jain	Rajesh Jain
Managing Director	Director
DIN: 00248843	DIN: 00212393

Sd/-
(Jinendra Jain)

Sd/-	Sd/-
Seema Jain	Aarti Jain
Whole Time Director	CFO
DIN: 00248706	

Partner
Membership No. 072995
Date : 16.05.2016

Sd/-
Garima Soni
Company Secretary
A38351

Place : Udaipur

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in Rs.)

Particulars	Figures as at end of the current reporting period		Figures as at end of the previous reporting period	
A. Cash flow from operating activities				
Net Profit before tax		3791822		3412621
Adjustments for:				
Depreciation	1270319		603752	
Provision for NPA	(246692)		(59703)	
Provision for Standard Assets	(63068)		(28293)	
Profit on sale of car	(3535)			
Other Provision	19276	976300	(3319)	512437
Operating profit / (loss) before working capital changes		4768122		3925058
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Loans and Advances	(25227101)		(12546390)	
Other Current Assets	(1052720)		294800	
Other non-current assets	(398400)	(26678221)	4200000	(8051590)
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	(279559)		(213350)	
Short-term provisions	535407	255848	417405	204055
Cash generated from operations		(21654251)		(3922477)
Net income tax (paid) / refunds		1350240		1124593
Net cash flow from / (used in) operating activities (A)		(23004491)		(5047070)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(2125699)	(2125699)	(2322071)	(2322071)
Net Addition to Investment	(9373064)	(9373064)		
Net cash flow from / (used in) investing activities (B)		(11498763)		(2322071)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	0		0	
Security Premium from issue of equity shares	0		0	
Proceeds from long-term borrowings	56545855		0	
Proceeds from Short-term borrowings	(11836776)	44709079	4343848	4343848
Net cash flow from / (used in) financing activities (C)		44709079		4343848
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		10205825		(3025293)
Cash and cash equivalents at the beginning of the year		1006085		4031378
Cash and cash equivalents at the end of the year		11211910		1006085

The accompanying notes are an integral part of these financial statements

In terms of our report attached 1 to 31

As per Our Report of even date
For Valawat Jha Pamecha & Co.
Chartered Accountants
FRN : 008265 C

Sd/-
(Jinendra Jain)

Partner
Membership No. 072995
Date : 16.05.2016

Place : Udaipur

For & On Behalf of the Board

Sd/-
Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-
Seema Jain
Whole Time Director
DIN: 00248706

Sd/-
Garima Soni
Company Secretary
A38351

Sd/-
Rajesh Jain
Director
DIN: 00212393

Sd/-
Aarti Jain
CFO

SIGNIFICANT ACCOUNTING POLICIES

AS AT 31st MARCH, 2016

1. Basis of preparation

The financial statements are prepared and presented under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), and provisions referred to Sec 133 of the Companies Act, 2013 and accounting standards issued by the Institute of Chartered Accountants of India (ICAI) as Applicable. The Company also follows the directions prescribed by the Reserve Bank of India (RBI) for NBFC's.

2. Income Recognition

Interest income on loans and hire charges are accounted on accrual basis. Loans are classified into "Performing and non-performing assets in terms of the directions issued by the RBI from time to time". Income recognition on non-performing advances are made in accordance with the RBI guidelines. Additional Finance Charges, Cheque bounce charges, Field visit charges and other penal / servicing charges are recognised as income on realisation due to uncertainty in their collection.

3. Income from Investment

Dividend Income on investments is recognized when the right to receive the same is established.

4. Segment Reporting

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographic segments other than India. As such there are no separate reportable segments as per AS-17 "Segmental Reporting".

5. Fixed Assets And Depreciation

Fixed Assets are stated at cost, Depreciation on fixed assets is provided on pro-rata basis on "Written Down Value Method" from the date of installation based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

6. Provision on Non-Performing Assets

Non-performing assets are identified and categorized into Sub-standard, Doubtful and Loss Category based on the guidelines and direction issued by RBI. Provisions for non-performing assets are made in the accordance with the said guidelines

7. Contingent Liabilities

All the known liabilities where ever Materials are provided for.

8. Investments

In accordance with Accounting Standard (AS 13) on "Accounting for Investments" and the guidelines issued by Reserve Bank of India, Investments are either classified as current or long term based on management's intention at the time of purchase. On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and stamp duty.

Current Investments are stated at lower of cost and fair value. However Provision for diminution in value of investment is made to recognize a decline in value other than temporary in nature.

On sale of an investment, the difference between its carrying value and net sale proceeds is charged or credited in the statement of profit and loss.

9. Retirement Benefits :

Liability for employee benefits, both short and long term, for present and past services which are due as per terms of employment are recorded in accordance with Accounting Standard (AS) 15 "Employee Benefits" as notified by the Companies (Accounting Standards) Rules, 2006.

i) Gratuity

The management is of the opinion that since none of the employees of the company were in continuous service as provided in the act accordingly making provision of the gratuity does not arise. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of the law, the same will be accounted for on cash basis.

ii) Pension

The management is also of the opinion that the payment under Pension Act is not applicable to the Company

10. Accounting For Taxes On Income

Income tax expenses is the aggregate amount of current tax and deferred tax charge, Taxes on income are accrued in the same period as the revenue and expenses to which they relate. Current Tax is determined in accordance with the Income Tax Act 1961, on the amount of tax payable in respect of income for the year.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences arising between the carrying value of assets and liabilities. Deferred tax assets are recognized only after giving due consideration to prudence. Deferred tax assets and liabilities are measured using tax retards and tax laws that have been enacted (or) substantially enacted by the balance sheet date.

11. Earnings Per Share

The Company reports basic and diluted earnings per equity share in accordance with (AS) 20, Earnings per share issued by the Institute of Chartered accountants of India. Basic earnings share have been computed by divided net income by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity shares have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

Earnings per share (EPS) is calculated as follows:

Particulars	2015-16	2014-15
Net profit after tax	2619057	2358122
Weighted Average Number of Equity Shares (No's)	3875400	3875400
Earnings Per Share- Basic and Diluted	0.68	0.61

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

1. SHARE CAPITAL	As at 31 st March, 2016	As at 31 st March, 2015
Authorised Share Capital : 50,00,000 Equity Shares of Rs. 10 /- Each	50000000	50000000
Issued , Subscribed & Paid up : 38,75,400 Equity shares of Rs. 10 /- Each	38754000	38754000
Total	38754000	38754000

The reconciliation of the number of share outstanding is set out below

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number	Amount	Number	Amount
Share outstanding at the beginning of the year	3875400	38754000	3875400	38754000
Share issued during the year:			-	-
Bonus share issued during the year			-	-
Initial Public Offering (IPO)			-	-
Shares bought back during the year			-	-
Shares outstanding at the end of the year	3875400	38754000	3875400	38754000

The details of Shareholding more than 5 % shares

Name of the shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares Held	%	No. of Shares Held	%
Shri Vinod K. Jain	476700	12.30	476700	12.30
Smt. Seema Jain	294900	7.61	216900	5.60
Shri Rajesh Jain	364200	9.40	364200	9.40
Aryaman Capital Market Ltd.	252000	6.50	252000	6.50

2. RESERVE AND SURPLUS:	As at 31 st March, 2016	As at 31 st March, 2015
Special Reserve (in terms of section 45IC(1) of the Reserve Bank of India Act,1934)		
As per Last Balance Sheet	2846500	2371500
Add : Transferred from Profit and Loss Statement	525000	475000
Total	3371500	2846500

Securities Premium Reserve

As per Last Balance Sheet	25080000	25080000
Add: Received during the year	0	0
Less: Utilized for issue of bonus shares	0	0
Total	25080000	25080000
Profit & Loss Account		
As per last Balance Sheet	3656577	1878229
Add : Profit for the year	2619057	2358122
Add: Excess Provision for Income Tax	19276	0
Total	6294910	4236351

Less : Appropriations		
Transfer to Special Reserve	525000	475000
Provisions for standard Assets	63068	28293
Provision for NPA	246692	59703
Assets W/o as per co. act 2013	0	13459
Excess Provision for Income Tax	0	3319
	834760	579774
	5460150	3656577
Total	33911650	31583077

3. LONG TERM BORROWINGS:	As at 3^{1st} March, 2016	As at 31st March, 2015
Secured		
Term Loan From State Bank of India	55581568	0

(Secured against Hypothecation of specific Book-Debts an, irrevocable power of attorney in favor of bank to create mortgage / hypothecation charge in favor of bank over the specific assets and to collect the book debts directly from individual borrowers in the event of default by the company and personal guarantees of the director).

Term Loan Rs 600.00 Lacs -Repayable in 24 Qrtly EMI of Rs.25.00 lacs per quarter w.e.f. 1st Dec. 2015

Term Loan From Volkswagen Finance Private Ltd.	964287	0
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Secured against Hypothecation of Car repayable in 48 months @ 27769 PM w.e.f. Sep.2015

Total	56545855	0
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4. SHORT TERM BORROWINGS :		
Secured		
Loan repayable on demand (From Bank)		
From: Bank of Baroda		
Working capital loans	0	25759936

(Hypothecation against Book Debts & Personal Guarantee of the Directors)

From : State Bank of India		
Working capital loans	13923160	0

(Secured against Hypothecation of advances (book-debts) an irrevocable power of attorney in favor of bank to create mortgage/hypothecation charge in favor of bank over the specific assets and to collect the book debts directly from individual borrowers in the event of default by the company and personal guarantee of the directors)

Total	13923160	25759936
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5. OTHER CURRENT LIABILITIES :		
Expenses Payable	190761	242803
Other Current Liabilities	168883	396400
Total	359644	639203

6. SHORT TERM PROVISIONS :		
Provision for Taxation	1350240	1124593
Provision for NPA	795637	548945
Provision for standard Assets	279706	216638
Total	2425583	1890176

7. Fixed Assets											
PARTICULARS		GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.15	ADDI- TION	DELETION	TRANS EFR*	AS AT 31.03.2016	AS AT 01.04.15	FOR THE YEAR	DEDUC- TION	AS AT 31.03.2016	AS AT 31.03.2016	AS AT 31.03.15
TANGIBLE ASSETS											
Computers	187730	99000	0	0	286730	185949	6926	0	192875	93855	1781
Furniture and Fixtures	256845	1471700	0	0	1728545	243693	177360	0	421053	1307492	13152
Cars	3237063	1355000	2596641	0	1995422	1809699	723764	1800175	733288	1262134	1427364
Scooter	39702	0	0	0	39702	39701	0	0	39701	1	1
Kinetic Deo	52946	0	0	0	52946	7701	11714	0	19415	33531	45245
Office Equipments	1234155	0	0	0	1234155	53930	350555	0	404485	829670	1180225
Total	5008441	2925700	2596641	0	5337500	2340673	1270319	1800175	1810817	3526683	2667768
Previous Year	2733429	2328743	40272	13459	5008441	1770521	603752	33600	2340673	2667768	962908

8. INVESTMENT:	As at 31 st March, 2016		As at 31 st March, 2015	
NON CURRENT INVESTMENT:				
Investment in share– Unquoted SRG Global Solution Pvt. Ltd.		1000		1000
Total		1000		1000

CURRENT INVESTMENT:	As at 31 st March, 2016		As at 31 st March, 2015	
Trade Investment				
Investment in Equity Instruments-Quoted SRG Housing Finance Ltd.	Nos. 200000	Amount 9373064	Nos. 0	Amount 0
Total		9373064		0
Aggregated Market Value of Quoted Investment		14000000		

9. DEFERRED TAX ASSETS:		
Opening Balance	231076	160982
Add: For the Year	177475	70094
Total	408551	231076

10. OTHER NON CURRENT ASSETS :		
Advance against Office Booking	1500000	1500000
Deposit with BSE	0	501600
Security Deposit	902160	2160
Total	2402160	2003760

11. RECEIVABLES UNDER FINANCING ACTIVITY:		
Secured Considered good		
Loan and Advances (Including Loans against Hypothecation)	114318485	89091384
Total	114318485	89091384

12. CASH & CASH EQUIVALENTS :		As at 31st March, 2016	As at 31st March, 2015
Cash on Hand		3350362	244266
Balance With Banks			
A. In current Account		105143	76795
B. Deposits having balance maturity of more than 12 months(Deposits amounting to Rs.75.00 Lakh under lien with State Bank of India)		7756405	685024
Total		11211910	1006085
13.OTHER CURRENT ASSETS :			
Prepaid Expenses		14610	52564
Advance Tax and TDS		1592992	1252960
Deferred Expenses		2384478	2045807
Interest Accrued But Not Due		685959	273988
Total		4678039	3625319
14. REVENUE FROM OPERATIONS			
Interest Received on Advances		18899098	16349139
Other Income		831535	58630
Total		19730633	16407769
15. OTHER INCOME			
Profit on Sale of Car		3535	0
Total		3535	0
16. EMPLOYEE BENEFIT EXPENSES :			
Salaries and other Benefits to Employees		2839481	2170073
Directors Remuneration		3236667	2046667
Total		6076148	4216740
17. FINANCIAL COST :			
Interest on working Capital loan		2589760	3753449
Interest on Term Loan		2636862	0
Interest on Car loan		73090	0
Other Interest		102	0
Bank Charges		54155	24126
Processing Fees		47449	190922
Total		5401418	3968497
18. OTHER EXPENSES :			
Advertisement Expenses		1625	98424
Auditors Remuneration		50000	50000
Internal Audit Fees		30000	30000
Insurance Expenses		45698	28270
Legal & Professional Fees		99098	24450
Office Expenses		99198	88299
Printing and Stationery		35911	33181
Rent Expenses		240000	210000
Telephone Expenses		59323	66516
Travelling Expenses		0	0
Vehicle Running & Maintenance		138022	161703
Bad Debts Written Off		0	632314
Commission Expenses		854000	460000
Market Maker Fees		546288	539328
Business Promotion Expenses		0	922700
Miscellaneous Exp. Written Off		774719	681936
Other Expenses		220579	179038
Total		3194461	4206159

19. AUDITORS REMUNERATION INCLUDES:

(Rs. In Lakhs)

Particulars	31.03.2016	31.03.2015
Audit Fees	0.35	0.35
Taxation Fees	0.10	0.10
R.O.C. Matters & Certification	0.05	0.05
Total	0.50	0.50

20. RELATED PARTY DISCLOSURES : Disclosures as required by the accounting standard 18 of ICAI in respect of related party transactions for the year ended on 31/03/2016:-

The related parties of the Company with whom the Company had carried out transactions are as follows.

Mrs. Seema Jain, Director

Genda Lal Jain HUF

Aarti Jain (Relative of Director)

Meenakshi Jain (Relative of Director)

SRG Housing Finance Limited (Associated / Related Entity)

The nature and volume of transactions with the above related parties during the year were as follows:

Directors Remuneration- (Salary)	Rs. 32.37 Lakhs (Previous year Rs.20.47 Lakhs)
Office Rent	Rs. 2.40 Lakhs (Previous year Rs.2.10 Lakhs)
Salary	Rs. 11.70 Lakhs (Previous year Rs.8.40 Lakhs)
Investment in shares	Rs. 93.73 Lakhs (Previous year Rs.0.00 Lakhs)

21. In the opinion of management the current assets and advances are approximately of the value as stated. If realized in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate and not in excess/shortage of the amount reasonably necessary.

22. None of the employees were getting more than Rs.60,00,000/-p.a. or Rs. 5, 00,000/- p.m. during the year.

23. All the balances of Sundry Creditors, Loans and advances are subject to confirmation.

24. The Company have complied all the prudential norms prescribed by Reserve Bank of India on income recognition , accounting standards, assets classification , provisions for Bad & doubtful debts , capital adequacy and credit / investment concentration.

25. The Company has not written off any unrecoverable debts in financial year 2015-2016 (Previous Year Rs.6.32 Lacs).

26. The company does not have any exposure in foreign currency at the year end

27. CAPITAL ADEQUACY RATIO:

Items	31 st March , 2016	31 st March , 2015
i) CRAR (%)	53.49	72.51

Particulars	For the year ended 31-3-2016					For the year ended 31-3-2015				
	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total
Loans	1118.82	0.00	21.64	2.72	1143.18	866.55	18.62	3.02	2.72	890.91
Provision	2.79	0.00	5.24	2.72	10.75	2.16	1.86	0.91	2.72	7.65

Particulars	Opening as on 1.04.2015	Provisions made during the year	Provisions reversed/ adjusted	Closing as on 31.03.2016
Bad & Doubtful Debts	5.49	2.47	0.00	7.96
Taxation	11.25	13.50	11.25	13.50
Standard Assets	2.16	0.63	0.00	2.79

31. In terms of Paragraph 13 of Non Systemically Important Non –Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2015.

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(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:	
(a) Financial lease	NIL
(b) Operating lease	
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	NIL
(b) Repossessed Assets	
(iii) Other Loans counting towards AFC activities	
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	1143.18

(4) Break-up of Investments:

Current investments:

1. Quoted :

(i) Shares : (a) Equity	93.73
(b) Preference	NIL
(ii) Debentures and Bonds	
(iii) Units of mutual funds	
(iv) Government Securities	NIL
(v) Others (please specify)	

2. Unquoted :

(i) Shares : (a) Equity	NIL
(b) Preference	
(ii) Debentures and Bonds	
(iii) Units of mutual funds	NIL
(iv) Government Securities	
(v) Others (please specify)	

Long-Term investments :

1. Quoted :

(i) Shares : (a) Equity	
(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	0.01
(b) Preference	
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	
(iv) Government Securities	
(v) Others (please specify)	

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	1132.43	0.00	1132.43
Total	1132.43	0.00	1132.43

(6) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted) :

Category	Market Value /Break Up or fair value or NAV	Book Value (net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	140.00	93.73
(c) Other related parties	NIL	NIL
2. Other than related parties	0.01	0.01
Total	140.01	93.74

(7) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	Rs. 24.36 Lacs
(ii) Net Non Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	Rs. 16.40 Lacs
(iii) Assets acquired in satisfaction of debt	NIL

Signatures to Schedule 1 to 31

As per our report attached
For VALAWAT JHA PAMECHA & CO.
Chartered Accountant
FRN: 008265 C

For & on behalf of the Board

Sd/-
(JINENDRA JAIN)
Partner
M.No. 072995

Sd/-
(VINOD K. JAIN)
Managing Director
DIN: 00248843

Sd/-
(RAJESH JAIN)
Director
DIN: 00212393

Sd/-
(SEEMA JAIN)
Whole Time Director
DIN: 00248706

PLACE: UDAIPUR
DATE: 16.05.2016

Sd/-
(AARTI JAIN)
CFO

Sd/-
(GARIMA SONI)
Company Secretary
M.NO: A38351



BOOK POST

TO,



If undelivered please return to:
S R G Securities Finance Limited
322, S. M. Lodha Complex,
Near Shastri Circle
Udaipur - 313001 Rajasthan
CIN: L67120RJ1995PLC009631