



**S R G SECURITIES FINANCE LIMITED**

322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)-313001  
CIN: L67120RJ1995PLC009631; Website: www.srgfin.com; Email : srgsecurities@gmail.com;  
Phone No: 0294-2561882, 2412609

**NOTICE**

**26<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **Twenty Sixth Annual General Meeting** of the Members of S R G SECURITIES FINANCE LIMITED will be held on Thursday September 30, 2021 at 12:15 P.M. at the Registered Office, 322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)- 313001 to transact the following business:

**ORDINARY BUSINESS:s**

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Richa Bhandari (DIN: 08197563), who retires by rotation in terms of Section 152(6) of The Companies Act, 2013 and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

3. **Approval for Re-appointment of Mrs. Seema Jain (DIN: 00248706) as the Whole- time Director of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to provision of Section 196, 197, 203 and Schedule V of Companies Act, 2013 and other applicable provisions, if any, of The Companies Act, 2013 read with underlying rules viz. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force, members do and hereby approves the re-appointment of Mrs. Seema Jain (DIN: 00248706) as the Whole Time Director of the Company for a period of three years from 20.07.2021 till 19.07.2024 upon terms and conditions including remuneration as set hereinafter in the explanatory statement.

**RESOLVED FURTHER THAT** in case of any loss, absence or inadequacy of the profits of the Company in any financial year, during the term of office of Mrs. Seema Jain, the remuneration mentioned herein shall be paid to Mrs. Seema Jain as minimum remuneration and the same shall be subject to the limits as set out in section II of Part II, of schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall deem to include any Committee of the Board) shall, in accordance with the statutory limits/approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, as it may deem fit and to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.

**4. Approval for appointment of Mr Dilip Kumar Singhvi (DIN 09240489) as an Independent Director of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement Regulations) 2015, applicable RBI Directions (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the Article of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Dilip Kumar Singhvi (DIN 09240489), who was appointed as an Additional- Independent Director of the Company on July 17, 2021 holds office up to conclusion of this Annual General Meeting and have submitted a declaration that he meet the criteria for Independence as provided in Section 149(6) of the Act and also declared that he has not been debarred from holding the office of director by SEBI/ MCA and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the term of 5 (five) consecutive years commencing from July 17, 2021 upto July 16, 2026.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, any of the Director and/or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

*Registered Office:  
322, S.M. Lodha Complex,  
Near Shastri Circle,  
Udaipur (Rajasthan)-313001  
CIN:-L67120RJ1995PLC009631  
Date:- 01-09-2021  
Place:- Udaipur*

*By order of the Board of Directors  
Sd/-  
Divya Kothari  
M.No:A57307  
Company Secretary*

**NOTES:**

1. In view of the COVID-19 pandemic, we have made arrangement of social distancing and members are requested to wear the mask while entering the venue for annual general meeting.
2. The Statement pursuant to Section 102(1) and (2) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed. Information regarding appointment/re-appointment of Director(s) and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard II is annexed hereto.
3. (a) A member entitled to attend the meeting and vote is entitled to appoint a proxy. A proxy can vote on behalf of the member but shall not have the right to speak.  
b) A proxy need not be a member of the company.  
c) A person can act as a proxy on behalf of members not exceeding fifty and aggregate holding of not more than 10% of the total share capital of the company.  
d) A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.  
e) Proxy Forms in order to be valid must be deposited at the company's registered office not less than 48 hours before the commencement of the meeting or holding the adjourned meeting in relation to which proxy is given.  
f) A proxy form for AGM is enclosed.
4. A member would be entitled to inspect the proxy forms lodged at any time during the business hours of the Company during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided that not less than three days of notice in writing is given to the Company.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Tuesday, 23.09.2021 to Tuesday, 30.09.2021 (both days inclusive) for the purpose of Annual General Meeting of the Company
6. In accordance with the provisions of Section 101 of Companies Act, 2013, Rule 18 of Companies (Management and Administration Rules), 2014 and Regulation 36 of the SEBI (LODR) Regulations, 2015, Copies of the Notice of the 26<sup>th</sup> AGM, Annual Report 2021, Attendance Slip and Proxy Form are being sent by electronic mode to all those members whose e-mail addresses are registered with the Company/RTA or Depository Participant for communication purposes. For those members who have not registered their e-mail addresses, physical copies of the Annual Report along with notice for year ended 31.03.2021 is being sent in the permitted mode to register the same directly with their DP, in case shares are held in electronic form.
7. Member may note that Notice and Annual Report 2020-21 will be available on the website of the Company at [www.srgfin.com](http://www.srgfin.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. The Company has appointed Mr. Amit Jalan, Practicing Chartered Accountant to act as the Scrutinizer for conducting the remote e-voting process as well as the voting on the date of the AGM, in a fair and transparent manner. The scrutinizer shall within a period of not exceeding two working days from the conclusion of the voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
9. The results of the voting along with the scrutinizer's report shall be placed on company's website within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the BSE, where the shares of the Company are listed.

10. A route map showing directions to reach the venue of the 26<sup>th</sup> AGM is given as per the requirement of the "Secretarial Standards - 2" on General Meetings.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during Business Hours on all working days upto the date of declaration of the result of the 26<sup>th</sup> AGM of the Company.
12. Additional information, pursuant to SEBI (LODR) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM is furnished in the explanatory statement forming part of this Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and related Rules.
13. Shareholders desiring any information as regards the accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.
14. Members/proxies attending the Annual General Meeting are requested to bring the following documents, for security reasons and for proper conduct of the AGM:
  - a) Attendance Slip duly completed and signed by the respective members or proxy.
  - b) Member companies/Institutions are requested to send a copy of the resolution of their Board or governing body, authorizing their representative to attend and vote at the Annual General Meeting.
  - c) DP & Client ID Number(s), by members holding shares in de- materialised form.

**15. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS**

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL, as the Authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting will be provided by NSDL.
- ii. The Register of Members and Share Transfer Books of the Company will be closed from Thursday September 23, 2021 to Thursday September 30, 2021 (both days inclusive). Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. September 23, 2021, shall be entitled to avail the facility of remote e-voting as well as voting on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 23, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or voting on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on 9:00 A.M. on September 27, 2021 and will end on 5:00 P.M. on September 29, 2021. During this period, the members of the Company holding shares as on the Cut-off date i.e. September 23, 2021 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

- vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. September 23, 2021.
- vii. The Company has appointed Mr. Amit Jalan, Practicing Chartered Accountant to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

**INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING**

The remote e-voting period begins on 9:00 A.M. on September 27, 2021 and will end on 5:00 P.M. on September 29, 2021. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:-

- Step 1. Access to NSDL e-Voting system
- Step 2. Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:  
How to Log-in to NSDL e-Voting system?

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p><b>Individual Shareholders holding securities in demat mode with NSDL.</b></p>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After</li> </ol>

	<p>successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

## B) Login Method for shareholders other than Individual shareholders holding securities in demat mode

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).

b) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

c) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the “Login” button, Home page of e-Voting will open.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

- 1) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- 2) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status
- 3) Select “EVEN” of company for which you wish to cast your vote.
- 4) Now you are ready for e-Voting as the Voting page opens.
- 5) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 6) Upon confirmation, the message “Vote cast successfully” will be displayed.
- 7) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 8) Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders:-**

- 1) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to [Amitjalan88@gmail.com](mailto:Amitjalan88@gmail.com) ;with copies marked to the Company at [srgsecurities@gmail.com](mailto:srgsecurities@gmail.com) and to National Securities Depository Limited (NSDL) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Mr Ashok Sherugar) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) , tel no 91 22 49186000

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Udaipur (Rajasthan)-313001  
CIN:-L67120RJ1995PLC009631  
Date:- 01-09-2021

By order of the Board of Directors  
Sd/-  
Divya Kothari  
M.No:A57307  
Company Secretary



**Information required under Regulation 36(3) of the Listing Regulations (relating to Corporate Governance) and Secretarial Standard on General Meetings, the details of the Directors seeking appointment/re-appointment are as follows:**

<b>Name of the Director</b>	<b>Ms. Richa Bhandari</b>	<b>Mrs. Seema Jain</b>	<b>Mr. Dilip Kumar Singhvi</b>
Director Identification Number	08197563	00248706	09240489
PAN	AQUPB1521F	AAWPJ9012H	ADSPS9114N
Date of Birth, Age	35 Years	46 Years	67 Years
Date of Appointment	07/09/2018	10/03/1999	17/07/2021
Brief resume of the Director including Qualification, nature of expertise in specific functional areas	Around 11 Years in Accounts Finance and taxation	Around 22 Years in Business of finance.	Around more than 36 Years of Banking experience and vide experience in the areas of credit, risk management, collection monitoring resolving customer grievances etc.
No. of shares held in the Company	2,000	5,34,900	2,000
Directorships and Committee memberships held in other companies	Nil	<p>Directorship:</p> <ol style="list-style-type: none"> <li>1.SRG Housing Finance Limited</li> <li>2.SRG Insurance Brokers Pvt ltd.</li> <li>3.SRG Global Builders Pvt Ltd.</li> </ol> <p><b>Committee Membership:</b></p> <p><b>SRG Housing Finance Limited</b></p> <ol style="list-style-type: none"> <li>1. Stakeholder's Relationship Committee: Member</li> <li>2. Nomination &amp; Remuneration Committee: Member</li> <li>3. Risk Management Committee: Member</li> <li>4. Asset-Liability Management Committee: Member</li> <li>5. Auction Committee: Member</li> <li>6. CSR Committee: Member</li> </ol>	Nil
Inter-se relationships between	Not related with any Directors, Manager and KMPs	Wife of Mr. Vinod Kumar Jain	Not related with any Directors, Manager and KMPs

Directors, Manager and KMPs			
Nationality	Indian	Indian	Indian
No. of Board Meetings held during the year	6	6	6
No. of Board meetings attended during the year.	6	6	0
Terms & Conditions of appointment	Re Appointed as Non-Executive Director and shall be liable to retire by rotation.	Re- appointment of Mrs. Seema Jain as Whole Time Director for a period of 3 years and is not liable to retire by rotation.	Appointed as Independent Director with effect from 17 July, 2021 for a period of 5 consecutive years from the date of initial appointment i.e upto 16 <sup>th</sup> July, 2026.
Remuneration sought to be paid	Nil	Rs. 300000/- per month in the range of Rs. 300000/- to Rs. 700000/- P.M and benefits as provided under Section IV Part II of Schedule V of Companies Act, 2013	Nil
Remuneration Last drawn	Nil	Nil	Nil

## ROUTE MAP TO THE AGM VENUE

**S R G Securities Finance Limited**  
(CIN: L67120RJ1995PLC009631)

**Date:** 30.09.2021, Thursday

**Time:** 12:15 P.M.

**Venue:** Registered Office:-322, S.M. Lodha Complex, Near Shastri Circle, Udaipur, Rajasthan-313001



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

### **Item NO: 3**

Mrs. Seema Jain, aged 46 years, is a Whole Time Director of the Company having more than 22 years of experience in the field of Finance. Her qualification is Higher Secondary. Her Current term of appointment as a Whole Time Director of the company expired on 19<sup>th</sup> July, 2021. She has excellent grasp and thorough knowledge and experience of finance and also of General Management. Her Knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the considered opinion that for the smooth and efficient running of the Business, the services of Mrs. Seema Jain should be available to the Company for a further period of 3 years with effect from 20<sup>th</sup> July, 2021. In terms of the provision of the Companies Act, 2013, Article of Association of the Company, on recommendation of the Nomination and Remuneration Committee of the Board on evaluation of her performance, the Board of Directors had, at their meeting held on 17<sup>th</sup> July, 2021, re-appointed her as a Whole Time Director of the Company for a further period of three years with effect from 20<sup>th</sup> July, 2021 subject to the approval of the members in the 26<sup>th</sup> Annual General Meeting and the terms and conditions of her reappointment is as below:

#### **I. Remuneration:**

Rs. 3,00,000 Per month in the range of Rs. 3,00,000 to Rs. 7,00,000 Per Month and benefit as provided under Section IV Part II of Schedule V of Companies Act, 2013.

#### **II. Remuneration in the event of loss or inadequacy of profits:**

Where in any financial year, the Company has no profits or its profits are inadequate, the amount mentioned herein shall be paid to her as minimum remuneration subject to applicable provisions of Section II Part II Schedule V to the Companies Act, 2013.

#### **III. Tenure**

Reappointment shall be for a period of 3 years from 20.07.2021 to 19.07.2024. The remuneration package is well within the overall limit prescribed under provisions of section 197, 198 and Section II-A Part II Schedule V to the Companies Act, 2013. As per Articles of Association of the Company she shall not retire by rotation.

#### **IV. Roles and Duties**

The roles, responsibilities and duties as Whole Time Director shall be as per the provisions of Company's Article of Association, Companies Act, SEBI Regulations, Listing Agreement, directions given by Board from time to time and other laws applicable to the Company. Accordingly the Board recommends the passing of the special resolution as set out in the item no. 3 of the Notice.

#### **V. STATEMENT OF PARTICULARS**

(Pursuant to Schedule-V of the companies Act, 2013)

##### **I. GENERAL INFORMATION:**

1. Nature of Industry: The Company is a NBFC registered with Reserve Bank of India.
2. Date or expected date of commencement of commercial production: The Company was incorporated on 06<sup>th</sup> March, 1995.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial performance based on given indicators: as per audited financial results for the year ended 31<sup>st</sup> March, 2021:

<b>Financial Highlights</b>	<b>Rs. In Lakhs</b>
Gross Revenue	317.17
Profit after Tax	50.57
Shareholder's Funds	1,303.82

5. Foreign investments or collaborations, if any: Not Applicable

## **II. INFORMATION ABOUT THE APPOINTEE:**

1. Mrs. Seema Jain has over 22 years of experience in Finance. With her hard work, devotion and intelligence she has been accredited for the expansion of the business of SRGSFL.
2. Past Remuneration during the financial year ended 31st March, 2021 :-

<b>Name</b>	<b>Amount (Rs In Lakhs)</b>
Mrs. Seema Jain	36.00

3. Recognition or Awards:  
She has received many awards in her society in social and cultural activities.
4. Job Profile and his Suitability:  
Mrs. Seema Jain is the Promoter Director of the Company and in the year 2013, she was appointed as Whole Time Director of the Company on 20.07.2013 and further Reappointed on 20.07.2018 for a period of three years. She is responsible for day to day operations of the Company. Taking into consideration her qualifications and expertise in relevant fields, the Whole Time Director is best suited for the responsibilities currently assigned to her by the Board of Directors.
5. Remuneration Proposed:  
For Whole Time Director Mrs. Seema Jain: Salary of Rs.3,00,000/- per month in the range of Rs. 3,00,000/- to Rs. 7,00,000 and benefit as provided under Section IV Part II of Schedule V of Companies Act, 2013.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin): Taking into consideration the size of the Company, the profile of Mrs. Seema Jain, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is adequate commensurate with the remuneration packages paid to similar senior level counterpart(s) in other peer companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:  
Besides the remuneration proposed to be paid to her, the Whole Time Director does not have any other pecuniary relationship with the Company.

## **III. Other Information:**

1. Reasons of Loss or inadequate profits: The Company has posted a net profit after tax of Rs. 50.57 Lakhs during the year ended 31st March, 2021. Further Company is in negotiation with the Bankers and Financial Institutions for more funds for the financing business.

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:  
The Company posted net profit of Rs. 50.57 Lakhs for the year ended 31st March, 2021. Now the company is looking forward to raise more long term funds from Banks and Financial Institutions for the company's business, board is hopeful to manifold the profit of the Company under leadership of Mrs. Seema Jain, Whole Time Director of the Company.
3. The Company has not made any default in repayment of debts or interest payable thereon in the preceding financial year.

Mrs. Seema Jain is interested in the resolution with regards to her re-appointment. The relatives of Mrs. Seema Jain including the Director Mr. Vinod Kumar Jain (Spouse) are deemed to be interested in this resolution to the extent of their equity shareholding interest and Directorship, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Resolution set out at Item No. 3 for approval of the Members as a **Special Resolution**.

#### **Item No. 4**

Mr. Dilip Kumar Singhvi (DIN: 09240489) has been appointed as an Additional Independent Director by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company pursuant to the provisions of Sections 149, 150, 152 and 161(1) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirement Regulations) 2015 to hold office till the conclusion of the 26<sup>th</sup> Annual General Meeting and subject to the approval of the members in the ensuing 26<sup>th</sup> Annual General Meeting, for appointment as an Independent Director to hold office for a term upto 5 consecutive years from the date of initial appointment i.e. upto 16<sup>th</sup> July, 2026.

Mr. Dilip Kumar Singhvi declared that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013. Mr. Dilip Kumar Singhvi possesses appropriate skills, experience and knowledge.

Mr. Dilip Kumar Singhvi is having more than 36 years of Banking Experience. His qualifications includes B.SC, M.COM, MBA, CAIIB and he has also qualified various courses on Mutual Funds organised by NISM. He has wide experience in the areas of credit, risk management, collection monitoring resolving customer grievances etc.

Further Mr. Dilip Kumar Singhvi is not disqualified from being appointed as a Director under provisions of Section 164 of the Act, nor debarred from holding the office of Director by virtue of any SEBI order, RBI or any other such authority and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. Dilip Kumar Singhvi fulfils the conditions for his appointment as an Independent Director as specified in the Act and SEBI LODR Regulations and is independent of the Management. Your Board believes that induction of Mr. Singhvi on the Board will support in broadening the overall expertise of the Board and will bring wide experience.

A copy of the appointment letter, setting out terms and conditions of his appointment is available for inspection as per details mentioned in the accompanying Notice of the Annual General Meeting

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Dilip Kumar Singhvi and his relatives, are concerned or interested, financially or otherwise in this Resolution. The Board recommends the Resolution set out at Item No. 4 for approval of the Members as a **Special Resolution**.

*Registered Office:*  
322, S.M. Lodha Complex,  
Near Shastri Circle,  
Udaipur (Rajasthan)-313001  
CIN:-L67120RJ1995PLC009631  
Date:- 01-09-2021

*By order of the Board of Directors*  
Sd/-  
Divya Kothari  
M.No:A57307  
Company Secretary



**S R G SECURITIES FINANCE LIMITED**

322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)-313001  
CIN: L67120RJ1995PLC009631; Website: www.srgfin.com; Email : srgsecurities@gmail.com;  
Phone No: 0294-2561882, 2412609

**ATTENDANCE SLIP**

**26<sup>th</sup> ANNUAL GENERAL MEETING**

1. Name(s) of Member(s) including joint holders, if any (in Block Letter(s)) :.....
2. Registered Address of the Sole/First named Member :.....
3. Name of Proxy holder :.....
4. Registered Folio No. /\*DP ID No. and Client ID No :.....
5. Number of Shares held :.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the Twenty Sixth Annual General Meeting of the Members of S R G Securities Finance Limited held on Thursday, 30<sup>th</sup> Day of September, 2021 at 12:15 P.M. at Registered Office, 322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)-313001

Signature of Member/Proxy Note: -

Note:-

1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favor.



**S R G SECURITIES FINANCE LIMITED**

322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)-313001  
CIN: L67120RJ1995PLC009631; Website: www.srgfin.com; Email : srgsecurities@gmail.com;  
Phone No: 0294-2561882, 2412609

**PROXY FORM**

**FORM NO: MGT-11**

26th ANNUAL GENERAL MEETING

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the Member(s)  
Registered address  
E-mail id  
Folio no./ Client id  
DP ID

I/We, being the member (s) of .....shares of the above named company, hereby appoint :

1. Name: .....  
Address:.....  
Email Id:.....  
Signature:.....  
or falling him
2. Name: .....  
Address:.....  
Email Id:.....  
Signature:.....  
or falling him
3. Name: .....  
Address:.....  
Email Id:.....  
Signature:.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on the Thursday, 30th September, 2021 at 12:15 P.M. at Registered office 322, S.M. Lodha Complex, Near Shastri Circle, Udaipur (Rajasthan)-313001 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution no.		Resolutions	Optional	
Ordinary Business			For	Against
1.		To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2021 together with the reports of the Board of Directors and Auditors thereon.		
2.		To appoint a Director in place of Ms. Richa Bhandari (DIN: 08197563), who retires by rotation in terms of Section 152(6) of The Companies Act, 2013 and being eligible, offers for re-appointment.		
Special Business				
3.		To Reappoint Seema Jain, as the Whole Time Director of the Company		
4.		To Appoint Mr. Dilip Kumar Singhvi, as an Independent Director of the Company.		

Signed this .....day of.....2021

AFFIX REVENUE STAMP
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Signature of shareholder

Signature of Proxy Holder(s)

Note:

- This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.
- For the Resolutions, Explanatory Statement and Notes please refer to the Notice of 26th Annual General Meeting.
- It is optional to vote in the appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

# ANNUAL REPORT

## 2020-21



## REPORT CONTENTS

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### FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable stakeholders to comprehend our prospects and take relative decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS & THEIR BRIEF PROFILE**

#### **Mr. Vinod K. Jain, Managing Director**

**(DIN: 00248843)**

Mr. Vinod Kumar Jain is the Managing Director and promoter of the Company. He has experience of more than two decades in driving operational growth, maximizing business opportunities. He has immense experience in the financial services space. With his deep financial prowess and effective team management capabilities, he has pioneered the growth of Company with utmost honesty and integrity.

#### **Mrs. Seema Jain, Whole Time Director**

**(DIN: 00248706)**

Mrs. Seema Jain actively involved as Director of S R G Securities Finance Limited with the strong business acumen and rich experience into the field of loan and advances will lead to great success in Finance Industry. A very understanding person who creates an environment that meets employee's need and enables them to excel. She has excellent leadership, management and organizational skills.

#### **Mr. Dilip Kumar Singhvi, Independent Director**

**(DIN: 09240489)**

Mr. Dilip Kumar Singhvi is having more than 36 years of Banking Experience. His qualifications include B.SC, M.COM, MBA, CAIIB and he has also qualified various courses on Mutual Funds organized by NISM. He has vide experience in the areas of credit, risk management, collection monitoring resolving customer grievances etc. (Appointed with effect from 17<sup>th</sup> July, 2021).

#### **Mr. Nishant Badala, Independent Director**

**(DIN: 06611795)**

Mr. Nishant Badala is a Chartered Accountant & Company Secretary by profession. He is having expertise in the field of accounting legal and taxation. Looking to his expertise in the field of legal, taxation, finance, audit and accounts he is appointed as Chairman of Audit committee and Stakeholder's Relationship Committee.

#### **Ms. Richa Bhandari, Non- Executive Director**

**(DIN: 08197563)**

Ms. Richa Bhandari is the Non- executive director of our Company. She holds a Master's degree in Commerce (Business Administration). She has over 10 years' experience in the Finance industry.

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## COMPANY SECRETARY

Ms. Divya Kothari

## CHIEF FINANCIAL OFFICER

Ms. Vaishali Jain

(Appointed with effect from 2<sup>nd</sup> September, 2020)

## STATUTORY AUDITOR

M/s PKJ & Co.

Chartered Accountants

## SECRETARIAL AUDITOR

Mr. Shiv Hari Jalan

Practicing Company Secretary

## INTERNAL AUDTOR

M/s Jain Kothari & Co.

Chartered Accountants

## LISTED ON

BSE SME

## PRINCIPAL BANKER

State Bank of India

## REGISTERED OFFICE

322, S.M. Lodha Complex, Near Shastri Circle,

Udaipur Rajasthan- 313001

Phone: 0294-2561882, 2412609

Email: srgsecurities@gmail.com

Website: www.srgfin.com

## CIN

L67120RJ1995PLC009631

## RBI REGISTRATION NO.

10.00097

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt Ltd

Address:- C 101, 247 Park, LBS Marg, Vikhroli

West Mumbai 400083. India

Email Id:- rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

Tel No:- +022-49186270

Fax: +022-49186060

CIN: U67190MH1999PTC118368

## BOARD COMMITTEES

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### AUDIT COMMITTEE

Mr. Nishant Badala Chairman

Mr. Dilip Kumar Singhvi Member

Mr. Vinod K. Jain Member

### STAKEHOLDER'S RELATIONSHIP COMMITTEE

Mr. Nishant Badala Chairman

Mr. Dilip Kumar Singhvi Member

Mrs. Seema Jain Member

### NOMINATION & REMUNERATION COMMITTEE

Mr. Dilip Kumar Singhvi Chairman

Mr. Nishant Badala Member

Ms. Richa Bhandari Member

### RISK MANAGEMENT COMMITTEE

Mr. Vinod K. Jain Chairman

Mr. Dilip Kumar Singhvi Member

Mr. Nishant Badala Member

## DIRECTOR'S REPORT

To  
The Members,

The Board of Directors of your Company take pleasure in presenting before you the **26<sup>th</sup> Annual Report** of the Company together with the Audited Financial Statements for the financial year ended March 31, 2021.

### FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS & STATE OF AFFAIRS:

Particulars	(Rs. In Lakh)	
	2020-21	2019-20
<b>Gross Income</b>	<b>317.17</b>	<b>371.62</b>
Less: Finance Cost	64.56	101.08
Overheads	183.76	216.36
Depreciation	2.42	3.87
<b>Profit before Tax &amp; Exceptional Items</b>	<b>66.43</b>	<b>50.31</b>
Add : Exceptional Items	0.00	0.00
<b>Profit Before Tax</b>	<b>66.43</b>	<b>50.31</b>
Less : Tax Expenses (Including Deferred Tax)	15.86	12.20
<b>Profit After Tax</b>	<b>50.57</b>	<b>38.10</b>
Add : Balance b/d from the previous year	142.16	27.34
<b>Surplus available for Appropriations</b>	<b>192.73</b>	<b>65.45</b>
<b>Appropriations:</b>		
Transferred to Special Reserve	10.50	7.62
Provision for Standard Assets	(0.99)	(0.81)
Provision for NPA	(25.64)	(83.63)
Additional Provision for Income Tax	0.00	0.10
<b>Balance carried over to Balance Sheet</b>	<b>208.86</b>	<b>142.16</b>

*Note: Figures have been regrouped / reclassified / rearranged wherever necessary while preparing the above statement.*

### BUSINESS OVERVIEW:

- As at 31<sup>st</sup> March, 2021, the loan portfolio stood at Rs. 1142.78 Lakhs as against Rs. 1565.93 Lakhs in the previous year de growth of 27%. The reason of decrease in the loan book was due to COVID-19 pandemic, tight liquidity, moderate economic growth, risk averseness in the lending environment.
- Looking to the COVID situation and being risk averse the Company has not made disbursements during the year as against 95.00 Lakhs in previous year.

- Profit before tax amounted to Rs. 66.43 Lakhs in the year 2020-21 as against Rs. 50.31 Lakhs in the preceding year; degrowth of 32%.
- Profit after Tax (PAT) amounted to Rs. 50.57 Lakhs in the year from Rs. 38.10 Lakhs in the previous year.

**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 is no change in share capital of the Company.

**BORROWINGS:****Banks and Financial Institutions:**

The Company did not avail any fresh credit facility during the year 2020-21. The outstanding credit facilities from Banks and Financial Institutions as at March 31, 2021 amount to Rs. 329 lakhs.

**Ratings:**

As on 31<sup>st</sup> March 2021, the Bank loan facilities of the Company have been rated by Brickwork Ratings, the Credit Rating agency as **BWR BB Outlook: Stable**.

**UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:**

Under the provisions of Section 124 and 125 of The Companies Act, 2013 and Rules framed thereunder and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto, 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.

Further as per the provisions of Section 124(6) of The Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016, the shares in respect of which the dividend has not been claimed for seven (7) consecutive years are required to be transferred by the Company to the designated Demat account of the IEPF Authority.

As at March 31, 2021 there is no unpaid/ unclaimed Dividend and the shares to be transferred to the Investor Education & Protection Fund.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****Constitution of Board:**

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than 10 Committees or Chairman of more than 5 committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

Neither any of the Director of the Company is holding position as Director in more than 7 listed entities nor any of the Director of the Company serve as an Independent Director in more than 7 listed entities.

As on 31<sup>st</sup> March 2021, the Board comprises of the following Directors;

Directors	DIN	No. of Directorship	No. of Committee		Category of Director
			Member (Including SRGSFL)	Chairman (Including SRGSFL)	
Mr. Vinod K. Jain	00248843	2	1	0	Promoter Managing Director
Mrs. Seema Jain	00248706	2	2	0	Promoter Whole Time Director
Mr. Nishant Badala	06611795	2	0	3	Independent Director
Mr. Arjun Lal Jain*	00147912	1	2	0	Independent Director
Ms. Richa Bhandari	08197563	1	0	0	Non-Executive Director

*Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies Other directorships exclude foreign companies, private limited companies and Companies under Section 8.*

*\*Mr. Arjun Lal Jain, Independent Director has resigned with effect from 13<sup>th</sup> July, 2021 and Mr. Dilip Kumar Singhvi has been appointed with effect from 17<sup>th</sup> July 2021 in his place as an Additional Independent Director.*

#### Disclosure of relationship between directors inter-se:

Name of Director	Nature of Relationship
Mr. Vinod K. Jain	Spouse
Mrs. Seema Jain	Spouse

#### Board Meeting

The Board of the Company regularly meets to discuss various Business opportunities. Additional Board meetings are convened, as and when required to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 6 times on 24-07-2020\*, 29-08-2020, 02-09-2020, 12-11-2020, 28-01-2021, 25-03-2021.

The details of attendance of each Director at the Board Meetings are given below:-

Name of Director	Number of Board Meetings Eligible to attend	Number of Board Meetings attended
Mr. Vinod Kumar Jain	6	6
Mrs. Seema Jain	6	6



Mr. Arjun Lal Jain	6	1
Mr. Nishant Badala	6	6
Ms. Richa Bhandari	6	6

*Leave of absence was granted to the Directors as requested.*

*The gap between two consecutive meetings as per the Companies Act 2013. \* Please note the gap between last board meeting held on 20-03-2020 and the first board meeting held during the financial year 2020-21 i.e. on 24-07-2020 is exceeding 120 days due to COVID and the same is as per General Circular No. 11 /2020 dated March 23, 2020 issued by Ministry of corporate affairs and SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020.*

#### **Independent Directors and Statement on declaration given by Independent Director:-**

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Independent Directors in line with the act. The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of The Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015 that the Independent Directors of the Company meet with the criteria of their Independence as laid down in Section 149(6) of The Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR), 2015 Further, all the Independent Directors of the Company have registered themselves in the Independent Director Data Bank.

A separate meeting of Independent Directors was held on January 28, 2021 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

#### **Information on Director:-**

During the year under review there was no changes in the board of directors.

Mr. Arjun Lal Jain has tendered his resignation as an Independent Director of the company with effect from July 13<sup>th</sup> 2021, due to certain personal reasons and professional commitments.

Mr. Dilip Kumar Singhvi was appointed as an Additional Independent Director of the Company with effect from 17<sup>th</sup> July, 2021 subject to approval by the shareholders at the ensuing Annual General Meeting

Mrs. Seema Jain, Whole-Time Director of the Company have been reappointed as the Whole-time Director of the company for a period of three years from 20<sup>th</sup> July, 2021 to 19<sup>th</sup> July, 2024 on such terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and subject to approval of the shareholders of the Company

Ms. Richa Bhandari, Non-executive Director of the Company being longest in tenure, offer herself for Reappointment at the 26<sup>th</sup> Annual General Meeting of the Company. The Nomination and Remuneration Committee and Board of Directors recommends her re-appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard, of the person seeking re-appointment as Director are also provided in Notes to the Notice convening the 26<sup>th</sup> Annual General meeting.

#### **Information of Key Managerial personnel:-**

Ms. Vaishali Jain was appointed as Chief Financial Officer of the Company with effect from 2<sup>nd</sup> September 2020. Except this there was no change in Key Managerial Personnel during the year.

## **COMPOSITION OF BOARD COMMITTEES:**

### **AUDIT COMMITTEE**

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 29<sup>th</sup> September, 2020.

### **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 Four (4) times during the year on 24-07-2020, 12-11-2020, 28-01-2021 and 25-03-2021.

The Composition of Audit Committee and attendance is as mentioned below:-

<b>Name of Members</b>	<b>Number of Meetings attended</b>
Mr. Nishant Badala – Chairman	4
Mr. Vinod K. Jain - Member	4
Mr. Arjun Lal Jain – Member	3

*Please note the gap between last Audit Committee meeting held on 29-01-2020 and the first Audit Committee meeting held during the financial year 2020-21 i.e. on 24-07-2020 is exceeding 120 days due to COVID and the same is as per SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020.*

### **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the SEBI (LODR) Regulations.

### **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.

The chairman of the committee was present at the 25<sup>th</sup> AGM to answer shareholder queries.

**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 1 (One) time during the year 2020-21 on 28<sup>th</sup> January, 2021.

The composition of the committee and details of attendance is as below:-

<b>Name of Members</b>	<b>No. of Meeting attended</b>
Mr. Nishant Badala- Chairman	1
Mr. Arjun Lal Jain- Member	1
Mrs. Seema Jain – Member	1

There are no investor complaint received during the year and no complaint is pending as on 31<sup>st</sup> March, 2021.

**NOMINATION AND REMUNERATION COMMITTEE**

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

The role of the Nomination and Remuneration Committee inter alia, includes, Identify 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 of directors their appointment and removal; Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees; Evaluate and approve the adequacy of the compensation plans, policies and programs for Company's Executive Directors, KMP and Senior Management; Recommend appointment and removal of Directors, for approval at the general meeting of shareholders; Carry out evaluation of the performance of the Board and review the evaluation's implementation and compliance; Devise a policy on diversity of Board; Develop and recommend to the Board a set of corporate governance guidelines applicable to the Company and monitor compliance with regard to the same. The role and responsibilities of the committee shall include such other items as may be prescribed by the Board in compliance with applicable law from time to time.

**Meetings:**

During the financial year 2020-21, the committee met 1 (one) times on 29-08-2020  
The details of composition and attendance at the Nomination and Remuneration Committee-

Name of Members	No. of Meeting attended
Mr. Arjun Lal Jain- Chairman	1
Mr. Nishant Badala – Member	1
Ms. Richa Bhandari– Member	1

#### **REMUNERATION POLICY:**

The remuneration policy, including the criteria for remunerating non-executive directors is recommended by the nomination and remuneration Committee and approved by the board. The key objective of the remuneration policy is to ensure that it is aligned to the overall performance of the Company. The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically.

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 link: <http://www.srgfin.com/BestPractices/7/Miscellaneous>.

The remuneration Paid to the directors is in line with the remuneration policy of the company.

#### **MATTERS AS PRESCRIBED UNDER SUBSECTIONS (1) AND (3) OF SECTION 178 OF THE COMPANIES ACT, 2013:**

The Nomination & Remuneration Committee consists of composition of Non- Executive Directors out of which two are Independent Director and one is Non-Executive Director. The copy of Nomination and Remuneration policy is available at the Website of the Company i.e. [www.srgfin.com](http://www.srgfin.com).

#### **CRITERIA ADOPTED FOR EVALUATION:**

Pursuant to the provisions of Section 134(3)(p) the Companies Act, 2013 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

(i) Performance review of all the Non-Independent Directors of the company on the basis of the activities undertaken by them, expectation of board and level of participation;

(ii) Performance review of the Executive Directors of the company in terms of level of competence of in steering the company;

(iii) The review and assessment of the flow of information by the company to the board and manner in which the deliberations take place, the manner of placing the agenda and the contents therein;

(iv) The review of the performance of the directors individually, its own performance as well as evaluation of working of its committees shall be carried out by the board;

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board

- processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
  - The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Separate meeting of independent director was held to evaluate the performance of non-independent directors, performance of the board as a whole, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent director was done by the entire board, excluding the independent director being evaluated.

#### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to SEBI (LODR) Regulations, 2015, and Circular/ Notifications/Directions issued by RBI from time to time, Report on Management Discussion and Analysis is annexed herewith.

#### **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary company.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of Section 134 (3) (c) read with Section 134(5) 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 have 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 31, 2021 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 Financial Controls have been laid down to be followed by the Company and such Internal Financial 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:**

The Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report under relevant heading.

In terms of Section 136 of The Companies Act, 2013, the reports and accounts are being sent to the members and others entitled thereto in the prescribed form.

**RELATED PARTY TRANSACTIONS:**

All contracts / arrangements / transactions entered by the Company with related parties are in the ordinary course of business and on an arm's length basis. Your Directors draw attention of the Members to Note no. 23 to the Financial Statements which sets out related party disclosures.

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, accordingly information is not given in Form AOC-2.

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://www.srgfin.com/AdminPannel/DataImages/DocumentUploads/281\\_RELATED%20PARTY%20TRANSACTION%20POLICY.pdf](http://www.srgfin.com/AdminPannel/DataImages/DocumentUploads/281_RELATED%20PARTY%20TRANSACTION%20POLICY.pdf))

**RISK MANAGEMENT POLICY:**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

**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 actions 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.

**AUDITORS:**

**STATUTORY AUDITOR:**

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, M/s. PKJ & Co., Chartered Accountants, (Registration No. 124115W) appointed by the members at the 22<sup>nd</sup> Annual General Meeting held on September 30, 2017 as the statutory Auditor of the Company for a period of five years upto the conclusion of 27<sup>th</sup> Annual General Meeting to be held in year 2022, will continue as the Statutory Auditors of the Company, on such terms and conditions as may be decided by the Board.

The Statutory Auditors have audited the books of accounts of the Company for the financial year ended March 31, 2021 and have issued the Auditors' Report thereon.

**SECRETARIAL AUDITOR:**

Mr, Shiv Hari Jalan, Practicing Company Secretary was appointed as the Secretarial Auditor of the Company for the financial year 2020-21 by the Board of Directors pursuant to provisions of The Companies Act, 2013 and Rules there under. Secretarial audit report as provided by Mr. Shiv Hari Jalan, Practicing Company Secretary is annexed to this Report.

**QUALIFICATIONS IN AUDIT REPORT:**

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.

**PARTICULARS OF LOANS, GAURANTEES 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, are given in the Notes to accounts forming part of the Audited Financial Statements for the year ended March 31, 2021.

**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 equipment's 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.

**REQUIREMENT FOR MAINTENANCE OF COST RECORDS:**

Since the Company is Non-Banking Finance Company (NBFC), the Company is not required to maintain cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013.

**EXTRACT OF ANNUAL RETURN:**

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at <http://srgfin.com/BestPracticesSub/8/Annual%20Report/Y>.

**PARTICULARS OF EMPLOYEES:**

As at March 31, 2021, there was no employee employed throughout the year who was in receipt of remuneration of Rs. 1.02 Crores or more per annum or Rs. 8.50 Lakhs or more per month, if employed for the part of the year.

**EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There are no material changes and commitments affecting financial position of the Company between March 31, 2021 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 read with The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given as Annexure to this report.

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2020-21 to BSE 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 Rs. 0.94 as at March 31<sup>st</sup>, 2021 as against Rs. 0.71 as at March 31<sup>st</sup>, 2020.



**CAPITAL ADEQUACY:**

Your Company's capital adequacy ratio was 95.98% as on 31st March, 2021 (previous year 67.50%).

**VIGIL MECHANISM:**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company [www.srgfin.com](http://www.srgfin.com).

**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 recognized 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.

**DECLARATION UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

As required under the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Company has implemented a policy on Sexual Harassment of Women at Workplace. An internal complaint committee has been set up to receive complaints, investigate matter and report to the management.

An Internal Committee has been constituted to receive complaints, investigate matter and report to the management. Pursuant to the provisions of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the complaints received thereunder and the details relating thereto are as follows:

- (a) Number of complaints pending at the beginning of the year: Nil
- (b) Number of complaints received during the year: Nil
- (c) Number of complaints disposed of during the year: Nil
- (d) Number of cases pending at the end of the year: Nil

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.

**GENERAL DISCLOSURE:**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review;

- i. Equity Shares with differential rights as to dividend, voting or otherwise;

- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- iii. Annual Report and other compliances on Corporate Social Responsibility;
- iv. There is no revision in the Board Report or Financial Statement;
- v. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future
- vi. Information on subsidiary, associate and joint venture companies

**PUBLIC 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.

**REPORTING OF FRAUD:**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**A NOTE OF APPRECIATION:**

Your Directors of the Company place on record their appreciation for the advice, guidance and support given by various regulatory authorities including the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Stock Exchange (BSE), Depositories (NSDL & CDSL)and all the bankers and Lenders of the Company. 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. 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, Registrar & Share Transfer Agent, Rating agencies, local/ statutory authorities, Service Providers and Counselors for their continued support and patronage.

**Best Wishes**

**Vinod K. Jain**  
**Managing Director**  
**DIN: 00248843**

**Seema Jain**  
**Director**  
**DIN: 00248706**

**Date: 01-09-2021**

**Place: - Udaipur**

**Annexure- I**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021  
*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule  
No. 9 of the Companies (Appointment and Remuneration Personnel)  
Rules, 2014]*

To,  
The Members,  
**S R G Securities Finance Ltd.**  
322, SM Lodha Complex,  
Udaipur,  
Rajasthan - 313001

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 Ltd** (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.

Due to COVID -19 lockdown restrictions we have conducted Secretarial Audit from remote location through documents provided us on Email based on said verification of 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 31.03.2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the period under review)
  - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the period under review)
  - (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review)
  - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the period under review)
  - (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
  - (j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the period under review)
- (vi) Other laws applicable specifically to the Company namely:
- (a) Reserve Bank of India Act, 1934 with regard to Non-Banking Finance Company (NBFC).
  - (b) Prevention of Money Laundering Act, 2002
  - (c) RBI Regulations issued for Non-Banking Financial (Non Deposit accepting and Holding) Companies.
  - (d) All guidelines, circulars and notifications issued by the Reserve Bank of India for Nonbanking Financial Companies.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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. During the year no took place changes in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in accordance with the provisions of Companies Act, 2013 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

**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 following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place: Mumbai**

**Date: 01-09-2021**

**UDIN: F005703C000869027**

**For Shiv Hari Jalan & Co.**

**Company Secretaries**

**FRN: S2016MH382700**

**(Shiv Hari Jalan)**

**Proprietor**

**FCS No: 5703**

**C.P.NO: 4226**

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

**'Annexure A'**

To,  
The Members,  
**S R G Securities Finance Ltd.**  
322, SM Lodha Complex,  
Udaipur,  
Rajasthan - 313001

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, We followed provide a reasonable basis for Our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, We have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

**Place: Mumbai**  
**Date: 01.09.2021**  
**UDIN: F005703C000869027**

**For Shiv Hari Jalan & Co.**  
**Company Secretaries**  
**FRN: S2016MH382700**

**(Shiv Hari Jalan)**  
**Proprietor**  
**FCS No: 5703**  
**C.P.NO: 4226**

## ANNEXURE- II

### 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 2020-21.	<b>Executive Director</b> Mrs. Seema Jain- Whole Time Director- 13.16x
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	<b>Executive Director</b> No percentage increase.
		<b>KMPs( Other than Managing Director)</b>
		Ms. Divya Kothari 47.55% Ms. Vaishali Jain* 1.64%
(iii)	The percentage increase in the median remuneration of employees in the financial year	increase in median remuneration of the employees in the financial year 15%
(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, 2021.
(v)	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;	Average increase in the remuneration of all employees excluding KMPs and Directors: 19.95% Average increase in the remuneration of KMP: 24.25% Justification: KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
(vi)	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.

## **ANNEXURE-III**

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

#### **ECONOMIC OVERVIEW**

The Covid-19 pandemic has impacted most countries, including India. This resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. Several countries took unprecedented fiscal and monetary actions to help alleviate the impact of the crisis.

In the second half of fiscal 2021, global financial markets remained largely buoyant, fuelled by optimism around a speedy vaccine-led recovery. Growing inflation concerns over fiscal stimulus amidst extremely accommodative monetary policies rattled global bond markets in February 2021. Long-term sovereign bond yields jumped sharply in the US and induced bouts of volatility across financial markets and regions of the world.

International Monetary Fund (IMF), in its World Economic Outlook April 2021 has projected a stronger global recovery, with global growth projected to be 6 percent in 2021 and 4.4 percent in 2022. IMF expects India to see a GDP growth of 12.5% in 2021. These projections are further backed by independent rating agencies like CRISIL, which expects India's gross domestic product (GDP) growth to rebound to 11% in fiscal 2022, after an estimated 8% contraction this fiscal. Going by these projections, India is expected to be one of the spearheads of global economic recovery through fiscal 2022.

#### **INDIAN ECONOMY**

The Indian economy showed signs of recovery post the third quarter of FY21 when restrictions were eased. The economy continued to improve further during the fourth quarter with key indicators bouncing back led by festive-related and pent-up demand, including GST collections, employment, construction activities, car sales, finished steel production, diesel consumption, etc. As per the National Statistics Office, real GDP contraction for FY21 was 7.3% largely on account of a sharp rise in Government expenditure to provide essential relief to vulnerable sections of society and a huge stimulus package aimed at reviving domestic demand. The massive inoculation drive by the Government provided a boost to consumer sentiment during the fiscal end.

India significantly eased the monetary policy and offered extensive credit support in the year under review to keep the economy moving. The growth roadmap was also streamlined by the amendment of Insolvency and Bankruptcy Code (IBC), the launch of the National Infrastructure Pipeline (NIP) and the Union Budget 2021-22 with targeted allocations. However, the outbreak of COVID-19 shifted the Government's focus to ramp-up healthcare and support to the economy.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Non-Banking Financial Companies ("NBFCs"), are one of the most critical pillars for financial services in India. They play a critical role in supporting economic growth across income levels, sectors as well as geographies, and in doing so, leading to more employment opportunities and greater wealth creation. However, the challenging macroeconomic environment, weaker than expected demand, liquidity concerns, and lower investor confidence in the sector, led to a significant moderation in the financial performance in FY 2019-20. The whole country witnessed a lockdown at the beginning of the financial year which curtailed any hope for economic recovery post the lows of FY 2019-20. The financial services were severely hit during this time, as



on one hand, the demand for credit plunged, and on the other hand, the quality of the book worsened.

The first half of FY 2020-21 saw the first wave of the pandemic peaking in the month of September and gradually lowering down by February. This period was accompanied by an upswing in the business as well as financial performance of the sector with most of the NBFCs reaching pre-COVID business volumes as well as collections in the fourth quarter of the year.

The Reserve Bank of India's Financial Stability Report (FSR) in January estimated that gross bad loans of banks in India would rise to 13.5 per cent by September from 7.5 per cent in the year-ago month under the baseline scenario.

Asset quality may still pose some challenges in the first half of fiscal 2022 with the uncertainty around the economic fallout of the second wave induced localised restrictions being placed in various parts of the Country. However, these challenges are expected to taper as we move towards the second half of fiscal 2022. The uneven recovery being currently observed is expected to be more broad-based later on in the fiscal as well.

## **STRENGTHS**

- High Capital Adequacy Ratio
- Diversified Product & Customer Profile
- Adequate Internal Control System
- Experienced Promoters
- Brand Name of SRG Group in Rural Sector
- Speedy processing and sanctioning of loan
- Hassle-free documentation process offering maximum flexibility to the Customers

## **OPPORTUNITIES & THREATS**

SRGSFL has been able to explore new areas for its business. The major opportunity for the Company lies in grasping the new areas and niche markets which are untapped by Banks and other large NBFCs. Increasing trend in conversion of cash sales to financed sales also provide a boost to a business like ours.

Phasing out of lockdown/social distancing measures at a slower pace coupled with relatively tepid policy response could result in deeper recession in FY21 as compared to all 'recessions' India has ever experienced. Such deep recession will increase the perception of credit risk and the consequent risk aversion could clog the credit channels. Rating agencies expect microfinance, unsecured loans and MSME borrowers (including the loans against property segment) will continue to be severely impacted for a prolonged period due to weak credit profile of borrowers amid a gradual economic recovery.

In the current year, the challenges for NBFCs have moved from liquidity to asset quality with the COVID -19 outbreaks and the impact on customer's repayment capacity to repay loans. Liquidity covers of the NBFCs are largely dependent on the repayments that they receive from their customers. The economist fraternity is expecting a sharp V-shaped recovery in the economy and are projecting India's GDP to grow in double digits which will result in increase in credit off take and consumer spending

## **COVID-19 PANDEMIC**

Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and the efficiency in collection efforts. This may lead to a rise in the number of borrowers defaults and consequently an increase in corresponding provisions.

The extent to which the COVID-19 pandemic, including the current “second wave” that has significantly increased the number of cases in India, will impact the Company's performance and will depend on the ongoing as well as future developments, which are highly uncertain. This would include any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The extent to which the COVID-19 pandemic will impact the Company's business will depend on future developments, which are highly uncertain and the Company will continue to closely monitor the same.

As maximum of our customers belong to the rural areas where the spread of COVID-19 was lesser than the urban areas, we did not face much turbulence. There is no-material impact on the Company's capital and financial resources. Even as we closed all our offices and branches and shifted to ‘Work from Home’ to enable business continuity. The company was adequately capitalized, with a net worth of Rs 13.03 Crs and capital adequacy ratio (CAR) of 95.98% as on 31 March 2021. Company is well-capitalised to pursue growth and also cover for any asset side risks, including those arising due to the COVID-19 crisis, over the medium term.

## **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 SRGSFL. 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 organization becomes increasingly risk focused to achieve its strategic objectives. SRGSFL's 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**

Pursuant to RBI Master Direction - Information Technology Framework for the NBFC Sector, the Company having asset size below 500 crores, adopted the measures as mentioned under Section-B of Master Direction - Information Technology Framework for the NBFC Sector. The board has approved the Information technology policy. The Company has adopted various measures for physical/ logical access controls, well-defined user role, a Maker-checker concept to reduce the risk of error and misuse and to ensure reliability of data/information, information security and cyber security, BCP Policy etc. Your Company is currently using in-house software for operations and accounting. Adequate arrangements have been made for backup of data.

### **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 Director's Report. The Cash-Flow Statement and the Balance Sheet are annexed to this Annual Report.

### **KEY CHANGES IN FINANCIAL INDICATORS**

The Key financial ratios of the company are as under:-

<b>Sr. No.</b>	<b>Ratios</b>	<b>As on 31.03.2021</b>	<b>As on 31.03.2020</b>	<b>Growth %</b>
1	Capital Adequacy Ratio %	95.98	67.50	42.19%
2	Net Interest Margin (NIM) %	17.46	14.72	18.61%
3	Cost to Income ratio %	73.40	81.40	-9.82%
4	Return on Average Asset %	2.73	1.78	53.37%
5	Return on Average Equity %	4.00	3.27	22.32%
6	Revenue (Rs. in Lakhs)	317.17	371.62	-14.65%
7	PAT (Rs. in Lakhs)	50.57	38.10	32.73%

**Note:-**

Increase in CRAR Ratio due to reduction in portfolio.

Decrease on Return on average Asset and Profits were due to increase in provision/ write-off costs.

Increase on Return on average Equity was due to decrease in Profits.

## **RETURN ON NET WORTH**

Return on net worth as on 31<sup>st</sup> March 2021 is 3.88% as compared to 3.11% of previous year increase of 24.87% owing to increase in profits.

## **HUMAN RESOURCES**

The Board values and appreciates the contribution and commitment of the employees towards performance of your Company during such a challenging period of COVID. We have also supported our employees during such period and we have not witnessed any salary cut. 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. 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. Employee relations remained cordial and the work atmosphere remained congenial during the year. SRGSFL's staff strength as at March 31, 2021 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 equipment's 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 at the Registered Office in Udaipur, Rajasthan 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.

## **LOAN SANCTIONS AND DISBURSEMENTS:**

Looking to the COVID situation, your company has not made any new sanction or disbursement during the year.

## **ACCOUNTING STANDARDS:**

Your Company has complied with the Accounting Standards issued by the ICAI, Accounting Standards and Schedule III of Companies Act, 2013.

## **OTHER COMPLIANCES:**

As required under Section 215 of the Insolvency and Bankruptcy Code, 2016, the Company has registered itself with National e-governance Services Limited (NeSL) authorized by IBBI obtained and an agreement is executed with NESL.

The Company has complied with all the applicable Regulations of Companies Act, 2013 and related Rules thereunder, SEBI (LODR) Regulations and circulars, notifications etc. issued by SEBI.

Other related statutory Guidelines/ Directions as applicable to the Company from time to time have also been strictly adhered to. Compliance of all Regulatory guidelines of RBI/other statutes is periodically reviewed at Audit Committee/Board.

#### **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

#### **OUTLOOK:**

The COVID-19 pandemic has spread rapidly throughout the world and has had an impact on almost all entities either directly or indirectly. With the widespread impact of second wave and a likely third wave of infections possible in the near future, the Company is operating in an unprecedented situation. The Company is working to strengthen delinquency monitoring for early detection and addressal. The collection efforts has been emphasized. The unprecedented disruptions in the current times have emphasized that our agility and customer-centricity are necessary attributes to navigate through the adversities. NBFCs have an opportunity to increase market share and also fill the latent credit demand for micro, small, medium and emerging client segment. Your Company stands resilient and prepared for the inevitable recovery.

**Place: - Udaipur**

**Date: - 01-09-2021**

**For and on behalf of the Board of Directors**

**Vinod K. Jain**  
**Managing Director**  
**DIN: 00248843**

**Seema Jain**  
**Director**  
**DIN: 00248706**

# INDEPENDENT AUDITOR'S REPORT

To  
The Members  
S R G Securities Finance Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of S R G Securities Finance Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

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 31<sup>st</sup> March, 2021
- 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, cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

We draw your attention to note no 21 of the financial statement for the year ended March 31, 2021, which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment. Our conclusion is not modified in respect of this matter.

### Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 the Act, we hereby give in the "**Annexure A**" 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, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act read with Rule 7 of The Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a Director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- 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. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid to Mrs. Seema Jain, Whole Time Director of the Company is in accordance with the provisions of Section 197 along with Schedule V of Companies Act, 2013 and the remuneration limit is in accordance with Section 197 and Schedule V of Companies Act, 2013 and approved with Shareholder's Resolution dated 7<sup>th</sup> September, 2018 except this no remuneration was paid to any other directors.

For **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Rishabh Jain**  
Partner  
Membership No. 176309  
Place: Mumbai  
Date: 30-06-2021  
UDIN: 21176309AAAACF1653

## **Annexure A to the Independent Auditors' Report**

**(Referred to in para 1 under "Report on other Legal and Regulatory Requirement" of our report of even date)**

1. According to the information and explanations given to us, in respect of the fixed assets:
  - (a) The Company has maintained 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) We report that the Company does not have any immovable property as at the balance sheet date.
2. The Company does not have any inventory and hence reporting under clause (ii) of paragraph 3 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 clause (iii) of paragraph 3 of the Order is not applicable.
4. The Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under Section 185 and 186 of the Act. Therefore, clause (iv) of paragraph 3 of the Order is not applicable.
5. As per the Ministry of Corporate Affairs notification dated March 31, 2014 the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. According to the information and explanations given 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. According to the information and explanations given to us:
  - a) The Company is regular in depositing undisputed statutory dues including Employees State Insurance, Income Tax, Cess, Goods and Service Tax and any other material statutory dues as applicable with the appropriate authorities.
  - b) There are no undisputed statutory dues payable in respect of Employees' State Insurance, Income-tax, Cess, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - c) There were no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax, Goods and Service Tax as at 31<sup>st</sup> March 2021, which has not been deposited on account of dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to Financial Institutions and Banks. The Company has not taken loans or borrowings from Government or by way of Debentures.

9. The Company has not raised moneys by way of Initial Public Offer or Further Public Offer during the year. The Company has not raised funds by way of Term loans during the year.
10. According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to The Companies Act, 2013.
12. The Company is not a Nidhi Company; hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of The Companies Act, 2013, wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes on Financial Statements 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. Therefore, provision of clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
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 The Companies Act, 2013.
16. According to the information and explanations given to us, we report that the Company has registered as required under section 45-IA of the Reserve Bank of India Act, 1934.

For **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Rishabh Jain**  
Partner  
Membership No. 176309  
Place: Mumbai  
Date: 30-06-2021  
UDIN: 21176309AAAACF1653

## **Annexure-B to the Independent Auditor’s Report**

**(Referred to in para 2(f) under “Report on other Legal and Regulatory Requirement” of our report of even date)**

### **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, 2021 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 (the “Guidance Note”) 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 Act.

#### **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 and the Standards on Auditing, issued by the ICAI and prescribed under Section 143(10) of the Act, 2013 to the extent applicable, to an audit of internal financial controls 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 judgment, 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, 2021, 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 **PKJ & Co.**  
Chartered Accountants  
FRN: 124115W

**Rishabh Jain**  
Partner  
Membership No. 176309  
Place: Mumbai  
Date: 30.06.2021  
UDIN: 21176309AAAACF1653

## **INDEPENDENT AUDITOR'S REPORT**

**To,  
The Board of Directors  
S R G Securities Finance Limited**

As per the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016", we hereby state that:

1. The Company has been allotted registration from RBI, Jaipur as per section 45-IA of the Reserve Bank of India Act, 1934;
2. The Company is entitled to hold COR in terms of its Financial Asset/Income pattern as on March 31, 2021;
3. The Company meets the required NOF requirement pursuant to provisions of Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016;
4. In the case of a Non-Banking Financial Company not accepting public deposits:
  - a. The Board of Directors has passed resolution for not accepting public deposits;
  - b. The Company has not accepted public deposits during the year 2020-21;
  - c. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts, as applicable, in terms of Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

For **PKJ & Co.**  
Chartered Accountants  
ICAI Firm Reg. No.: 124115W

Rishabh Jain  
Partner  
Membership No. 176309

Place: Mumbai  
Date: 30-06-2021  
UDIN- 21176309AAAACF1653

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

			<i>(Amount in Lakhs)</i>
Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	537.54	537.54
(b) Reserves and Surplus	3	766.28	689.08
<b>Total Shareholder's Funds</b>		<b>1303.82</b>	<b>1,226.62</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowing	4	46.05	207.15
<b>Total Non-Current Liabilities</b>		<b>46.05</b>	<b>207.15</b>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	0.00	175.68
(b) Trade Payables	6		
Total outstanding due to Micro Enterprises and Small Enterprises		0.00	0.00
Total outstanding dues of creditors other than Micro Enterprises and small enterprises		2.82	2.12
(c) Other current liabilities	7	290.17	292.79
(d) Short-term Provisions	9	72.68	83.68
<b>Total Current Liabilities</b>		<b>365.67</b>	<b>554.26</b>
<b>Total</b>		<b>1,715.54</b>	<b>1,988.03</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible Assets	8	6.54	8.96
(ii) Intangible Assets			
(b) Deferred tax assets (net)	11	5.69	6.00
(c) Long Term Loans and Advances	12		
(i) Receivables under Financing Activity		825.45	1,264.01
(ii) Others		9.02	9.02
(d) Other non-current assets		-	-
<b>Total Non-current assets</b>		<b>846.70</b>	<b>1,287.99</b>
<b>(2) Current assets</b>			
(a) Current Investment	10	168.65	168.65
(b) Short Term Loans & Advances	13		
(i) Receivables under Financing Activity		317.33	301.92
(c) Cash and cash equivalents	14	347.28	197.22
(d) Other current assets	15	35.58	32.25
<b>Total Current Assets</b>		<b>868.84</b>	<b>700.04</b>
<b>Total</b>		<b>1,715.54</b>	<b>1,988.03</b>

The accompanying notes are an integral part of these financial statements  
 In terms of our report attached  
 As per Our Report of even date  
 For PKJ & CO.  
 Chartered Accountants  
 FRN : 124115W

1 to 34

For & On Behalf of the Board

sd/-  
 Vinod K. Jain  
 Managing Director  
 (DIN:00248843)

sd/-  
 Seema Jain  
 Director  
 (DIN:00248706)

sd/-  
 Rishabh Jain  
 Partner  
 Membership No. 176309

sd/-  
 Divya Kothari  
 Company Secretary  
 M No. A57307

sd/-  
 Vaishali Jain  
 Chief Financial Officer

Date: 30-06-2021  
 Place : Mumbai

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

<i>(Amount in lakh)</i>			
Particulars	Note No.	For the Year ended 31st March 2021	For the Year ended 31st March, 2020
I. Revenue from operations	16	312.29	371.07
II. Other Income	17	4.88	0.55
<b>III Total Revenue</b>		<b>317.17</b>	<b>371.62</b>
IV. Expenses:			
Employee benefit expenses	18	57.60	64.00
Financial costs	19	64.56	101.08
Depreciation and amortization expenses	8	2.42	3.87
Other expenses	20	126.16	152.36
<b>V Total Expenses</b>		<b>250.74</b>	<b>321.31</b>
<b>VI. Profit before tax (III-V)</b>		<b>66.43</b>	<b>50.31</b>
VII. Tax expense:			
(1) Current tax		15.55	12.03
(2) Deferred tax		0.31	0.17
<b>VIII. Profit/(Loss) for the period (VI-VII)</b>		<b>50.57</b>	<b>38.10</b>
IX. Earning per equity share:			
Basic & diluted		0.94	0.71

The accompanying notes are an integral part of these financial statements  
 In terms of our report attached  
 As per Our Report of even date  
 For PKJ & CO.  
 Chartered Accountants  
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 Company Secretary  
 (M.No. A57307)

Sd/-  
 Vaishali Jain  
 Chief Financial Officer

Date : 30-06-2021  
 Place : Mumbai



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

<i>(Amount in Lakh)</i>				
Particulars	Figures as at end of the current reporting period		Figures as at end of the previous reporting period	
<b>A. Cash flow from operating activities</b>				
Net Profit before tax		66.43		50.31
<b>Adjustments for:</b>				
Depreciation	2.42		3.87	
Provision for NPA	25.64		83.63	
Provision for Standard Assets	0.99		0.81	
Other Provision		29.05	(0.10)	88.21
Operating profit / (loss) before working capital changes		95.48		138.51
<b>Changes in working capital:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
Loans and Advances	423.15		423.12	
Other current assets	(3.34)		12.29	
Other non-current assets	0.00	419.81		435.40
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Other current liabilities	(1.92)		(5.62)	
Short-term provisions	(11.00)	(12.92)	(92.89)	(98.51)
Cash generated from operations		502.38		475.41
Net income tax (paid) / refunds		(15.55)		(12.03)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>486.83</b>		<b>463.37</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	0.00			
Net Addition/Deletion from Investment	0.00		(74.92)	(74.92)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>0.00</b>		<b>(74.92)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares				
Security Premium from issue of equity shares				
Proceeds from long-term borrowings	(161.10)		(275.28)	
Proceeds from Short-term borrowings	(175.68)		(44.93)	(320.20)
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(336.78)</b>		<b>(320.20)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>150.06</b>		<b>68.25</b>
Cash and cash equivalents at the beginning of the year		197.22		128.97
<b>Cash and cash equivalents at the end of the year</b>		<b>347.27</b>		<b>197.22</b>

The accompanying notes are an integral part of these financial statements

In terms of our report attached 1 to 34

As per Our Report of even date

For PKJ & CO.

Chartered Accountants

FRN : 124115W

For & On Behalf of the Board

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

Sd/-  
Seema Jain  
Director  
(DIN:00248706)

Sd/-  
Rishabh Jain  
Partner  
Membership No. 176309

Sd/-  
Divya Kothari  
Company Secretary  
(M.No. A57307)

Sd/-  
Vaishali jain  
Chief Financial Officer

Date : 30-06-2021

Place : Mumbai

## **Notes forming part of Financial Statements For the year ended 31<sup>st</sup> March 2021**

### **1. SIGNIFICANT ACCOUNTING POLICIES:**

#### **a) 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 in Section 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions 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 Non-Banking Finance Companies to the extent applicable.

#### **b) Income Recognition**

Interest income on loans 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 realization due to uncertainty in their collection.

#### **c) Interest on Loans**

Repayment of the Loans are by way of equated monthly installments (EMIs) comprising principal and interest. The interest is calculated on the outstanding balances at monthly rests. EMIs commence once the entire loan is disbursed. Pending commencement of EMI, pre-equated monthly installment interest (PEMI) is payable every month. Interest on loan assets classified as “Non-Performing” is recognized only on actual receipt.

#### **d) Income from Investment**

Interest income from investment is accounted on an accrual basis. Dividend Income on investments is recognized when the right to receive the same is established.

#### **e) Segment Reporting**

The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business. Accordingly, there are no separate Business and geographical reportable segment, as per the Accounting Standard on 'Segment Reporting' (AS 17) issued by The Institute of Chartered Accountants of India notified under The Companies (Accounting Standards) Amendment Rules, 2011.

#### **f) Property, Plant and Equipment**

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impaired losses, if any.

Depreciation on PPE 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.

**g) Intangible Assets & Amortization:-**

The Company does not have any intangible Asset.

**h) Impairment of Assets**

Impairment losses (if any) on Assets are recognised in accordance with the Accounting Standard on 'Impairment of Assets' (AS 28). The Company assesses at each Balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value.

**i) Leases**

In accordance with the Accounting Standard on Leases (AS 19), the following disclosures in respect of operating leases are made:

The Company has taken office premises under operating leases which are generally cancellable and have no specific obligation for renewal. The total lease payments are recognised as per lease terms in the Statement of Profit and Loss under 'Rent Expenses' under note 20.

**j) Provision on Non-Performing Assets & for diminution in Investment value**

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 and for diminution in investment value are made in the accordance with the RBI guidelines.

**k) Contingent Liabilities**

No Contingent Liabilities were recognised by the management during the year.

**l) Investments**

In accordance with Accounting Standard (AS 13) on "Accounting for Investments" and the guidelines issued by the Reserve Bank of India, 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. Unquoted investments in the units of mutual funds in the nature of current investments are valued at the net asset value declared by mutual funds in respect of each particular scheme.

**m) Employment benefit :-**

**i. Gratuity:-**

Gratuity is a post-employment benefit. During the year 2020-21, the Company has made provision for gratuity and the detail of the same in under note no. 9 of the notes on Financial Statements for the year ended 31<sup>st</sup> March 2021.

**ii. Provident Fund :-**

Pursuant to Employees' Provident Fund Act, the payment under Employees Provident Fund Act is not applicable to the Company.

**iii. Employee state Insurance:-**

The Company contributes amount to Employee state Insurance as per the provisions of the Employee State Insurance Act and is recognised as an expense in the period in which the services are rendered.

**iv. Short Term Employee Benefits:-**

Short Term Employee Benefits are recognized during the period when the services are rendered. These Short term benefits include Bonus, Incentive and other benefits which fall due within twelve months after the end of the period in which services are rendered.

**n) Accounting For Taxes On Income**

The accounting treatment for the Income Tax in respect of Company's Income is based on the Accounting Standard on "Accounting for taxes on Income" (AS 22). 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.

**o) 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 dividing 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.

<b>Earnings per share (EPS) are calculated as follows:</b>		<b>(Amount in Lakh)</b>	
<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>	
Net profit after tax	50.57	38.10	
Weighted Average Number of Equity Shares (No's)	5375400	5375400	
Earnings Per Share- Basic and Diluted	0.94	0.71	

**p) Goods and Service Tax Input Credit**

Goods and Service Tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing /utilising the credits.

**q) Net Profit**

The Company calculates Net Profit or Loss for the Period and Changes in Accounting Policies, if any, in accordance with (AS) 5, issued by the Institute of Chartered accountants of India and other applicable laws

## NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> MARCH 2021

<b>(Amount in Lakhs)</b>				
<b>2. SHARE CAPITAL</b>	<b>As at 31 st March, 2021</b>		<b>As at 31 st March, 2020</b>	
<b>Authorised Share Capital :</b> 1,20,00,000 Equity Shares of Rs. 10 /- Each (Previous year 1,20,00,000 Equity Shares of Rs. 10/- Each)	1,200.00		1,200.00	
<b>Issued , Subscribed &amp; Paid up Share Capital :</b> 53,75,400 Equity shares of Rs. 10 /- Each (Previous year 53,75,400 Equity Shares of Rs. 10/- Each)	537.54		537.54	
<b>Total</b>	<b>537.54</b>		<b>537.54</b>	
<b>Particulars</b>	<b>As at 31 st March, 2021</b>		<b>As at 31st March 2020</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Share outstanding at the beginning of the year	5,375,400	537.54	5,375,400	537.54
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	<b>5,375,400</b>	<b>537.54</b>	<b>5,375,400</b>	<b>537.54</b>
<b>Aggregate number of shares allotted as fully paid-up by way of Bonus Shares :</b> During the year 2013-14, pursuant to approval of shareholders at the Extra-Ordinary General Meeting (EOGM) of S R G Securities During the year 2013-14, pursuant to approval of shareholders at the Extra-Ordinary General Meeting (EOGM) of S R G Securities Finance Limited held on May 30, 2013, the Company allotted 4,55,800 Bonus Equity Shares of Rs. 10/- each fully paid up shares in the proportion of 1:2 i.e. one share for every two shares held.				

(Amount in Lakhs)

## The details of Shareholding more than 5% shares

Name of the shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Shri Vinod K. Jain	838,700	15.60%	838,700	15.60%
Smt. Seema Jain	534,900	9.95%	534,900	9.95%
Shri Rajesh Jain	464,200	8.64%	464,200	8.64%
<b>Terms/Rights attached to Equity Shares</b>				
The Company has one class of share referred to as equity shares having at par value of Rs.10 each. Each shareholder is entitled to one vote per share held.				
			As at 31st March 2021	As at 31st March 2020
<b>3. RESERVE AND SURPLUS :</b>				
<b>Special Reserve (in terms of section 451C(1) of the Reserve Bank of India Act,1934)</b>				
As per Last Balance Sheet			71.12	63.50
Add : Transferred from Profit and Loss Statement			10.50	7.62
<b>Total</b>			<b>81.62</b>	<b>71.12</b>
<b>Securities Premium</b>				
As per Last Balance Sheet			475.80	475.80
Add: Received during the year			-	-
Less: Utilized for issue of Bonus Share			-	-
<b>Total</b>			<b>475.80</b>	<b>475.80</b>
<b>Surplus</b>				
As per last Balance Sheet			142.16	27.34
Add : Profit for the period			50.57	38.10
Add: Excess provision for Income Tax			-	-
<b>Total</b>			<b>192.73</b>	<b>65.45</b>
Less : Appropriations				
Transfer to Special Reserve			10.50	7.62
Provision for Standard Assets			-0.99	-0.81
Provision for NPA			-25.64	-83.63
Additional Provision for Income Tax			-	0.10
			<b>-16.13</b>	<b>-76.71</b>
			<b>208.86</b>	<b>142.16</b>
<b>Total</b>			<b>766.28</b>	<b>689.08</b>

(Amount in Lakhs)

4. LONG TERM BORROWINGS	Non-Current Portion		Current Portion	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>Secured</b> Term Loan From State Bank of India	46.05	207.15	282.85	285.15
<b>Total</b>	<b>46.05</b>	<b>207.15</b>	<b>282.85</b>	<b>285.15</b>
(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 guarantee of Mr. Vinod K. Jain, Managing Director and Mrs. Seema Jain, Director and third party guarantee of Mr. Rajesh Jain and Mrs. Aarti Jain )				
Term Loan Rs 600.00 Lakh -Repayable in 24 Quarters @ Rs.25.00 lakh per quarter w.e.f. 1st Dec. 2015 @10.30% p.a. Term Loan Rs 900.00 Lakh -Repayable in 60 Months @ of Rs.15.00 lakh per month w.e.f. 1st July. 2017 @10.30% p.a.				
5. SHORT TERM BORROWINGS	As at 31 st March, 2021		As at 31 st March, 2020	
<b>Secured</b> <b>From : State Bank of India</b> Working Capital Loans			-	175.68
<b>Total</b>			-	<b>175.68</b>
(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 guarantees of Mr. Vinod K. Jain, Managing Director and Mrs. Seema Jain, Director and third party guarantee of Mr. Rajesh Jain and Mrs. Aarti Jain )				
6. TRADE PAYABLES :	As at 31 st March, 2021		As at 31 st March, 2020	
Trade payable due to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act. 2006			-	-
Trade payable due to Creditors other than Micro, Small and Medium Enterprises Development Act. 2006			2.82	2.12
<b>Total</b>			<b>2.82</b>	<b>2.12</b>
Trade Payables of Rs. 2.82 Lakhs (Previous Year Rs. 2.12 Lakhs) includes Rs. NIL (Previous Year Rs.NIL) payable to suppliers registered under the Micro,Small & Medium Enterprises and Development Act,2006 which has been determined to the extent such parties have been identified on the basis of information available with the Company. No interest has been paid/payable by the Company during the year to the suppliers covered under Micro, Small and Medium Enterprises and Development Act,2006 .				

(Amount in Lakhs)

<b>7. OTHER CURRENT LIABILITIES :</b>	<b>As at 31 st March, 2021</b>	<b>As at 31 st March, 2020</b>
Current Maturity of Long-Term Borrowings(Refer note no. 4)	282.85	285.15
Expenses Payable	5.57	3.64
Other Current Liabilities	0.81	1.66
Interest accrued but not due on Borrowings	0.00	1.23
Duties and Taxes	0.94	1.11
<b>Total</b>	<b>290.17</b>	<b>292.79</b>

<b>8. PROPERTY, PLANT AND EQUIPMENT</b>											
<b>PARTICULARS</b>	<b>GROSS BLOCK</b>				<b>DEPRECIATION</b>				<b>NET BLOCK</b>		
	<b>AS AT 01.04.20</b>	<b>ADDITIO N</b>	<b>DELETI ON</b>	<b>TRANSF ER</b>	<b>AS AT 31.03.21</b>	<b>AS AT 01.04.20</b>	<b>FOR THE YEAR</b>	<b>DEDUCT ION</b>	<b>AS AT 31.03.21</b>	<b>AS AT 31.03.21</b>	<b>AS AT 31.03.20</b>
<b>TANGIBLE ASSETS</b>											
<i>Computers</i>	3.28	0.00	0.00	0.00	3.28	3.24	0.02	0.00	3.26	0.02	0.04
<i>Furniture and Fixtures</i>	20.51	0.00	0.00	0.00	20.51	14.90	1.42	0.00	16.32	4.20	5.62
<i>Motor Vehicle</i>	14.48	0.00	0.00	0.00	14.48	12.00	0.77	0.00	12.77	1.71	2.48
<i>Office Equipments</i>	12.91	0.00	0.00	0.00	12.91	12.07	0.22	0.00	12.29	0.61	0.83
<b>Total</b>	<b>51.17</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>51.17</b>	<b>42.21</b>	<b>2.42</b>	<b>0.00</b>	<b>44.63</b>	<b>6.54</b>	<b>8.96</b>
<i>Previous Year</i>	<b>51.17</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>51.17</b>	<b>38.34</b>	<b>3.87</b>	<b>0.00</b>	<b>42.21</b>	<b>8.96</b>	<b>12.83</b>

<b>9. SHORT TERM PROVISIONS :</b>	<b>31 st March, 2021</b>	<b>31 st March, 2020</b>
Provision for Taxation AY 20-21	12.03	12.03
Provision for Taxation AY 21-22	15.55	0.00
Provision for NPA	41.82	67.46
Provision for Standard Assets	2.75	3.75
Provision for gratuity	0.52	0.44
<b>Total</b>	<b>72.68</b>	<b>83.68</b>



<b>10. INVESTMENT:</b>				
<b>CURRENT INVESTMENT:</b>	<b>As at</b>		<b>As at</b>	
<b>Trade Investment</b>	<b>31st March 2021</b>		<b>31st March 2020</b>	
<b>Investment in Equity Instruments-Quoted</b>	<b>Nos.</b>	<b>Amount</b>	<b>Nos.</b>	<b>Amount</b>
SRG Housing Finance Ltd. Face Value of Rs. 10/- each	366,276	168.65	366,276	168.65
<b>Aggregated Market Value of Quoted Investment</b>				
Equity Shares SRG Housing Finance Ltd.		783.83		182.22
<b>11. DEFERRED TAX ASSETS :</b>			<b>31 st March, 2021</b>	<b>31 st March, 2020</b>
Opening Balance			6.00	6.17
Add: For the Year			-0.31	-0.17
<b>Total</b>			<b>5.69</b>	<b>6.00</b>
<b>12. LONG TERM LOANS &amp; ADVANCES</b>				
<b>(i) Receivables under Financing Activity (Secured Considered good)</b>			825.45	1,264.01
<b>(ii) Others (Unsecured Considered Good)</b>				
- Security Deposits			9.02	9.02
<b>Total</b>			<b>834.48</b>	<b>1,273.03</b>
<b>13. SHORT TERM LOANS &amp; ADVANCES</b>				
<b>(i) Receivables under Financing Activity (Secured Considered good)</b>			317.33	301.92
<b>Total</b>			<b>317.33</b>	<b>301.92</b>
<b>14. CASH &amp; CASH EQUIVALENTS :</b>				
Cash In Hand			17.49	32.19
Balance With Banks				
A. In Current Account			157.76	70.13
B. In Cash Credit Account			67.62	0.00
B. Deposits having balance maturity upto 12 months			104.41	94.90
C. Deposits having balance maturity of more than 12 months {Deposits amounting to provided as cash collateral towards Borrowings with State Bank of India}			0.00	0.00
<b>TOTAL CASH AND BANK BALANCES</b>			<b>347.28</b>	<b>197.22</b>
LESS: AMOUNTS DISCLOSED UNDER NON CURRENT ASSETS			0.00	0.00
<b>Total</b>			<b>347.28</b>	<b>197.22</b>

**Amount in Lakhs**

<b>15. OTHER CURRENT ASSETS :</b>		
Prepaid Expenses	0.03	0.10
Advance Tax and TDS	30.03	16.98
<b>Deferred Expenses</b>		
Deferred Prepaid Expenses	0.00	3.58
Interest Accrued But Not Due	5.52	11.09
GST Input receivable	0.00	0.47
Other Current Assets	0.00	0.04
<b>Total</b>	<b>35.58</b>	<b>32.25</b>
<b>16. REVENUE FROM OPERATIONS</b>		
Interest Received on Advances	291.09	360.85
Interest Accrued Covid-19	7.41	0.00
Processing Charges	0.00	0.30
Other Income	13.80	9.92
<b>Total</b>	<b>312.29</b>	<b>371.07</b>
<b>17. OTHER INCOME</b>		
Interest on IT refund	0.38	0.36
Gratuity Provision	0.00	0.19
Bad Debts Recovered	4.49	0.00
<b>Total</b>	<b>4.88</b>	<b>0.55</b>
<b>18. EMPLOYEE BENEFIT EXPENSES :</b>		
Salaries and other Benefits to Employees	21.34	27.66
Gratuity Provision	0.09	0.00
Directors Remuneration	36.00	36.00
Contribution to ESIC	0.17	0.34
<b>Total</b>	<b>57.60</b>	<b>64.00</b>
<b>19. FINANCIAL COST :</b>		
Interest on working Capital loan	17.11	20.55
Interest on Term Loan	44.91	78.74
Interest on Car loan	0.00	0.02
Other Interest	0.00	0.00
Bank Charges	2.54	1.76
<b>Total</b>	<b>64.56</b>	<b>101.08</b>

	<b>Amount in Lakhs</b>	
<b>20.OTHER EXPENSES :</b>		
Advertisement Expenses	1.39	1.17
Conveyance Expenses	1.46	1.01
Auditors Remuneration	0.65	0.60
Internal Audit Fees	0.30	0.30
Annual Fees	1.82	1.43
Business Promotion	1.21	1.13
Insurance Expenses	0.13	0.49
Legal & Professional Fees	3.72	0.87
Satellite Centre Expenses	2.51	2.47
Office Expenses	4.16	3.72
Printing and Stationery	1.18	1.18
Rent Expenses	12.34	12.34
Telephone Expenses	0.51	0.27
Electricity Expenses	0.83	0.85
Vehicle Running & Maintenance	5.95	6.00
Commission Expenses	0.00	0.00
Miscellaneous Exp. Written Off	3.58	6.72
Inspection Charges	2.52	2.18
Recovery Expenses	4.48	3.82
Travelling Expense	3.01	2.44
Other Expenses	4.59	3.57
Valuation Expenses	0.01	0.02
Search Expenses	0.00	0.04
Bad Debts	69.80	99.73
<b>Total</b>	<b>126.16</b>	<b>152.36</b>

## **21. IMPACT OF COVID 19:**

Consequent to the outbreak of COVID-19 pandemic, the Indian government had announced lockdown in March 2020. Subsequently, the lockdown has been lifted by the government in a phased manner outside specified containment zones. The extent to which the COVID-19 pandemic, including the second wave that has significantly increased the /number of cases in India, may continue to impact Company's performance, will depend on ongoing and future developments, which are uncertain,

**22. AUDITORS REMUNERATION INCLUDES:****(Rs. In Lakhs)**

Particulars	31.03.2021	31.03.2020
Audit Fees	0.60	0.50
Taxation Fees	0.05	0.10
<b>Total</b>	<b>0.65</b>	<b>0.60</b>

**23. RELATED PARTY DISCLOSURES** : Disclosures as required by the Accounting Standard 18 of ICAI in respect of Related Party Transactions for the year ended on 31-03-2021 :-

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

**A. List of Related Parties and relationships**

Name of Related Party	Nature of Relationship
Vinod Kumar Jain	Managing Director (KMP)
Seema Jain	Whole Time Director (KMP)
Genda Lal Jain HUF	HUF of Relative of KMP
Aarti Jain	Relative of KMP
Meenakshi Jain	Relative of KMP

**B. Transactions carried out with the related parties in the ordinary course of business for the year ended March 31, 2021 are as follows:**

Item/ Related Party	Transaction Amount	Transaction Amount
	Key Management Personnel	Relative of Key Management Personnel
Remuneration /Salary	Seema Jain - 36.00 Lakhs	Meenakshi Jain - 3.99 Lakhs
Rent Paid	Nil	1. Genda Lal Jain HUF - 3.95 Lakhs 2. Aarti Prakash Jain - 8.39 Lakhs

**Terms and condition of transactions with related parties:-**

All the related party transactions are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

24. 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.

25. During the year, there was no employee employed throughout the year who was in receipt of remuneration of Rs. 1.02 Crores or more per annum or Rs. 8.50 Lakhs or more per month, if employed for the part of the year.

26. The previous year figures have been regrouped /rearranged/ reclassified wherever necessary to correspond with current year's disclosure.

27. The Company have complied all the applicable 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.

28. The Company has written off irrecoverable debts amounting to Rs. 69.80 Lakhs in financial year 2020-21 (Previous Year 99.73 lakhs).

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

### 30. CAPITAL ADEQUACY RATIO:

	Items	31 <sup>st</sup> March , 2021	31 <sup>st</sup> March , 2020
i)	CRAR (%)	95.98	67.50

### 31. CLASSIFICATION OF LOANS AND PROVISIONS MADE FOR NON-PERFORMING ASSETS ARE AS UNDER:

(Rs. In Lakhs)

Particulars	For the year ended 31-03-2021					For the year ended 31-03-2020				
	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total
Loans	1100.95	41.82			1142.77	1498.47		67.45		1565.93
Provision	2.75	41.82			44.57	3.75		67.45		71.20

### 32. DETAILS OF MOVEMENT IN PROVISIONS

(Rs in Lakhs)

Particulars	Opening as on 01.04.2020	Provisions made during the year	Provisions reversed/adjusted	Closing as on 31.03.2021
Bad & Doubtful Debts	67.45	41.82	67.45	41.82
Taxation	12.03	15.55	12.03	15.55
Standard Assets	3.75	2.75	3.75	2.75

**33. IN TERMS OF PARAGRAPH 18 OF NON-BANKING FINANCIAL COMPANY- NON SYSTEMICALLY IMPORTANT (NON- DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016.**

(Rs in Lakhs)

Particulars	Amount Outstanding 31.03.2021	Amount Overdue
<b>Liabilities side</b>		
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
(a) Debentures : Secured	0.00	0.00
: Unsecured (other than falling within the meaning of public deposits)		
(b) Deferred Credits		
(c) Term Loans		
(d) Inter – corporate loans and borrowing		
(e) Commercial Paper		
(f) Public Deposits		
(f) Other Loans (specify nature)		
i) Cash Credit Limit	0.00	0.00
ii) Term Loan	328.90	0.00
iii) Car Loan	0.00	0.00

<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)</b>		
(a) In the form of Unsecured Debentures	0.00	0.00
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	0.00	0.00
(c) Other Public Deposits	0.00	0.00
<b>Assets side :</b>	<b>Amount Outstanding</b>	
<b>(3) Break-up of Loan and Advances including bills receivables [ other than those included in (4) below ] :</b>		
(a) Secured		
(b) Unsecured		0.00
<b>(4) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease		
(b) Operating lease		0.00
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		
(b) Repossessed Assets		
(iii) Other Loans counting towards AFC activities		0.00
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		1142.77

<b>(5) Break-up of Investments:</b>		
<i>Current investments:</i>		
1. Quoted :		
(i) Shares : (a) Equity		<b>168.65</b>
(b) Preference		<b>0.00</b>
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		<b>0.00</b>
(v) Others (please specify)		
2. Unquoted :		
(i) Shares : (a) Equity		<b>0.00</b>
(b) Preference		
(ii) Debentures and Bounds		
(iii) Units of mutual funds		
(iv) Government Securities		<b>0.00</b>
(v) Others (please specify)		<b>0.00</b>
<i>Long-Term investments :</i>		
1. Quoted :		
(i) Shares : (a) Equity		
(b) Preference		
(ii) Debentures and Bonds		
(iii) Units of mutual funds		<b>0.00</b>
(iv) Government Securities		
(v) Others (please specify)		
2. Unquoted :		
(i) Shares : (a) Equity		
(b) Preference		
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		<b>0.00</b>
(v) Others (please specify)		

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
(b) Companies in the same group	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
(c) Other related parties	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
2. Other than related parties	1142.77	0.00	1142.77
<b>Total</b>	<b>1142.77</b>	<b>0.00</b>	<b>1142.77</b>

<b>(7) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted) :</b>		
		<b>Amt. In Lakhs</b>
<b>Category</b>	<b>Market Value /Break Up or fair value or NAV</b>	<b>Book Value (net of Provisions)</b>
1. Related Parties		
(a) Subsidiaries	<b>0.00</b>	<b>0.00</b>
(b) Companies in the same group	783.83	168.65
(c) Other related parties	<b>0.00</b>	<b>0.00</b>
2. Other than related parties	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>783.83</b>	<b>168.65</b>

**As per Accounting Standard of ICAI**

<b>(8) Other Information</b>	
<b>Particulars</b>	<b>Amount</b>
(i) Gross Non-Performing Assets	
(a) Related parties	<b>0.00</b>
(b) Other than related parties	<b>41.82</b>
(ii) Net Non-Performing Assets	-
(a) Related parties	<b>0.00</b>
(b) Other than related parties	<b>0.00</b>
(iii) Assets acquired in satisfaction of debt	<b>0.00</b>

**34. Disclosure as required in terms of circular issued by RBI on COVID-19 Regulatory Package – Asset Classification and Provisioning, RBI/201920/220/DOR.No. BP.BC.63/21.04.048/020-21, 17 April, 2019 SMA/overdue categories, where the moratorium/deferment was extended**

<b>Particulars</b>	<b>Total Exposure</b>	<b>ECL Provision</b>
SMA	-	-
Overdue – Standard	-	-
Overdue – Others	-	-
<b>Total</b>	-	-

No Moratorium has been obtained by any customer under the above categories hence Asset classification benefit has not been extended to above customer till March 2021.

Notes on Financial statements 1 to 34 are annexed and forming part of the Balance Sheet and Statement of Profit & Loss.

For PKJ & Co.

Chartered Accountant

ICAI Firm Reg. No.: 124115W

For & on behalf of the Board

Vinod K. Jain  
Managing Director  
DIN: 00248843

Seema Jain  
Director  
DIN: 00248706

Rishabh Jain  
Partner  
M.No. 176309

Date: 30-06-2021  
Place: Mumbai

Divya Kothari  
Company Secretary  
M. No: A57307

Vaishali Jain  
Chief Financial Officer



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