

ANNUAL REPORT

2018-19



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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 OVERVIEW

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 organisational skills.

Mr. Arjun Lal Jain, Independent Director

(DIN: 00147912)

Mr. Arjun Lal Jain is a non-executive independent director of the Company. He holds bachelor of commerce. He is engaged in the business of manufacturing and mining of Soap Stone, Dolomite and other minerals. He has over a decade experience in the field of manufacturing and mining business of Soap Stone, dolomite etc. He has a quality of leadership and achieves excellence through efficiency in execution of work. He has a positive and proactive approach.

Mr. Nishant Badala, Independent Director

(DIN: 06611795)

Mr. Nishant Badala is a non-executive independent director of the Company. He 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. He was appointed as an Independent Director of our Company on June 24, 2013.

Ms. Richa Bhandari, Non- Executive Director

(DIN: 08797563)

Ms. Richa Bhandari is the Non- executive director of our Company. She holds a Master's degree in Commerce (Business Administration). She has over 9 years' experience in the Finance industry.

CFO

Mr. Kartik Singh Mehta
(Resigned from the post of CFO w.e.f. 31.07.2019)

COMPANY SECRETARY

Ms. Divya Kothari

STATUTORY AUDITOR

M/s PKJ & Co.
Chartered Accountants

SECRETARIAL AUDITOR

M/s Deepak Vijaywarghey & Associates
Practicing Company Secretary

INTERNAL AUDITOR

M/s Ketan & Co.
Chartered Accountants

LISTED ON

BSE SME (Bombay Stock Exchange Ltd.)

PRINCIPAL BANKER

State Bank of India, SME Udaipur

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

M/s. Sharex Dynamic (India) Pvt. Ltd.
Address:- C 101, 247 Park, LBS Marg, Vikhroli West
Mumbai 400083
Email Id:- support@sharexindia.com
Website : www.sharexindia.com
Tel No:- +91 22 28515644/5606
Fax: +91 22 8512885
CIN: U67190MH1994PTC077176

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Nishant Badala	Chairman
Mr. Arjun Lal Jain	Member
Mr. Vinod K. Jain	Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE

Mr. Nishant Badala	Chairman
Mr. Arjun Lal Jain	Member
Mrs. Seema Jain	Member

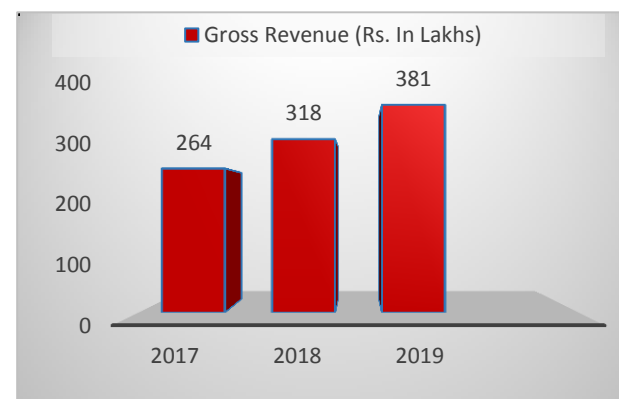
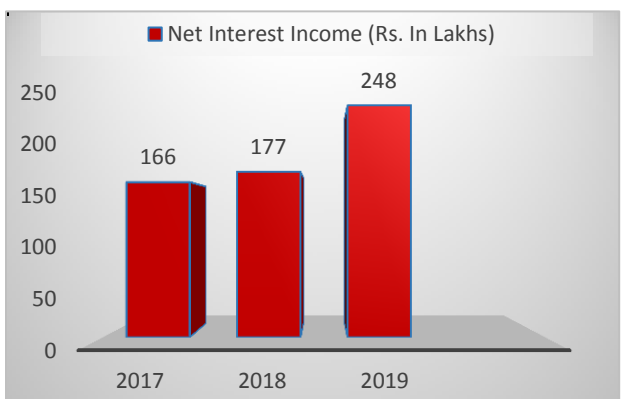
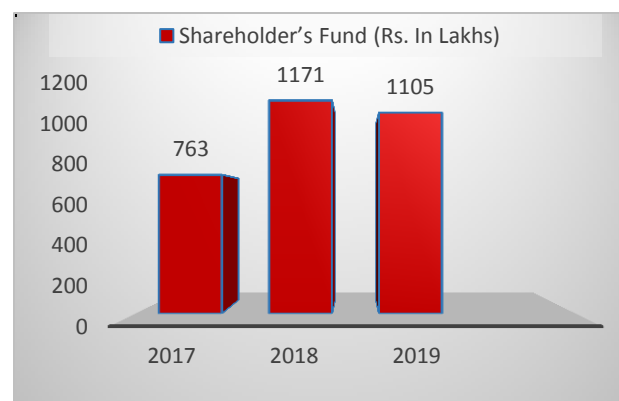
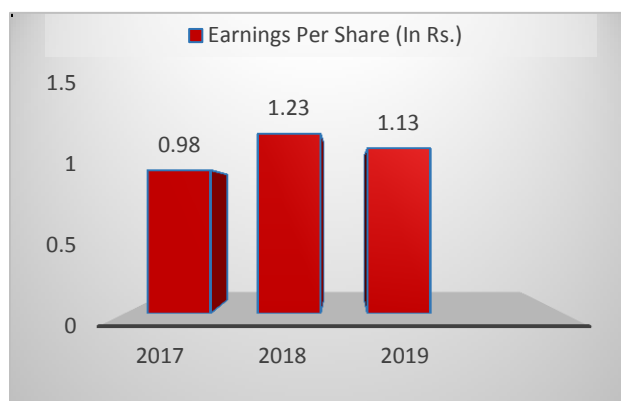
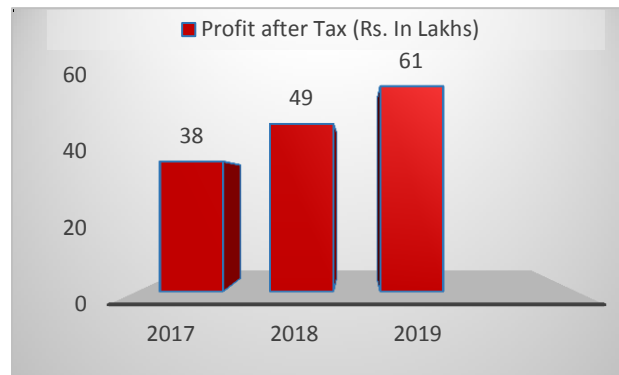
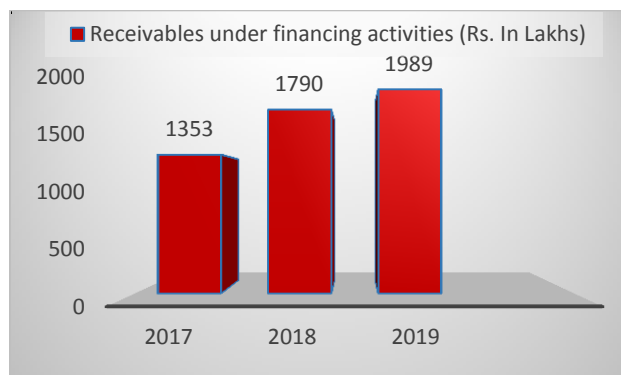
NOMINATION & REMUNERATION COMMITTEE

Mr. Arjun Lal Jain	Chairman
Mr. Nishant Badala	Member
Ms. Richa Bhandari	Member

RISK MANAGEMENT COMMITTEE

Mr. Vinod K. Jain	Chairman
Mr. Arjun Lal Jain	Member
Mr. Nishant Badala	Member

PERFORMANCE HIGHLIGHTS



FINANCIAL HIGHLIGHTS

Rs. in Lakhs

	2016-17	2017-18	2018-19
Share Capital	388	537.54	537.54
Reserve and Surplus	375	633	567
Borrowings from Banks	849	1175	991
Receivables under financing activities	1353	1790	1989
Disbursements during the period	378	1064	456
GNPA%	1.65	9.59	8.41%
NNPA%	0.98	8.35	0.88%
Gross Interest Income	262	288	369
Interest Cost	96	111	122
Net Interest Income(NII)	166	177	248
Net Interest Margin To Average Asset %	10.70	8.77	13.11
Yield on Portfolio %	13.33	11.29	20.07
PBT	54	65	81
PAT	38	49	61
Earnings Per Share	0.98	1.23	1.13
Capital Adequacy Ratio %	48.69	51.26	51.38
Return on Assets %	2.44	2.44	2.60
Return on Equity %	5.09	5.10	5.35

S R G SECURITIES FINANCE LIMITED

AT A GLANCE

OVERVIEW

S R G Securities Finance Limited is a BSE SME listed Non-Banking Finance Company (NBFC), incorporated on 6th March, 1995. The Company started its operations after getting registered with RBI in year 1999. It has completed its 20 years of journey as a fastest growing NBFC.

S R G Securities Finance Limited is a part of SRG Group of Companies, one of the most respected organizations in South Rajasthan with over 20 Years of robust customer focused approach and a continuous quest for being the most preferred when it comes to financial assistance.

The Company is engaged in providing financial assistance to people through various loan products like Business Loans- Micro Finance and Enterprise Loans, Vehicle finance, equipment finance.

VISION

We aim to be the most respected financial services provider that reaches out to the millions of people pan-India. We aspire to live up the expectations of our clients, our people, our investors, and the society.

“TO BE UNIVERSALLY RESPECTED FINANCIAL SERVICE ORGANISATION”

STRENGTHS

- | | |
|--|--|
| • High Capital Adequacy Ratio | • Convenient repayment of loans with easy EMIs |
| • Diversified Product & Customer Profile | • Our Loan plans allow you to choose a plan that suits your needs |
| • Adequate Internal Control System | • Competitive Interest rates for all loan products |
| • Experienced Promoters | • Hassle-free documentation process offering you maximum flexibility |
| • Brand Name of SRG Group in Rural Sector | • Dealings are transparent |
| • Flexible repayment options | |
| • Speedy processing and sanctioning of loan | |
| • Loan eligibility for the widest range of customer profiles | |

BUSINESS STRATEGY

The Company has been operating as a NBFC since past 20 years and has a large market base. The Company has created brand name over the years in Rajasthan. The management has decided to expand the size of the Company. The business strategy proposed by management for expansion contains:

- Increase in scale of operations and expanding branch network.
- Fund base to be expanded by arranging term loans from number of banks / financial institutions.
- Stringent credit policy & other policies for faster collections.
- Digital Initiatives to be introduced.

CORPORATE HISTORY

- 1995 : Incorporation of our Company
- 1999: Change in management- Company acquired by current Promoters.
- 1999: Company obtained the NBFC License from the Reserve Bank of India (RBI) to function as a NBFC ND NSI.
- 1999: Our Company approved and disbursed its first vehicle loan.
- 2000: Introduction of new loan products- Construction and Equipment Financing.
- 2009: Introduction of new loan products- Business Loan.
- 2013: Listed on BSE SME Platform with an IPO of Rs. 501.60 Lacs.
- 2018: Private Placement Issue of Rs. 3.75 Cr by way of issue of Equity Shares to Promoter and Non-Promoters.

BUSINESS MODEL

- Loan amounts range from Rs.50 thousand – Rs. 150 Lacs
- Maximum loan size Rs.150.00 Lacs
- No hidden cost
- Loan tenure 1-15 years
- Reasonable amount up to 80% of realizable value as per the merit of the case
- The Realizable value shall be as arrived by the approved panel valuer of the Company

ACHIEVEMENTS

2015: AUM crossed Rs.10 Crore

2016: Credit Rating Assigned CARE BB (CARE Double B): Outlook: Stableby CARE Ratings

2016: Credit Rating Assigned by Brickwork Ratings as BWR BB Outlook: Stable

2016: Got Sanctioned Credit Facilities from SBI worth Rs. 9 Crore

2017: AUM crossed Rs.13 Crores

2018: Raised Rs. 3.75 Crores from issue of Equity Shares on Private Placement basis

2018: AUM crossed Rs.17 Crores

2019: AUM crossed Rs.19 Crore

CHAIRMAN'S MESSAGE



VINOD K. JAIN

Managing Director | DIN: 00248843

Dear Shareholders,

It gives me immense pleasure to present the Annual Report for the financial year ending 31st March, 2019 along with the Board's Report, Audited Annual Accounts and the Auditor's Report of your Company.

GDP moderated to 6.8 per cent in 2018-19 from 7.2 per cent in 2017-18. However, India was still the fastest growing major economy. The 'Financial, real estate and professional services' sector grew at 7.4 per cent in 2018-19, higher as compared to 6.2 per cent in 2017-18. The industry we operate in, witnessed tough scenario in borrowing and lending which led to severe liquidity crunch and slowdown in financing but in spite of this, with our conservative approach your company remained profitable and continued to grow. Your Company has consistently shown its performance.

We are making our efforts to meet the financing needs of the under-served segments of society such as small enterprises. We are also leading in providing small ticket personal loans, financing for working capital requirements along with Business Loans- Micro Finance and Enterprise Loans etc. Our belief in living by strong values, fair practices and processes helped us to reach out to various sections of society and to becoming a helping hand in their progress.

Your Company's performance for the F.Y. ended March 31, 2019 is as under:-

- ❖ Profit After tax grew by 23.41% from Rs. 49.34 Lacs in previous year to Rs. 60.89 Lacs in year 2019.
- ❖ Profit Before Tax rose by 23.84% from Rs. 65.27 Lacs in previous year to Rs. 80.83 Lacs in year 2019.
- ❖ Loan Portfolio grew by 11.12% from Rs. 1790 Lacs in previous year to Rs. 1989 Lacs in year 2019.
- ❖ Gross Revenue grew by 19.81% from Rs. 318 Lacs in previous year to Rs. 381 Lacs in 2019.
- ❖ Capital Adequacy Ratio of the Company reached at 51.38% as on March 31st, 2019.
- ❖ Earnings per share was Rs. 1.13 in 2018-19 while in year 2017-18 it was Rs. 1.23 due to Equity was raised in year 2017-18.
- ❖ EBIT grew by 13.33% to Rs. 203 Lacs in 2018-19 from Rs. 178 Lacs in 2017-18.