

Ref: SCRIP ID: SRGHFL; SCRIP CODE: 534680; ISIN: INE559N01010

Date: 26.08.2016

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

Dear Sir,

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

With reference to above mentioned subject, please find herewith attached copy of Annual Report of the Company for the FY 2015-16, as approved and adopted by the Members at the 17th AGM as annexure.

Request you to kindly take the same on your records.

Thanking You,

Yours Faithfully,

For SRG Housing Finance Limited

Vinod R. Jain
Managing Director
DIN: 00248843





SRG Housing Finance Ltd.

2015-16 ANNUAL REPORT





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SRG Housing Finance Limited

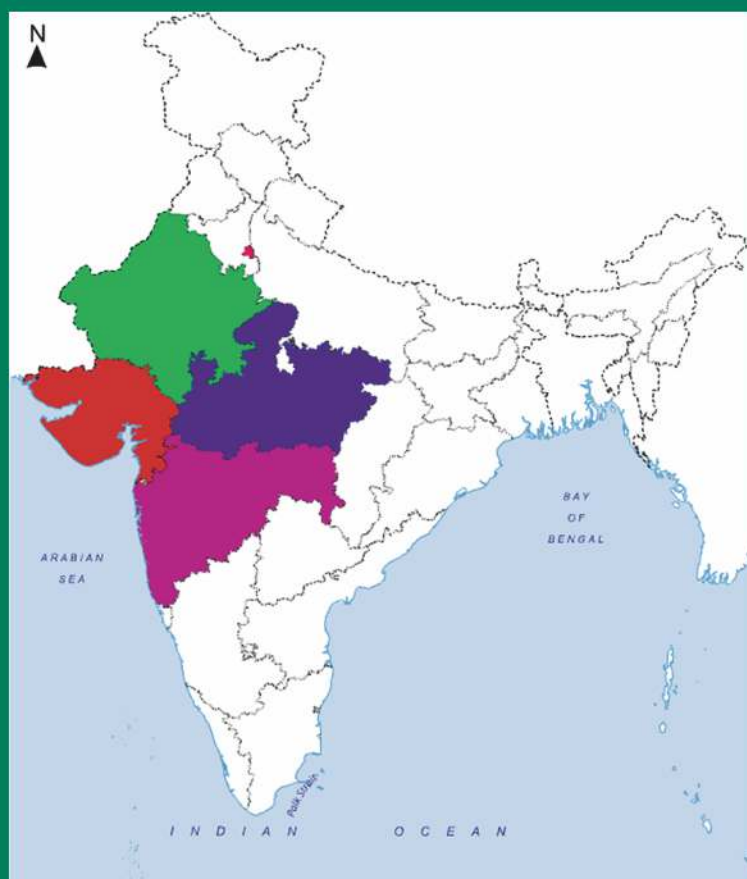
At a glance

ISO 9001:2008 Certified

CREDITWORTHINESS

Brickwork Ratings, the credit rating agency in India has rated the Long Term Bank Facilities of Rs. 100.00 crores as **BWR BBB-** (pronounced as BWR Triple B Minus).

OUR BUSINESS REACH & RECENT EXPANSION



- SALUMBER
- NATHDWARA
- BHINDER
- BANSWARA
- SAGWARA
- BHILWARA
- ASPUR
- DUNGERPUR
- MAVLI
- CHITTORGARH
- RISHBHDEO
- RAJSAMAND
- JAIPUR
- JODHPUR
- AHMEDABAD
- SURAT
- MUMBAI
- INDORE
- DELHI



OUR LOAN PRODUCTS

Individual Home loans

- SRG Dream Home
- SRG Construction Loan
- SRG Home Revision Loan
- SRG Plot Loans
- SRG Home Loan for Self Employed
- SRG NRI Housing Loan

LOAN AGAINST PROPERTY

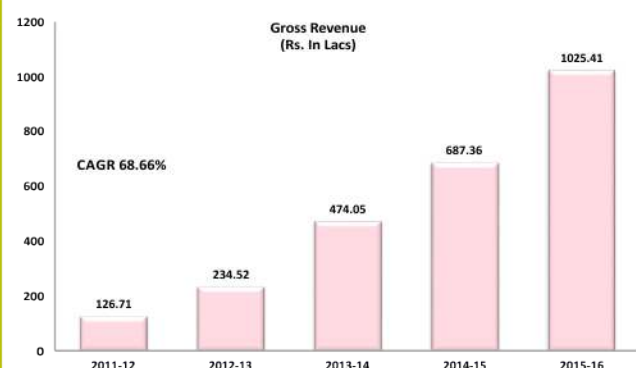
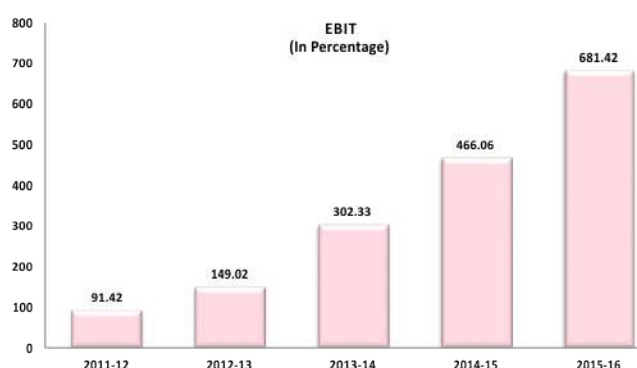
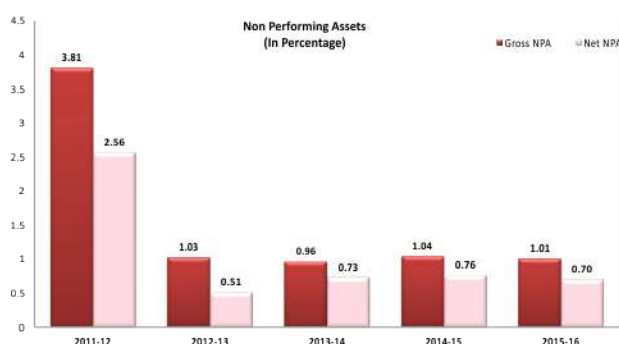
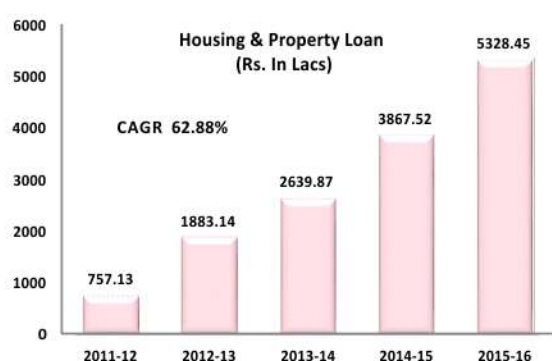
- SRG Wealth Loan
- SRG New Avenue Loan

BUILDER'S LOAN

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

	2011-12	2012-13	2013-14	2014-15	2015-16
Gross Revenues	126.71	234.52	474.05	687.36	1025.41
Profit After Tax	32.32	63.62	119.37	153.58	186.74
Shareholders' Funds	491.33	1251.10	1367.78	1471.35	1640.62
Share Capital	305.10	808.05	808.05	1131.27	1131.27
Reserve and Surplus	186.23	443.05	559.73	340.08	509.35
Borrowings from Banks	347.86	733.06	1552.28	2489.09	4129.49
Housing & Property Loan	757.13	1883.14	2639.87	3867.52	5328.45
Disbursements during the year	410.50	1445.75	1610.72	2538.64	2730.59
Profit Before Tax	44.08	83.87	169.65	226.91	276.98
Earnings Before Interest & Tax	91.42	149.02	302.33	466.06	681.42
Earnings Per Share	1.06	0.98	1.48	1.43	1.65
Gross Non Performing Assets	3.81%	1.03%	0.96%	1.04%	1.01%
Net Non Performing Assets	2.56%	0.51%	0.73%	0.76%	0.70%



CORPORATE INFORMATION

BOARD OF DIRECTORS & THEIR BRIEF PROFILE



Mr. Rajesh Jain
(DIN:00212393)

Mr. Rajesh Jain is the Non Executive Director of our Company. He is one of the Core Promoters of our Company. He has completed his B.COM, M.COM, MBA and LLB from Mohan Lal Sukhadia University of Udaipur. Further he did his Post Graduate Diploma in Business Management (MBA) from ITM, Chennai. He is also an Associate of Insurance (AII) from the Insurance Institute of India along with advance diploma in sales and marketing from NIS Sparta. He has over a decade of experience in the field of Insurance and Financial Services.



Mr. Vinod K. Jain
Managing Director
(DIN:00248843)

Mr. Vinod K. Jain is the Managing Director of the Company. He is one of the Core Promoters of the Company. In the year 1999 he floated his own Company "SRG Housing Finance Limited" with a broad and clear vision in the field of finance. He has an experience of more than 21 years in driving operational growth, maximizing business opportunities and ensuring compliance with regulatory requirements. He is on our Board since incorporation and is responsible for strategic planning and administration of our Company.



Mrs. Seema Jain
(DIN:00248706)

Mrs. Seema Jain is the Non Executive Director in our Company. She is one of the Core Promoters of our Company. A resident of Udaipur (Rajasthan) actively involved as Director of SRG Housing Finance Limited with the strong business acumen and rich experience from the field of loan and advances and Human Resource 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 is on our Board since incorporation.



Mr. Nishant Badala
(DIN:06611795)

Mr. Nishant Badala is a Non-Executive Independent Director of our Company. He has completed his Masters in Commerce from University of Udaipur. He is a Chartered Accountant & Company Secretary by profession. He is a Young and Dynamic person and is an associated member of ICAI and ICSI. Further, he is having expertise in the field of accounting legal and taxation. He was appointed as an Independent Director of our Company on 14.05.2015.



Mr. Vikas Gupta
(DIN:05280808)

Mr. Vikas Gupta is a Non-Executive Independent Director of our Company. He has done his Bachelors of Commerce from Mohan Lal Sukhadia University, Udaipur. He also holds a degree in Law (LLB). He is registered with Commissioner of Income tax, Udaipur as Income Tax Practitioner. Currently he is the proprietor & partner in M/s. M.M. Gupta & Co. (Advocate & Tax Consultant) a leading Tax consultant firm. He was appointed on our board on April 26, 2012.



Mr. Ashok Kabra
(DIN:00240618)

Mr. Ashok Kabra is a Non-Executive Independent Director of the company. He has done his Masters in Commerce. After that, he floated his proprietary firm Shreeji Investments, a financial consultancy firm and actively involved with in the operational activities of business. He has diverse exposure of more than 12 years in corporate finance, stock broking, Investments and financial services etc. He was appointed on our board on May 07, 2012.



BOARD COMMITTEES

AUDIT COMMITTEE :

Mr. Vikas Gupta - Chairman of the Committee
Mr. Nishant Badala - Member
Mr. Ashok Kabra- Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE :

Mr. Vikas Gupta - Chairman of the Committee
Mr. Ashok Kabra - Member
Mr. Rajesh Jain - Member

ASSET-LIABILITY MANAGEMENT COMMITTEE :

Mr. Vinod K. Jain - Chairman of the Committee
Mr. Rajesh Jain - Member
Mr. Ashok Kumar - Member

CUSTOMER SERVICE COMMITTEE :

Mr. Ashok Kumar - Chairman of the Committee
Mr. Lavang Murdia - Member
Mr. Dal Chand Nagda - Member

NOMINATION & REMUNERATION COMMITTEE :

Mr. Ashok Kabra - Chairman of the Committee
Mr. Vikas Gupta - Member
Mr. Rajesh Jain - Member

RISK MANAGEMENT COMMITTEE :

Mr. Vinod K. Jain - Chairman of the Committee
Mr. Rajesh Jain- Member
Mr. Vikas Gupta- Member

AUCTION COMMITTEE :

Mr. Vinod K. Jain - Chairman of the Committee
Mr. Rajesh Jain - Member
Mrs. Seema Jain - Member
Mr. Ashok Kumar - Member
Mr. Lavang Murdia - Member

EXECUTIVES

CFO

Mr. Ashok Kumar

COMPANY SECRETARY

Ms. Sunaina Nagar
(Appointed w.e.f 28.04.2016)

INTERNAL AUDITOR

Chartered Accountant
M/s. Ketan & Co.

PRINCIPAL BANKER

State Bank of India

REGISTRAR & SHARE TRANSFER AGENT

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

AUDITOR

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

SECRETARIAL AUDITOR

Practicing Company Secretary
M/s. Deepak Vijaywargye & Associates

LISTED ON STOCK EXCHANGES

BSE (Bombay Stock Exchange)

REGISTERED OFFICE

321 ,SM Lodha Complex Near Shastri Circle Udaipur (Raj.)-
313001 , Email-srghousing@gmail.com
Website: www.srghousing.com
CIN: L65922RJ1999PLC015440

Corporate Office:

1046, 10th Floor, Hubtown Solaris, N.S Phadke Marg, Andheri (E.), Mumbai 400 069 (Maharashtra)
Email- connect@srggroup.net, Tel: 022-262215307

SRG TEAM



LETTER TO SHAREHOLDERS



My Dear fellow Members,

It gives me immense pleasure to share with you all, the highlights of your company's performance during the year 2015-2016.

The promises made by us to the shareholders last year were fulfilled to a great extent by the Company in addition to some remarkable achievements earned during the year.

Year 2015-16 was a Landmark year for the company. The benchmark of any Finance company depend upon it's NPA (Non performing Assets). This year our company's portfolio has increased with reducing NPA percentage.

Our main objective is the maximization of wealth of shareholder's which also reflects in our financial statement. The EPS (Earning per share) of your company has been increased from 1.43 to 1.65 this year.

During the year ended March 31st, 2016, Company's gross total income increased from Rs. 687.36 Lacs to Rs. 1025.41 Lacs, Profit Before Tax (PBT) also increased from Rs. 226.91 Lacs to Rs. 276.98 Lacs and Profit After Tax (PAT) increased from Rs. 153.58 Lacs to Rs. 186.74 Lacs.

We are ISO 9001:2008 Certified Company whereby we focus on customer satisfaction by servicing them on time with fullest quality.

Our greatest strength and confidence emanates from the trust of people we touch every day. We have empowered millions of people, and now we are back with renewed optimism. The hardships and challenges are

behind us, and our performance during FY 2015-16 has been encouraging.

In our drive to expand the business horizons of the company, we have opened our Corporate Office in Mumbai. This step is going to reward us in increasing numbers of profitability according to Management's plan of business development.

The government has been at the forefront in pushing India's housing finance sector this year. Many new initiatives and policies focused on lending for housing were introduced in the last 12 months. The biggest highlight was bringing loans up to Rs 28 lakhs in urban and 20 lakhs in other centres under Priority Sector Lending. The decision of the RBI to increase LTV ratio to 90 per cent for loans up to 30 lakhs or less was another positive step which will enable home finance companies to lend more to LMI customers thereby enabling them to own a home. The launch of "Housing-For-All by 2022" scheme in 2015 heralded a new era in the housing finance sector. It delivered much-needed boost to the real estate and housing finance industry by creating an enabling and supportive environment for expanding credit flow and increasing home ownership.

With the recent notification, 41 housing finance companies were approved under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) which is a significant step towards bringing HFCs at par with banks by enabling speedier loan recovery.

We are excited to be able to contribute towards India's drive for socio-economic empowerment. I am grateful to all our shareholders and the larger stakeholder fraternity for their unwavering support and guidance to the Company through its days of challenge and uncertainties.

Going ahead, our future priorities will be to:

Expand the branch network and visibility to maintain our market leadership position, continue to target new customer segments, ensure access to low-cost and diversified sources of funds, strengthen our operating processes and risk management systems, strengthen our balance sheet, ensuring financial flexibility.

I would like to express my gratitude to our Board of Directors for their support and guidance. I am also grateful to all our stakeholders who have reposed their trust in us and given us constant support.

With best wishes,

Sincerely,

Sd/-

Vinod K. Jain

Managing Director

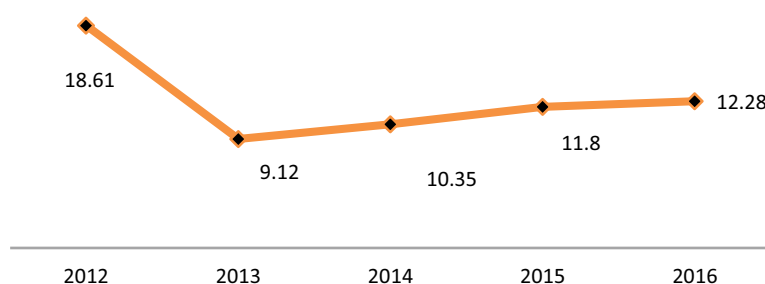
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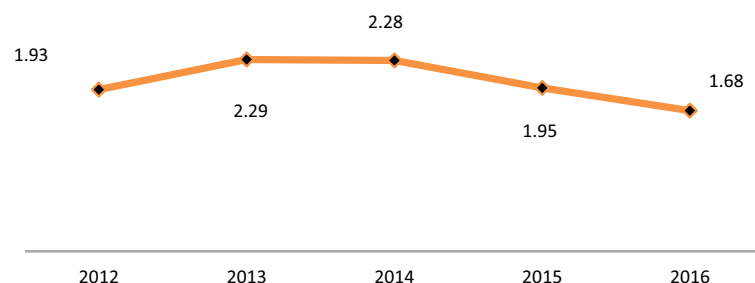
BUSINESS HIGHLIGHTS

- Increase in profitability from Rs. 153.58 lacs in 2014-15 to Rs. 186.74 lacs in 2015-16 resulting to an increase by 21.59%.
- Got sanctioned its First Ever Refinance Limit from National Housing Bank.
- Increase in loan portfolio from Rs. 3867.52 lacs in 2014-15 to Rs. 5328.45 lacs in 2015-16 resulting to an increase by 37.77%.
- Disbursements during the year amounted to Rs. 2730.59 lacs in 2015-16 from Rs. 2538.64 lacs in 2014-15 .
- Opened Corporate Office of the Company at Mumbai.
- Reduction in GNPA from 1.04% in 2014-15 to 1.01% in 2015-16.
- Notified as Financial Institution under SARFAESI Act, 2002.

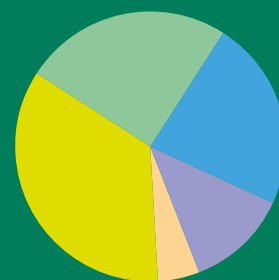
**ROCE
(In Percent)**



**Interest Cover
(In Times)**



Snapshot



Profitability increase

21.59%

Loan Portfolio increase

37.77%

Disbursement increase

7.56%

DIRECTOR'S REPORT

To

The Members,

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

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS & STATE OF AFFAIRS:

(Rs. in Lakhs)

Particulars	2015-16	2014-15
Gross Income	1025.41	687.36
Less: Finance Cost	404.45	239.15
Overheads	332.24	213.44
Depreciation	8.16	7.86
Provision for Investment	3.58	0.00
Profit before Tax & Exceptional Items	276.98	226.91
Add : Exceptional Items	0.00	0.00
Profit before Tax	276.98	226.91
Less : Provision for taxation (Including Deferred tax)	90.24	73.33
Profit after tax	186.74	153.58
Add : Balance b/d from the previous year	212.77	140.19
Surplus available for appropriations	399.51	293.77
Appropriations		
Transferred to Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961	37.50	31.00
Provision for Standard Assets	5.78	6.56
Provision for NPA	6.10	4.57
Assets W/o as per Co. Act, 2013	0.00	0.28
Def. Tax Liab. on special I.T. Reserve	4.24	4.24
Interim Dividend	0.00	28.28
Dividend Distribution Tax	0.00	5.65
Excess provision	1.35	0.42
Balance carried over to Balance Sheet	344.54	212.77

LENDING OPERATIONS & DISBURSEMENT OF LOANS:

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

- The operating profit before charging depreciation and tax amounted to Rs 285.14 lacs in the year 2015-16 as against Rs. 234.77 lacs in the preceding year; representing a rise of 21.46%.
- Profit after Tax (PAT) before extraordinary items went up by 21.59% to Rs. 186.74 lacs in the year 2015-16 from Rs.153.58 lacs in the previous year.
- As at 31st March, 2016, the loan book stood at Rs. 5328.45 lacs as against Rs. 3867.52 lacs in the previous year marking an increase of 37.77%.
- Disbursements during the year amounted to Rs. 2730.59 lacs in 2015-16 from Rs. 2538.64 lacs in 2014-15.

As part of its liability management, your Company endeavors to diversify its resource base in order to achieve an appropriate maturity structure and minimize the weighted average cost of borrowed funds.

DIVIDEND:

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

CHANGES IN SHARE CAPITAL:

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

UNCLAIMED DIVIDEND:

As at March 31st, 2016, dividend amounting to Rs. 5025/- has not been claimed by shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

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

In terms of the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has made the relevant disclosures to the Ministry of Corporate Affairs (MCA) regarding unclaimed dividends. SRGHFL has uploaded the prescribed information on www.iepf.gov.in and www.srghousing.com.

MANAGEMENT DISCUSSION AND ANALYSIS:

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

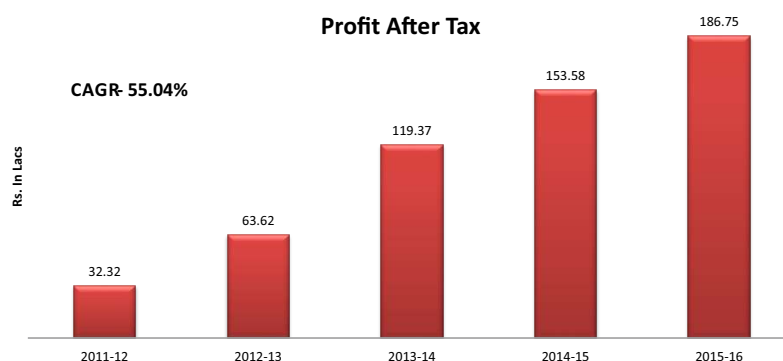
SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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



CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

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

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

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

RELATED PARTY TRANSACTIONS:

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

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:

(<http://srghousing.com/DataImages/download/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf>).

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

RISK MANAGEMENT POLICY:

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

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

CORPORATE SOCIAL RESPONSIBILITY POLICY:

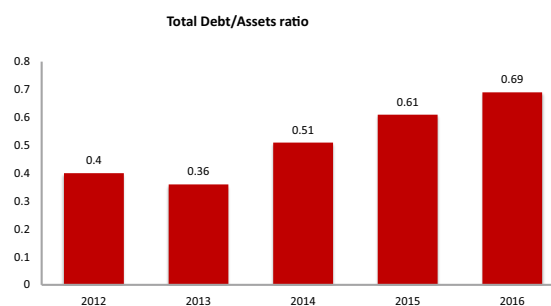
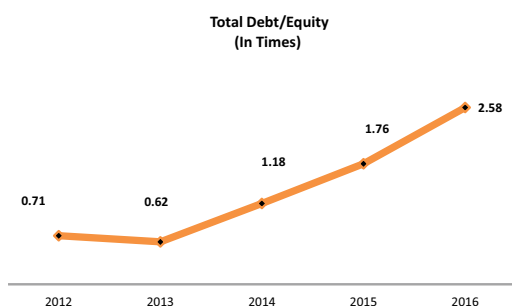
Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, at present the CSR provisions are not applicable on the Company.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

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

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

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



DIRECTORS:

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

Your Directors recommend his re-appointment.

During the year under review, the Board of Directors on the recommendation of Nomination and Remuneration Committee had appointed Shri Nishant Badala as an Additional Director to hold office in the capacity of Non-Executive Independent director in the Company w.e.f. May 14th, 2015 and shareholders of the company in their meeting held on September 10th, 2015 regularized his appointment as Non-Executive Independent Director of the Company.

During the year under review, your Directors revised the remuneration of Mr. Vinod K. Jain, Managing Director, in accordance with the provisions of Companies Act, 2013 in their meeting held on 28.05.2015 and shareholders in their Annual General Meeting held on September 10th, 2015 approved the revised remuneration in addition to his re-appointment as the Managing Director of the Company for a period of three years from May 7th, 2016 on such terms and conditions as approved by Board in consultation with Nomination and Remuneration Committee of the Company.

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

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

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

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

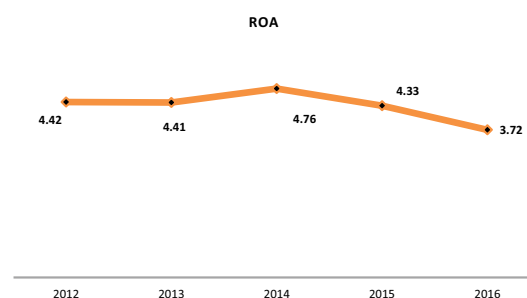
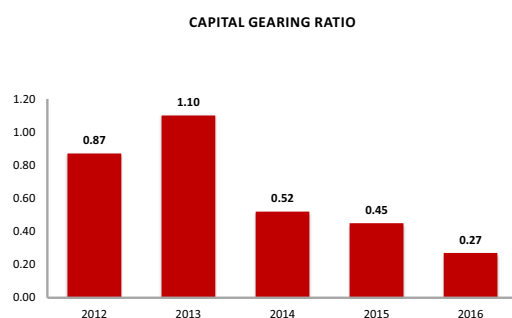
AUDITORS:

Statutory Auditors:

At the 15TH Annual General Meeting held on September 18th, 2014, the members had appointed M/s Valawat Jha Pamecha & Co. Chartered Accountants (registration No. 008265 C) as the statutory auditors of the Company for a period of 3 years upto the conclusion of 18th Annual General Meeting to be held in the year 2017, subject to them ratifying the said appointment at every AGM. The Company has received a confirmation from M/s Valawat Jha Pamecha & Co. Chartered Accountants, to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and rules made there under. The board proposes to the members to ratify the said appointment of M/s Valawat Jha Pamecha & Co. Chartered Accountants.

Secretarial Auditors:

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



QUALIFICATIONS IN AUDIT REPORTS:

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

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

DISCLOSURES:**BOARD MEETINGS:**

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

COMPOSITION OF AUDIT COMMITTEE:

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

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE:

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

COMPOSITION OF STAKEHOLDER'S RELATIONSHIP COMMITTEE:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Since the Company is a housing finance Company, the disclosure regarding particulars of loans given, guarantees given and security provided is exempt under the provisions of Section 186 (11) of the Companies Act, 2013.

As regards investments made by the Company, the details of the same are provided under Note 11 forming part of the annual accounts of the Company for the year ended March 31st, 2016.

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

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

(B) Technology absorption:

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

(C) Expenditure incurred on research and development:

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

(D) Foreign exchange earnings and Outgo:

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

EXTRACT OF ANNUAL RETURN:

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

PARTICULARS OF EMPLOYEES:

As at March 31st, 2016, there was 1 employee employed throughout the year who was in receipt of remuneration of Rs. 60 lacs or more per annum.

In accordance with the provisions of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the name and other particulars of such employee is set out in the Annexure IX to the Directors' Report.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

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

CHANGE IN THE NATURE OF BUSINESS:

There are no changes in the Nature of Business.

DETAILS RELATING TO DEPOSITS:

The Company has been granted registration by the National Housing Bank, New Delhi as a non-deposit taking Housing Finance Company. Being so, the Company has neither accepted in the past nor has any future plans to accept any public deposits, by whatever name called.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

DISCLOSURES ON MANAGERIAL REMUNERATION:

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

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 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 1.65 as at March 31st, 2016 as against 1.43 as at March 31st, 2015.

CAPITAL ADEQUACY:

Particulars as on 31 st March	2016	2015
Capital Adequacy Ratio	49.91%	50.34%

SRGHFL's capital adequacy in the form of CRAR stood at 49.91% as of March 31st, 2016, which is well above the NHB's minimum stipulated requirement of 12%, and entirely in the form of Tier I Capital. High Tier I capital shall provide the Company adequate headroom to raise Tier II capital for future business expansion. This position enables the company to expand the loan book significantly by debt route.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY:

Your Company adhered to the prudential guidelines for Non performing Assets (NPAs), issued by the National Housing Bank (NHB) under its Directions of 2010, 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 NHB, the Company has made provision for contingencies on standard as well as non-performing housing loans and property loans.

A NOTE OF APPRECIATION:

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

Best Wishes

Sd/-

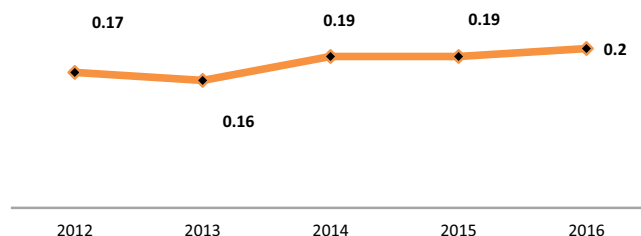
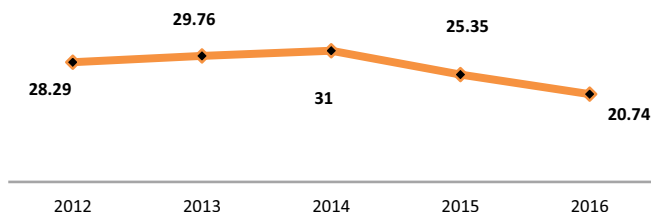
Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-

Rajesh Jain
Director
DIN: 00212393

Date : 12.04.2016

Place: Udaipur

ASSET TURNOVER**CASH PROFIT MARGIN(%)**

Annexure– I

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

Criteria of selection of Non-executive Directors:

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Nomination & Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination & Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Nomination & Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration:

The Non-executive Directors may be paid sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.

Executive Director – Criteria for selection / appointment:

For the purpose of selection of the Executive Director the Nomination & Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Executive Director:

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

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

The remuneration of the Executive Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees:

In determining the remuneration of the Senior Management Employees the Nomination & Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Nomination & Remuneration Committee for its review and approval.

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[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,
SRG Housing Finance Limited,
321, S.M. Lodha Complex, Near Shastri Circle,
Udaipur-313001, Rajasthan, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SRG Housing Finance Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SRG Housing Finance Limited (CIN: L65922RJ1999PLC015440) ("the Company") having its Registered Office at 321, S.M. Lodha Complex, Near Shastri Circle, Udaipur-313001, Rajasthan, India for the financial year ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (repealed w.e.f May 15, 2015)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period) and
- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

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

- a. National Housing Bank (NHB) Act, 1987;
- b. Housing Finance Companies (NHB) Directions, 2010;
- c. Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 (w.e.f. 18th December, 2015 on its applicability)

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

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Udaipur
April 12, 2016

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

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

(As on the financial year ended on March 31st, 2016)

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L65922RJ1999PLC015440
Registration Date:	10.03.1999
Name of the Company:	SRG Housing Finance Limited
Category / Sub-Category of the Company:	Public Company Limited by Shares
Address of the registered office and Contact details:	321, SM Lodha Complex, Near Shastri Circle, Udaipur, Rajasthan-313001 Phone: 0294-2561882, 2412609; Fax:0294-5100098; Email srghousing@gmail.com; website-www.srghousing.com
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Pvt. Ltd. Unit- 1, Luthra Ind. Premises. 1st Flr, 44-E, M Vasanti Marg, Andheri-Kurla Road, Safed Pool, Andheri (E) - Mumbai 400072 Tel. No. 022-28515606; Fax No.022-28512885 E-mail: sharexindia@vsnl.com

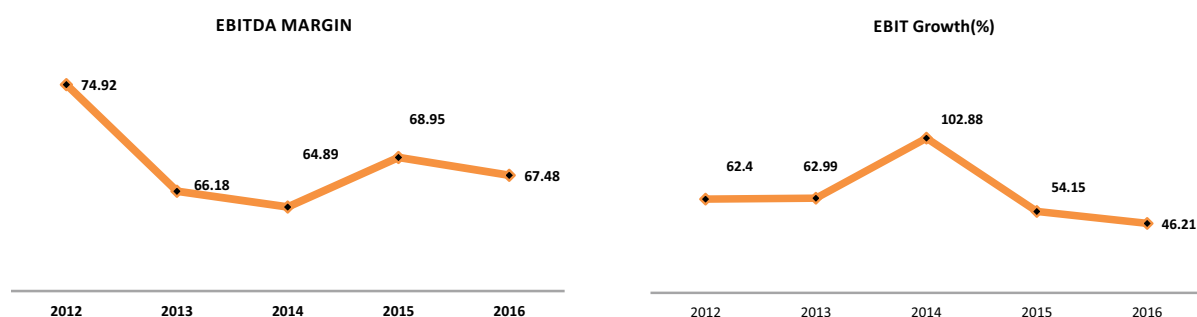
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Housing Finance	65922	99.65%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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



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

i) Category-wise Share Holding

Category code	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		01/04/2015				31/03/2016				
(A)	Shareholding of Promoter and Promoter Group	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	Indian									
a	Individual/Huf	4813290	-	4813290	42.548	5178239	-	5178239	45.774	3.226
b	Central Govt	-	-	-	-	-	-	-	-	-
c	State Govt(s)	-	-	-	-	-	-	-	-	-
d	Bodies Corporate	804299	-	804299	7.110	1004299	-	1004299	8.878	1.768
e	Fins / Banks	-	-	-	-	-	-	-	-	-
f	Any Other specify	-	-	-	-	-	-	-	-	-
	Sub Total (A) (1)	5617589	-	5617589	49.658	6182538	-	6182538	54.651	4.994
2	Foreign									
a	Individuals/ NRI	-	-	-	-	-	-	-	-	-
b	Other- Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks / FII	-	-	-	-	-	-	-	-	-
e	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
f	Any Other Specify	-	-	-	-	-	-	-	-	-
	Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
(A)	Total Shareholding of Promoter and Promoter Group Total (A)= (A) (1)+(A)(2)	5617589	-	5617589	49.658	6182538	-	6182538	54.651	4.994
(B)	Public shareholding									
1	Institutions									
a	Mutual Funds	-	-	-	-	-	-	-	-	-
b	Fins / Banks	-	-	-	-	-	-	-	-	-
c	Central Govt.	-	-	-	-	-	-	-	-	-
d	State Govt.	-	-	-	-	-	-	-	-	-

e	Venture Cap Funds	-	-	-	-	-	-	-	-	-
f	Insurance Comp(s)	-	-	-	-	-	-	-	-	-
g	FII's									
h	Foreign Ven. Capital Funds	-	-	-	-	-	-	-	-	-
i	Any Other - Specify	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2	Non-insitutions									
a	Bodies Corporate									
i.	Indian	1389595	-	1389595	12.283	1271770	-	1271770	11.242	-1.041
ii.	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital up to Rs 1-Lac	506458	-	506458	4.477	513213	-	513213	4.537	0.060
	ii) Individual shareholders holding nominal share capital in excess of Rs1-Lac	3798958	-	3798958	33.581	3345179	-	3345179	29.570	-4.011
c	Others (Specify)									
	Non Resident Indians	-	-	-	-	-	-	-	-	-
	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Clearing Members	100	-	100	0.001	-	-	-	-	-0.001
	Trusts	-	-	-	-	-	-	-	-	-
	Foreign Bodies -DR	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	5695111	-	5695111	50.343	5130162	-	5130162	45.349	-4.994
(B)	Total (B)= (B) (1)+(B)(2)	5695111	-	5695111	50.343	5130162	-	5130162	45.349	-4.994

(C)	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	11312700	-	11312700	100.000	11312700	-	11312700	100.000

(ii) Shareholding of Promoters

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vinod Kumar Jain	1050201	9.283	-	1265150	11.183	-	1.900
2	Pushpa Jain	601671	5.319	-	601671	5.319	-	-
3	Rajesh Jain	560721	4.957	-	560721	4.957	-	-
4	SRG Global Solutions Pvt. Ltd.	525000	4.641	-	525000	4.641	-	-
5	Sulochana Devi Jain	444150	3.926	-	444150	3.926	-	-
6	Seema Jain	443751	3.923	-	543751	4.807	-	0.884
7	Genda Lal Jain HUF	399000	3.527	-	399000	3.527	-	-
8	Vinod Kumar Jain HUF	337890	2.987	-	387890	3.429	-	0.442
9	SRG Global Builders Pvt. Ltd.	226799	2.005	-	226799	2.005	-	-
10	Meenakshi Jain	223965	1.980	-	223965	1.980	-	-
11	Rajesh Jain HUF	204960	1.812	-	204960	1.812	-	-
12	Aarti Prakash Jain	202650	1.791	-	202650	1.791	-	-
13	Genda Lal Jain	168021	1.485	-	168021	1.485	-	-
14	Jikisha Jain	165600	1.464	-	165600	1.464	-	-
15	Hriday Insurance Consultant Pvt. Ltd.	52500	0.464	-	52500	0.464	-	-
16	Dinesh Kumar Lundiya	10500	0.093	-	10500	0.093	-	-
17	Manorma Jain	210	0.002	-	210	0.002	-	-
18	S R G Securities Finance Limited	-	-	-	200000	1.768	-	1.768
	Total	5617589	49.657	-	6182538	54.651	-	4.994

(iii) Change in Promoters' Shareholding

SI No	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015		Share holding at the end of the Year 31/03/2016			
		No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the company	Date	Increasing / Decreasing in share-holding	Reason	No. of Shares % of total Shares of the company]
1	HRIDAY INSURANCE CONSULTANT PRIVATE LTD.	52500	0.464	-	-	-	52500 0.464
2	GENDA LAL JAIN HUF	399000	3.527	-	-	-	399000 3.527
3	VINOD KUMAR JAIN (HUF)	337890	2.987	11-09-2015 31-03-2016	50000 -	Transfer -	387890 387890 3.429
4	SRG GLOBAL SOLUTIONS PRIVATE LIMITED	525000	4.641	-	-	-	525000 4.641
5	SRG GLOBAL BUILDERS PRIVATE LIMITED	226799	2.005	-	-	-	226799 2.005
6	RAJESH JAIN HUF	204960	1.812	-	-	-	204960 1.812
7	DINESH KUMAR LUNDIYA	10500	0.093	-	-	-	10500 0.093
8	GENDA LAL JAIN	168021	1.485	-	-	-	168021 1.485
9	SULOCHANA DEVI JAIN	444150	3.926	-	-	-	444150 3.926
10	VINOD KUMAR JAIN	1050201	9.283	25-09-2015 31-03-2016	214949 -	Transfer -	1265150 1265150 11.183
11	SEEMA JAIN	443751	3.923	25-09-2015 31-03-2016	100000 -	Transfer -	543751 543751 4.807
12	RAJESH JAIN	560721	4.957	-	-	-	560721 4.957
13	PUSHPA JAIN	601671	5.319	-	-	-	601671 5.319
14	MEENAKSHI JAIN	223965	1.980	-	-	-	223965 1.980
15	MANORMA JAIN	210	0.002	-	-	-	210 0.002
16	AARTI PRAKASH JAIN	202650	1.791	-	-	-	202650 1.791
17	JIKISHA JAIN	165600	1.464	-	-	-	165600 1.464
18	S R G SECURITIES FINANCE LIMITED	200000	1.768	04-09-2015 31-03-2016	200000 -	Transfer -	200000 200000 1.768

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

Sr . No.	Name	No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	% of total Shares of the company]	Date	Increasing / Decreasing in shareholding	Reason	Cumulative No. of shares	% of total Shares of the company]
1	VIVEK VASHISHTH	281400	2.487	-	-	-	281400	2.487
2	FATEH LAL GAMETI	199500	1.764	21.08.2015	-185250	Transfer	14250	0.125
				31.03.2016	-	-	14250	0.125
3	KALA TIWARI	189000	1.671	-	-	-	189000	1.671
4	PRAKASH CHAND JAIN	180600	1.596	21.08.2015	-50000	Transfer	130600	1.154
				28.08.2015	-130500	Transfer	100	0.000
				31.03.2016	-	-	100	0.000
5	NIDHI V. ROKADIA	200000	1.768	03.07.2015	200000	Transfer	200000	1.768
				31.03.2016	-	-	200000	1.768
6	GAURAV S JAIN	174720	1.544	-	-	-	174720	1.544
7	DHARMESH CHANDRA JAIN	172200	1.522	-	-	-	172200	1.522
8	AVNISH TIWARI	140700	1.244	-	-	-	140700	1.244
9	AMBITIOUS ASSOCIATES PVT LTD	558960	4.941	03.07.2015	-160000	Transfer	398960	3.526
				31.07.2015	-32000	Transfer	366960	3.243
				28.08.2015	-8000	Transfer	358960	3.173
				30.09.2015	157100	Transfer	516060	4.562
				31.03.2016	-	-	516060	4.562
10	RHYTHM CONSULTANTS PRIVATE LIMITED	469920	4.154	01.05.2015	-24000	Transfer	445920	3.941
				03.07.2015	-200000	Transfer	245920	2.173
				30.09.2015	20000	Transfer	265920	2.351
				31.03.2016	-	-	265920	2.351

11	ARYAMAN CAPITAL MARKETS LIMITED	196800	1.740	01.05.2015	24000	Transfer	220800	1.951
				26.06.2015	33500	Transfer	254300	2.248
				24.07.2015	8000	Transfer	262300	2.319
				04.09.2015	-108	Transfer	262192	2.318
				11.09.2015	2110	Transfer	264302	2.336
				18.09.2015	-2000	Transfer	262302	2.319
				25.09.2015	-1502	Transfer	260800	2.305
				30.09.2015	1000	Transfer	261800	2.314
				09.10.2015	501	Transfer	262301	2.319
				16.10.2015	-1	Transfer	262300	2.319
				06.11.2015	6188	Transfer	268488	2.373
				13.11.2015	502	Transfer	268990	2.378
				20.11.2015	1009	Transfer	269999	2.387
				27.11.2015	-73	Transfer	269926	2.386
				04.12.2015	-117	Transfer	269809	2.385
				11.12.2015	3489	Transfer	273298	2.416
				18.12.2015	550	Transfer	273848	2.421
				25.12.2015	461	Transfer	274309	2.425
				31.12.2015	25	Transfer	274334	2.425
				07.01.2016	285	Transfer	274619	2.428
				15.01.2016	31	Transfer	274650	2.428
				22.01.2016	211	Transfer	274861	2.430
				05.02.2016	70	Transfer	274931	2.430
				12.02.2016	570	Transfer	275501	2.435
				19.02.2016	260	Transfer	275761	2.438
				26.02.2016	39	Transfer	275800	2.438
				04.03.2016	467	Transfer	276267	2.442
				18.03.2016	33	Transfer	276300	2.442
				25.03.2016	-14000	Transfer	262300	2.319
				31.03.2016	-	-	262300	2.319
12	JYOTI VASHISHTH	165900	1.466	-	-	-	165900	1.466

(v) Shareholding of Directors and Key Managerial Personnel:

1. VINOD K. JAIN MANAGING DIRECTOR					
Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1050201	9.283	1050201	9.283
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
2.1	25.09.2015(TRANSFER)	214949	1.900	1265150	11.183
3(1+2)	At the End of the year	1265150	11.183	1265150	11.183

2. RAJESH JAIN DIRECTOR					
Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	560721	4.957	560721	4.957
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
2.1		NO CHANGE			
3(1+2)	At the End of the year	560721	4.957	560721	4.957

3 SEEMA JAIN DIRECTOR					
Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	443751	3.923	443751	3.923
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
2.1	25.09.2015(TRANSFER)	100000	0.884	543751	4.807
3(1+2)	At the End of the year	543751	4.807	543751	4.807

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

V. INDEBTEDNESS

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

	Secured Loans excluding deposits (Rs. In crores)	Unsecured Loans	Deposits	Total Indebtedness (Rs. In crores)
Indebtedness at the beginning of the financial year				
i) Principal Amount	24.64	-	-	24.64
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.25	-	-	0.25
Total (i+ii+iii)	24.89			24.89
Change in Indebtedness during the financial year				
· Addition	20.19	-	-	20.19
· Reduction	3.79	-	-	3.79
Net Change	16.40	-	-	16.40
Indebtedness at the end of the financial year				
i) Principal Amount	40.89	-	-	40.89
ii) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	0.40	-	-	0.40
Total (i+ii+iii)	41.29	-	-	41.29

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. no	Particulars of Remuneration	Name of MD/WTD/ Manager (Rs in Lacs) VINOD K. JAIN (Managing Director)	Total Amount (Rs in Lacs)
	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	79.20	79.20
1.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-----	-----
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-----	-----
		-----	-----
2.	Stock Option	-----	-----
		-----	-----
3.	Sweat Equity		
	Commission	-----	-----
4.	- as % of profit		
	- Others, specify...	-----	-----
5.	Others, please specify		
	Total (A)	79.20	79.20
	Ceiling as per the Act	84.00*	84.00*

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

B. Remuneration to other directors:

Company does not pay any remuneration to other Directors except Managing Director.

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

Sl.no	Particulars of Remuneration	Key Managerial Personnel		
		Hitesh Soni (Company Secretary) Rs. In Lacs	Ashok Kumar (CFO) Rs. In Lacs	Total Rs. In Lacs
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.82	4.52	7.34
	(b) Value of perquisites u/s 17(2) In-come-tax Act, 1961	----	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----	----
2.	Stock Option	----	----	----
3.	Sweat Equity	----	----	----
4.	Commission	----	----	----
	- as % of profit			
	- others, specify...			
5.	Others, please specify	----	----	----
	Total	2.82	4.52	7.34

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT



ECONOMIC OVERVIEW :

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

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

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

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

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

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

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

HOUSING INDUSTRY OVERVIEW :

The launch of “Housing-For-All by 2022” scheme in 2015 heralded a new era in the housing finance sector. It delivered much-needed boost to the real estate and housing finance industry by creating an enabling and supportive environment for expanding credit flow and increasing home ownership. The growth during the year was fairly broad based for the housing finance companies with a keen focus on affordable housing segment. They were at the forefront in catering to the financial needs of the under-banked masses in the rural and semi-urban areas through strong linkages with these segments. Housing finance companies also gained market share during the period which can be attributed to large population base, rising income levels and rapid urbanization. This generated interest among even large corporations to enter and expand into the consumer home loan segment.

The year saw launch of new campaigns by HFCs to raise awareness about the home loans and innovative new products for the customers in the low income bracket. Keeping customer benefit and convenience in mind, HFCs added special features to their products such as the ‘Over-Draft’ facility, enabling borrowers to earn optimal yield on their savings by reducing interest burden on home loans. Such initiatives gave a major fillip to the affordable housing and led to the development of eco-system of developers, customers, regulators and housing finance companies.

The government has been at the forefront in pushing India’s housing finance sector this year. Many new initiatives and policies focused on lending for housing were introduced in the last 12 months. The biggest highlight was to bring housing loans of up to Rs. 50 lakhs under affordable housing and bringing loans up to Rs 28 lakhs in urban and 20 lakhs in other centres under Priority Sector Lending. The decision of the RBI to increase LTV ratio to 90 per cent for loans up to 30 lakhs or less was another positive step which will enable home finance companies to lend more to LMI customers thereby enabling them to own a home.

With the recent notification, 41 housing finance companies were approved under The Securitisation and Reconstruction of Financial and Enforcement of Security Interest Act (SARFESAI) which is a significant step towards bringing HFCs at par with banks by enabling speedier loan recovery. The year also saw grant of 6 new licenses to new entities focused mainly on the affordable housing segment. This will add to the 60 active HFCs in the market and will take us closer to realizing the ‘Vision of Housing for all by 2022.

The decision of the RBI to cut lending rates ahead of festive season was a welcome step. This prompted housing finance companies to reduce home loan rates and come up with innovative products ahead of festive season to boost home purchase among home prospective buyers. Despite the double digit growth and the recent move by government to address key policy bottlenecks, the housing finance industry in India remains under-developed by global standards.

OPPORTUNITIES & THREATS :

The growth in housing and housing finance activities in recent years reflect the optimistic state of the housing finance market in the country. Housing constitutes an important component and a measure of socio-economic status of people. The accessibility of housing finance for people in general has evolved, developed and improved over the years. The financial institutions have come to see good value in funding this component of the economy. With growing number of players and mainly “Scheduled Commercial Banks” becoming very aggressive in this segment; the housing finance sector is increasingly becoming market driven. Overall, the affordability of housing loans clearly appears to have improved with fast growing number of borrowers. The Government is taking continuous efforts to improve housing and habitat conditions by way of financial allocations in the Five Year Plans.

While the future growth outlook of the housing market looks reasonably good, with the sector becoming more demand driven, the challenge lies in its inclusiveness. Presently access to formal credit is mostly available to the people in the formal sector who are salaried and have dominant incomes.

India has got the largest rural population cluster in the world. Today, India’s largest population resides in rural areas. Rural India contributes larger part in GDP as compare to urban cities. Housing loan demand is also increasing in rural India, so there is a need to fulfill all demands of villagers. The government is also bringing schemes so that people can fulfill their dreams by making their houses a dream home. India is the second populous country in the world, so as population increases the demand for home loan will also increase to meet demands. India has got the larger number of working population. India’s proportion of the working age population (15-59 years) is likely to rise from around 58 percent in 2001 to over 64 per cent by 2021. In absolute numbers, around 63.5 million people are expected to enter the working age group between 2011 and 2016. By 2030, India will have the youngest median age of 31.2 years, while China’s will be 42.5 years. When most major economies will see a decline of working age adults (20-64 years), India is expected to see a significant rise in working age adults.

In the coming years India’s urban population would be growing as people are migrating from rural areas to urban cities.

The individual income is also rising and with rise in income the expenditure is also increasing. The increase in the number of middle-class nuclear families is estimated to be over 300 million. India also has the highest proportion of couples with two children (or nuclear families) at 52 per cent, followed closely by Brazil and China at 49 per cent. Correspondingly, India has the least number of single-person households at 3 per cent, compared with 10 and 7 per cent for Brazil and China respectively.

Housing being one of the low risk asset classes for financiers and hence scheduled commercial banks has become very aggressive in this segment, which are having established network across the country and also have access to funds at a relatively cheaper rate. With the active presence of scheduled banks in the housing finance segment, the market dynamics will play a pivotal role in determining the lending rates and consequently will affect the margins of “Standalone housing finance companies”, for which the availability of longer term funds at affordable rates is a cause of concern. The introduction of “Base Rate” system in the Banking resulted in gradual increase in cost of funds for housing finance industry.

However still there is ample scope for the “Housing Finance Industry” to grow, due to huge demand and supply gap existing in housing segment and the consequent need for funding of purchases of shelter across all segments of the population.

LOAN PRODUCTS AND PROCESS :

SRGHFL's major focus has been to provide home loans to individuals and families for purchase, construction and extension. SRGHFL also provides loans for repair and renovation of houses and home loans to families in the self-employed category where formal income proofs are not easily available and the repayment capacity of such families are appraised based on their cash flows. Apart from extending home loans, SRGHFL offers builders loan where financing to builders for their housing projects for purchase of land, conversion and development of land, development of housing colonies, construction of flats, houses, etc. with repayment linked with sale of flats or on EMI basis are made. SRGHFL also offers loan to Non Resident Indians for construction and purchase of Residential properties in India.

Company has a well established and streamlined credit appraisal process. It carries out the Credit Appraisal Process at two levels – one at the satellite centers level and the other at the head office. Once the credit appraisal at the satellite centers level is complete and such borrowers meet the basic eligibility criteria, the application is considered for initial processing at the head office. In order to ensure uniformity in credit approval of prospective borrowers, Company has centralized the credit approval and sanctioning functions at the head office. The loan approval & Disbursement process mainly consists of four simple steps – (i) Appraisal (ii) Security Evaluation (iii) Loan Sanction (iv) Loan Disbursement.

MARKETING EFFORTS :

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

Presently, it has a Head office and 15 satellite centers located in Mavli, Sagwara, Banswara, Chittorgarh, Bhinder, Rajsamand, Dungarpur, Salumber, Rishabdeo, Nathdwara, Bhilwara, Aspur, Jaipur and Jodhpur in Rajasthan and Mumbai in Maharashtra. Further, the company is targeting to expand its market and open more satellite centers which are to be located in tier 2 cities, tier 3 cities, District and Tehsil head quarters and at the peripheries of tier 1 city, which are the key target markets. SRGHFL has a strong marketing team, which has taken steps to serve the customers at their door step which includes appointing Home Loan Agents, Direct Selling Agents and Home Loan Counsellors. The Company also caters to walking customers among others. Besides this, the Company is active in advertising and various marketing arrangements. The company's marketing is totally strategic and policy driven where the company's core moto is “CUSTOMER IS KING”.

DISBURSEMENTS:

SRGHFL disbursed Rs. 2730.59 Lakhs during the year as against Rs. 2538.64 Lakhs in the previous year. The loan portfolio is diversified across Business class, salaried and non-salaried borrowers. The non-salaried borrower base, which the company believes is a relatively under penetrated target segment, comprises Self Employed Professionals (“SEP”) and Self Employed Non-Professional (“SENPs”).

Company's outstanding loan portfolio has grown at a CAGR of 62.88 % over a five year period from Rs. 7.57 crores as of March 31, 2012 to Rs. 53.28 crores as of March 31, 2016. Similarly, profit after tax has grown at a CAGR 55.04 % of over a five year period from Rs. 0.32 crores for Fiscal 2012 to Rs. 1.87 crores for Fiscal 2016.

PROVISION FOR STANDARD ASSETS, NPAS AND CONTINGENCIES:

The requirement relating to creation of a general provision at 0.40% of the total outstanding home loan portfolio, which are standard assets, in terms of the Directions issued by National Housing Bank (NHB). To comply with the above, company made the necessary provision during the year.

The classification of loans and advance and provisions made for non-performing assets is given in the notes on accounts.

REGULATORY GUIDELINES:**NHB GUIDELINES AND PRUDENTIAL NORMS:**

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

SRGHFL's Capital Adequacy Ratio as at March 31st, 2016 was 49.91% as against NHB's prescribed limit of 12%.

CENTRAL REGISTRY:

The Government of India has set up the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) under section 21 of the SARFAESI Act, 2002 to have a central database of all mortgages created by lending institutions. The object of this registry is to compile and maintain data relating to all transactions secured by mortgages. Accordingly, SRGHFL is registered with CERSAI and has been submitting data in respect of its loans. All banks and HFCs which fall under the purview of SARFAESI Act are required to register with CERSAI and submit the data in respect of all properties mortgaged in its favour. The lending Institutions are required to pay fees for uploading of the data of mortgage. SRGHFL has uploaded records in respect of loans disbursed during the year and has paid fees towards the same.

INSPECTION BY NATIONAL HOUSING BANK (NHB):

NHB, under section 34 of the NHB Act, 1987, carries out inspection of HFCs. NHB conducts comprehensive inspection of SRGHFL's lending, resource raising and accounting activities apart from the compliances with the Prudential Guidelines issued by NHB. NHB has not conducted any Inspection for the year 2015-16.

RISK MANAGEMENT :

Liquidity risks and interest rate risks arising out of maturity mismatch of assets and liabilities are managed by SRGHFL by constant monitoring of the maturity profiles with a periodical review of the position. Your Company's majority of housing loan advances are on fixed rate of interest basis and normally any movement in rate of borrowings has direct impact on the company's profitability as if the rate is increased by RBI or lender bank the profitability of the company decreases and vice versa.

Comprehensive risk management practices form an integral part of the operations at SRG HFL. The nature of business the company is engaged in exposes it to a slew of complex and variable risks. The rapid and continuous changes in the business environment have ensured that the organisation becomes increasingly risk focused to achieve its strategic objectives. SRG HFL 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 AUDIT AND CONTROL :

SRGHFL 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. SRGHFL has documented procedures covering all financial and operating functions.

SRGHFL 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 :

The significant dependence of company operations on its IT system SRG HFL also takes initiative in maintaining adequate control for data integrity and its confidentiality. The Application Software and IT System at SRG HFL are upgraded from time to time. A decline in manual intervention has enhanced information accuracy, reduced rework, eliminated process duplication, rationalised the turnaround time in responding to loan requests and strengthened the MIS with real-time transparency leading to proactive remedial action.

SEGMENT REPORTING :

The Company is exclusively engaged in the Housing and Mortgage 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 :

Housing Finance Companies has to manage various risks associated with business. These risks include liquidity risk, interest rate risk, and credit risk. With the tenure of Housing Finance Companies' borrowings being shorter (because of the lack of availability of long-term funds at competitive rates) that of housing loans, asset-liability-mismatch (ALM) risks are inherent in the housing finance business. While prepayment (foreclosures of loans) and unutilized bank credits do help the HFCs maintain a comfortable liquidity profile, such scenario may not continue forever. This issue could be addressed by making "long-term funding sources" at competitive rates through further development of the capital markets and a mortgage backed securitization market.

One general feature observed in many of the housing finance companies is lowering of interest spreads due to increase in cost of funding and competitive rates to be offered on housing loans due to stiff competition from scheduled commercial banks. Upward trend witnessed in property prices and the expected rise in interest rates will impact the affordability of vast number of end users. The Directors and the Management is fully geared to take appropriate and timely action with the objective of becoming financially even stronger in the years to come.

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.

DISCUSSION ON FINANCIAL PERFORMANCE AND OPERATIONAL HIGHLIGHTS:

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

HUMAN RESOURCES / INDUSTRIAL RELATIONS :

The Company aims to align HR practices with business goals, motivate people for higher performance and build a competitive working environment. Productive high performing employees are vital to the company's success. The Board values and appreciates the contribution and commitment of the employees towards performance of your Company during the year. In pursuance of the Company's commitment to develop and retain the best available talent, the Company continued to offer in-house, on job training programme to staff members in executive development, leadership and management skills. The Company had organized various training programs for upgrading the skill and knowledge of its employees in different operational areas. The Company also sponsored its employees at various levels to attend various seminars and programs conducted by various organizations and institutions including Training programs conducted by the National Housing Bank so as to update their knowledge and to keep them abreast of all the developments in their respective fields. Employee relations remained cordial and the work atmosphere remained congenial during the year. SRGHFL's staff strength as at March 31, 2016 was 35.

CAUTIONARY STATEMENT :

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. SRG HFL assumes no responsibility in case the actual results differ materially due to change in internal or external factors.

Place: - Udaipur

Date: - April 12, 2016

For and on behalf of the Board of Directors

Sd/-

Vinod K. Jain

Managing Director

DIN: 00248843

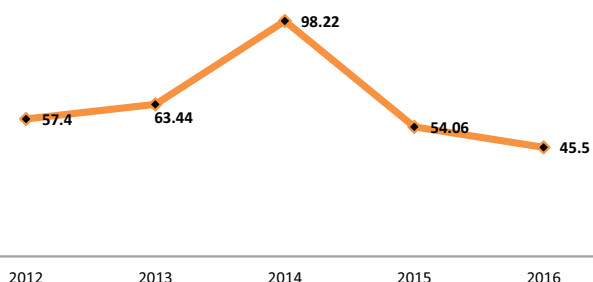
Sd/-

Rajesh Jain

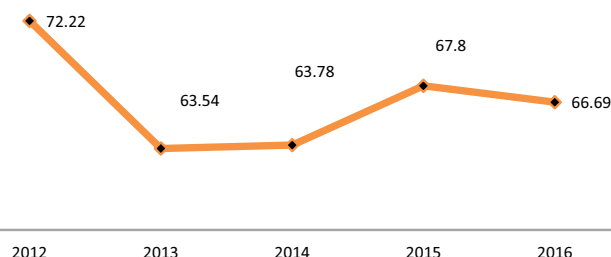
Director

DIN: 00212393

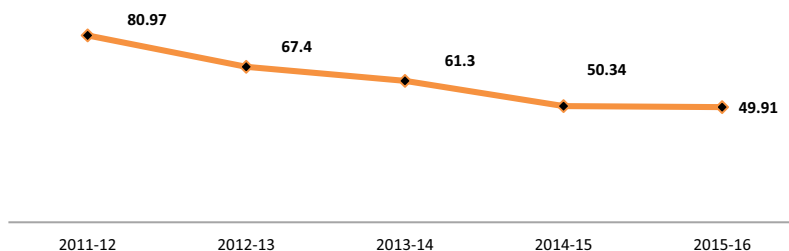
Core EBITDA Growth(%)



EBIT MARGIN



CRAR
(In Percent)



ANNEXURE V

FORM– AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS: NIL

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

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

NAMES OF RE-LATED PARTY	NATURE OF RELATIONSHIP	NATURE OF CONTRACTS	TERMS/ DU-RATION OF CONTRACTS	OUTSTANDING VALUE(as on 31 st March, 2016)	DATE OF APPROVAL BY BOARD/	AMOUNT PAID AS ADVANCES/ SECURITY DEPOSIT
Vinod K. Jain	Managing Director	Salary	3 years	Nil	28.05.2015	Nil
Vinod K. Jain	Managing Director	Rent	5 years	Nil	11.02.2015	Rs. 10.00 Lacs
Vinod Jain HUF	MD is Karta of HUF	Rent	5 years	Nil	14.05.2015	Rs. 7.50 Lacs
Archis Jain	Immediate Relative of MD	Salary	On-going	Rs. 0.92 Lacs	11.08.2015	Nil
Seema Jain	Director	Rent	5 years	Rs. 1.46 Lacs	05.02.2016	Rs. 14.00 Lacs
S R G Securities Finance Limited	Public Company in which 3 Directors are Directors.	Investment	On-going	Rs. 84.11 Lacs	24.11.2015	Nil

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

Sd/-
Rajesh Jain
Director
DIN: 00212393

Annexure – VI

REPORT ON CORPORATE GOVERNANCE

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

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

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

BOARD OF DIRECTORS :

COMPOSITION & CATEGORY OF DIRECTORS:

As on March 31st, 2016 the Board of Directors comprises of six directors, who bring in a wide range of skills and experience to the board. All the directors of the Company, except the Managing Director are Non-Executive Directors. Out of the five non-executive directors, three are independent directors. The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated under the provisions of Section 149(6) of the Companies Act, 2013. All directors are appointed by the members of the Company.

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

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

Category	Name of Directors
Promoter Directors	Mr. Vinod K. Jain, Managing Director Mr. Rajesh Jain, Non Executive Director Mrs. Seema Jain, Non Executive Director
Independent Directors	Mr. Ashok Kabra Mr. Vikas Gupta Mr. Nishant Badala

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

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

None other directors are related to each other.

RESPONSIBILITIES :

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

ROLE OF INDEPENDENT DIRECTORS :

Independent directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing and accountancy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction. The Audit Committee, the Nomination & Remuneration Committee and the Stakeholder's Relationship Committee have a majority of independent directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and as approved by the board, from time to time. Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as directors of the Company.

APPOINTMENT OF INDEPENDENT DIRECTORS :

The Company has 3 (three) Independent Directors on its Board. Two of the Directors viz. Mr. Ashok Kabra and Mr. Vikas Gupta were appointed at the 15th AGM of the Company for a period of 5 years with effect from September 18th, 2014 while Mr. Nishant Badala was appointed at the 16th AGM of the Company for a period of 5 years with effect from May 14th, 2015. All Independent Directors are not liable to retire by rotation.

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

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

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

EVALUATION OF DIRECTORS AND BOARD :

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

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

MEETINGS OF INDEPENDENT DIRECTORS :

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

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES :**NUMBER OF BOARD MEETINGS ALONG WITH DATES:**

The meetings of the Board of Directors are generally held at the Registered Office of the Company. During the year, Board met 11 (Eleven) times. The Board of Directors of the Company had met within a maximum time gap of one hundred and twenty days.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors present
14.05.2015	5	5
25.05.2015	6	6
28.05.2015	6	6
10.07.2015	6	6
11.08.2015	6	6
02.11.2015	6	6
24.11.2015	6	6
16.12.2015	6	6
08.01.2016	6	6
05.02.2016	6	6
04.03.2016	6	6

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

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

Name of Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM	Number of Directorships in other companies	Number of Committee Memberships in other companies	
					Chairman	Member
Mr. Vinod K. Jain	11	11	Yes	2	0	1
Mr. Rajesh Jain	11	11	Yes	1	0	1
Mrs. Seema Jain	11	11	Yes	1	0	0
Mr. Ashok Kabra	11	11	Yes	0	0	0
Mr. Vikas Gupta	11	11	Yes	0	0	0
Mr. Nishant Badala *	10	10	Yes	1	1	0

* Appointed with effect from 14.05.2015.

Notes:

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

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

BOARD COMMITTEES :**COMPOSITION OF BOARD COMMITTEES:**

STAKEHOLDER'S RELATIONSHIP COMMITTEE	RISK MANAGEMENT COMMITTEE
Mr. Vikas Gupta, Chairman of the Committee	Mr. Vinod K. Jain, Chairman of the Committee
Mr. Ashok Kabra - Member	Mr. Rajesh Jain - Member
Mr. Rajesh Jain - Member	Mr. Vikas Gupta - Member

AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE
Mr. Vikas Gupta - Chairman of the Committee	Mr. Ashok Kabra - Chairman of the Committee
Mr. Nishant Badala - Member	Mr. Vikas Gupta - Member
Mr. Ashok Kabra - Member	Mr. Rajesh Jain - Member

COMMITTEE MEETINGS AND ATTENDANCE OF THE MEMBERS:

BOARD COMMITTEES	AUDIT COMMITTEE¹	NOMINATION AND REMUNERATION COMMITTEE	STAKEHOLDER'S RELATIONSHIP COMMITTEE	RISK MANAGEMENT COMMITTEE
Meetings Held	10	5	4	3
<u>Director's Attendance</u>				
Vinod K. Jain*	5	N.A.	N.A.	3
Rajesh Jain	N.A.	5	4	3
Vikas Gupta	10	5	4	3
Ashok Kabra	10	5	4	N.A.
Nishant Badala**	5	N.A.	N.A.	N.A.

*1 Mr. Vinod K. Jain, Member of Audit Committee resigned from the Membership with effect from November 2, 2015.

**1 Mr. Nishant Badala was appointed as a member of Audit Committee with effect from November 2, 2015.

PROCEDURE AT COMMITTEE MEETINGS:**AUDIT COMMITTEE:****COMPOSITIONS:**

The Composition of Audit Committee comprises as follows:

- Mr. Vikas Gupta - Chairman of the Committee
- Mr. Nishant Badala - Member
- Mr. Ashok Kabra- Member

Mr. Vinod Kumar Jain, Member of the Committee resigned from the membership with effect from 02.11.2015 and thus the committee was reconstituted by Board on 02.11.2015 to appoint Mr. Nishant Badala, Independent Director as the member of the Committee.

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

POWERS AND ROLES OF THE COMMITTEE:

The audit committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in SEBI (LODR) Regulations, 2015 and also those specified in section 177 of the Companies Act, 2013. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with legal and statutory requirements, the quarterly 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 10 (Ten) times during the year on the 13.05.2015, 25.05.2015, 09.07.2015, 11.08.2015, 02.11.2015, 23.11.2015, 14.12.2015, 08.01.2016, 05.02.2016, 03.03.2016.

The details of the meetings and attendance are given on page no 39.

NOMINATION AND REMUNERATION COMMITTEE:**COMPOSITIONS:**

The Composition of Nomination & Remuneration committee comprises as follows:

Mr. Ashok Kabra- Chairman of the Committee
Mr. Vikas Gupta- Member
Mr. Rajesh Jain- Member

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

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

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

MEETINGS:

During the financial year 2015-16 the committee met 5 Times on 13.05.2015, 28.05.2015, 10.08.2015, 30.11.2015, 03.03.2016

The details of the meetings and attendance are given on page no 39.

STAKEHOLDER'S RELATIONSHIP COMMITTEE:**COMPOSITIONS:**

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

Mr. Vikas Gupta - Chairman of the Committee

Mr. Ashok Kabra- Member

Mr. Rajesh Jain- Member

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

Mr. Hitesh Soni was the Company Secretary cum Compliance Officer of the Company.

TERMS OF REFERENCE OF THE COMMITTEE:

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

INVESTOR GRIEVANCE REDRESSAL:

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

Meetings: The committee met 4 (Four) times during the year on 28.05.2015, 20.08.2015, 12.10.2015, 07.01.2016.

REMUNERATION POLICY:

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

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

DIRECTOR'S REMUNERATION :**NON-EXECUTIVE DIRECTORS:**

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

EXECUTIVE DIRECTOR:

Detail of the remuneration paid to the executive director during the year is provided in MGT-9.

TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS:

There was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the company during the Financial Year ended 31st March, 2016 except the rent agreement entered into by the Company with Non- Executive Director Mrs. Seema Jain for taking on rent the office premises of the Company.

DETAILS OF SHAREHOLDING OF DIRECTORS AS ON 31st MARCH, 2016:

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

CODES AND STANDARDS :**VIGIL MECHANISM:**

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

PREVENTION OF INSIDER TRADING:

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

FAIR PRACTICE CODE:

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

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT:

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website www.srghousing.com. For the year under review, the Board members and senior management personnel have affirmed compliance with the code of conduct.

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

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

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

DECLARATION BY BOARD:

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

DISCLOSURES :**RELATED PARTY TRANSACTION (RPT):**

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

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

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

ACCOUNTING TREATMENT:

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

GENERAL MEETINGS:

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

Annual General Meetings of the Company:

Venue	Financial Year	Date & Time
Hotel Q, 2 -A New Flora Complex, Near New Pula Bridge, Fatehpura, Udaipur	2012-2013	12 th August, 2013 at 12:15 PM
Hotel Q, 2 -A New Flora Complex, Near New Pula Bridge, Fatehpura, Udaipur	2013-2014	18 th September, 2014 at 12:15 PM
Hotel Ambience Plot No. 8, Near Mahila Police Thana, 100 Feet Road, Roop Nagar, Bhuwana Opposite The Occasion Wedding & Special Event Garden, Udaipur, Rajasthan 313001	2014-2015	10 th September, 2015 at 12:15 PM

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

AGM/EGM	Subject
14 th Annual General Meeting held on 12/08/2013	◆ AMENDMENT IN MAIN OBJECT CLAUSE
15 th Annual General Meeting held on 18/09/2014	◆ APPOINTMENT OF INDEPENDENT DIRECTORS
	◆ BORROWING POWERS
	◆ POWER TO CREATE CHARGE
16 th Annual General Meeting held on 10/09/2015	◆ APPOINTMENT OF MR. NISHANT BADALAAS INDEPENDENT DIRECTOR
	◆ TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MANAGING DIRECTOR
	◆ TO APPROVE TRANSACTION U/S 188 OF COMPANIES ACT, 2013
	◆ TO ADOPT NEW SET OF ARTICLES OF ASSOCIATION
Extra Ordinary General Meeting held on 12/05/2014	◆ INCREASE IN AUTHORISED SHARE CAPITAL
	◆ ISSUE OF BONUS SHARES

POSTAL BALLOT:

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

DEMATERIALISATION OF SHARES:

SRGHFL's shares are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to SRGHFL's equity shares is INE559N01010.

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

MEANS OF COMMUNICATION:

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

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

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

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

MD AND CFO CERTIFICATION:

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

SUBSIDIARY COMPANIES:

The company has no Subsidiary Companies.

GENERAL SHAREHOLDER INFORMATION:**OUTSTANDING ADRS/ GDRS/ WARRANTS**

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

COMMODITY PRICE RISK /FOREIGN EXCHANGE RISK /HEDGING ACTIVITIES:

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

ANNUAL GENERAL MEETING:

Date and time:	22.08.2016 at 12:15 P.M.
Venue:	Hotel Ambience Plot No. 8, Near Mahila Police Thana, 100 Feet Road, Roop Nagar, Bhuwana Opposite The Occasion Wedding & Special Event Garden, Udaipur, Rajasthan 313001
Book Closure Date :	16.08.2016 to 22.08.2016
Financial Year	1 st April to 31 st March

Financial Calendar 2016-17 (tentative):

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

Quarter ending June, 2016	By 15 th August, 2016
Quarter/ Half Year ending September, 2016	By 15 th November, 2016
Quarter ending December, 2016	By 15 th February, 2017
Quarter/ Half Year/ Year ending March, 2017	Within 60 Days from 31 st March, 2017
Annual General Meeting	By September, 2017

PARTICULARS OF DIVIDEND FOR THE YEAR ENDED 31.03.2016:

No Dividend was declared or paid during the year 2015-16

LISTING OF SHARES:

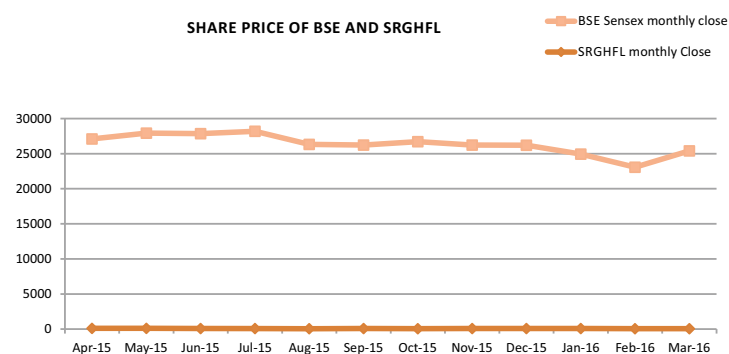
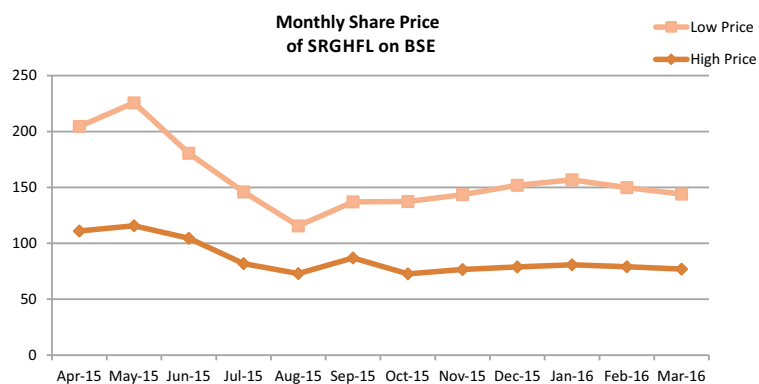
Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	534680
ISIN allotted by Depositories (Company ID Number)	INE559N01010

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

STOCK MARKET DATA:

The Bombay Stock Exchange Limited

Month	Open Price	High Price	Low Price	Close Price	BSE Sensex(monthly close)
Apr-15	96	111	93.5	105	27011
May-15	110.2	115.7	110	110	27828
Jun-15	104.5	104.5	76	81.7	27781
Jul-15	77.7	81.9	64	72	28115
Aug-15	69	73	42.6	47.7	26284
Sep-15	50.05	86.95	50.05	74.15	26155
Oct-15	72.7	72.7	64.65	67	26657
Nov-15	67	76.65	66.95	76.65	26146
Dec-15	77	78.95	73	77	26118
Jan-16	78	80.85	76	76	24871
Feb-16	79	79	70.85	70.85	23002
Mar-16	70	77	67	70	25342



SHAREHOLDING PATTERN AS ON 31ST MARCH 2016:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
a.	Individual/Huf	14	51,78,239	51,78,239	45.774	45.774	-	-
b.	Central/State Gov	-	-	-	-	-	-	-
c.	Fins / Banks	-	-	-	-	-	-	-
d.	Any Other specify- Bodies Corporates	4	10,04,299	10,04,299	8.878	8.878	-	-
	Sub Total (A)(1)	18	61,82,538	61,82,538	54.651	54.651	-	-
2	Foreign							
a.	Indv./NRI For Ind.	-	-	-	-	-	-	-
b.	Government	-	-	-	-	-	-	-
c.	Institutions	-	-	-	-	-	-	-
d.	Foreign Portfolio Investor	-	-	-	-	-	-	-
e.	Any Other Specify	-	-	-	-	-	-	-
	Sub Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group	18	61,82,538	61,82,538	54.651	54.651	-	-
	Total (A)= (A)(1)+(A)(2)							

(B)	Public shareholding							
1	Institutions							
a	Mutual Funds	-	-	-	-	-	-	-
b	Venture Capital Funds	-	-	-	-	-	-	-
c	Alternate Investment Funds	-	-	-	-	-	-	-
d	Foreign Venture Capital Investors	-	-	-	-	-	-	-
e	Foreign Portfolio Investors	-	-	-	-	-	-	-
f	Financial Institutions/ Banks	-	-	-	-	-	-	-
g	Insurance Companies	-	-	-	-	-	-	-
h	Provident Funds/ Pension Funds	-	-	-	-	-	-	-
i	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-
B 2	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-
	Sub-Total -(B)(2)	-	-	-	-	-	-	-
B 3	Non-institutions							
a	Individuals						-	-
	i) Individual share capital upto Rs. 2 Lacs	489	8,41,136	8,41,136	7.435	7.435	-	-
	ii) Individual share capital in excess of Rs. 2 Lacs	39	30,17,256	30,17,256	26.671	26.671	-	-
b	NBFCs registered with RBI							
c	Employee Trusts	-	-	-	-	-	-	-
d	Overseas Depositories holding DRs) (balancing figure)	-	-	-	-	-	-	-
e	Any Other -Bodies Corporates	16	12,71,770	12,71,770	11.242	11.242	-	-
	Sub-Total (B)(3)	544	5130162	5130162	45.349	45.349	-	-
(B)	Total (B)= B)(1)+(B)(2)+(B)(3)	544	5130162	5130162	45.349	45.349	-	-
	TOTAL (A)+(B)	562	11312700	11312700	100.00	100.000	-	-
(C)	Non Promoter Non Public							
(C1)	Shares underlying DRs	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	562	11312700	11312700	100.00	100.000	-	-

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2016:

Number of Equity Shares held	Number of Share holders	Number of Shares	% of Capital
UPTO TO 100	363	4978	0.04
101 TO 200	12	1755	0.02
201 TO 500	17	5768	0.05
501 TO 1000	6	4378	0.04
1001 TO 5000	22	50746	0.45
5001 TO 10000	57	456088	4.03
10001 TO 100000	58	2041059	18.04
100001 TO ABOVE	27	8747928	77.33
Total	562	11312700	100.00

REGISTRAR AND SHARE TRANSFER AGENTS:

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

CORPORATE BENEFITS TO INVESTORS:**DIVIDEND DECLARED:**

Financial Year	Date of Declaration	Dividend Per Share	Type
2014-15	March 11, 2015	Rs. 0.25	Interim Dividend

BONUS ISSUE OF FULLY PAID UP EQUITY SHARES:

Financial Year	Ratio
2012-13	1:2
2014-15	2:5

INFORMATION IN RESPECT OF UNCLAIMED DIVIDENDS DUE FOR REMITTANCE INTO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) IS GIVEN BELOW:

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

Members who have either not received or have not encashed their dividend Cheques for the financial years 2014-2015 are requested to claim the unpaid dividend from the Company before transfer to the above mentioned fund. After transfer of unpaid/ unclaimed dividend amount to the Investor Education and Protection Fund, the same cannot be claimed subsequently. Dividends that have not been claimed by the shareholders for the financial year 2014-15 will have to be transferred to the Investor Education and Protection Fund in April, 2022 in accordance with the provisions of the Companies Act. The details of the unclaimed dividend and the last date for claiming the same, prior to its transfer to the IEPF, are as under:

Financial Year	No. of Members who have not claimed their dividend	Unclaimed Dividend as on 31 st March , 2016	Unclaimed Dividend as % to Total Dividend	Date of Declaration	Last date for claiming the dividend prior to its transfer to IEPF.
2014-15	24	5025	0.17	11.03.2015	10.04.2022

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

REQUEST TO INVESTORS:

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

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

RECONCILIATION OF SHARE CAPITAL:

A quarterly audit was conducted by a practicing company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2016, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 11312700 equity shares representing 100% of the paid up equity capital have been dematerialized as on 31st March 2016.

INFORMATION TO SHAREHOLDERS:

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

NOMINATION FACILITY:

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

PLANT LOCATIONS:

Not Applicable being a Housing Finance Company

ADDRESS FOR CORRESPONDENCE:

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

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

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

Ms. Sunaina Nagar
Company Secretary and Compliance Officer
SRG Housing Finance Limited
321, SM Lodha Complex, Near Shastri Circle, Udaipur, Rajasthan-313001
Tel : 0294-2561882
Fax : 0294-5100098
E-mail: info@srghousing.com

WEBSITE LINKS:

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

Policy on Determination of Materiality	http://srghousing.com/DataImages/download/MATERIALITY%20POLICY.pdf
Archival Policy	http://srghousing.com/DataImages/download/ARCHIVAL%20POLICY.pdf

COMPLIANCE CERTIFICATE OF THE AUDITORS:

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

NON MANDATORY REQUIREMENTS:

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

COMPLIANCE:

The Company has complied with the mandatory requirements as stipulated under SEBI (LODR) Regulations, 2015. The Company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit.

GOING CONCERN:

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

RISK MANAGEMENT COMMITTEE:

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

The Composition of Risk Management committee comprises as follows:

- Mr. Vinod K. Jain - Chairman of the Committee
- Mr. Rajesh Jain- Member
- Mr. Vikas Gupta - Member

The Committee's composition meets with the requirements of Regulation 21 SEBI (LODR) Regulations, 2015 and provisions of the Companies Act, 2013.

THE BOARD:

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

NOMINATION & REMUNERATION COMMITTEE:

A Nomination & remuneration committee has been set up under the chairmanship of Mr. Ashok Kabra and Mr. Vikas Gupta and Mr. Rajesh Jain are the other members of the committee. All the three members are Non-Executive directors with Chairman and a member being Independent Director.

AUDIT QUALIFICATIONS:

The statutory financial statements of the company are unqualified.

SEPARATE POSTS OF CHAIRMAN AND MD:

The Company has appointed only MD of the Company.

REPORTING OF INTERNAL AUDITOR:

The Internal Auditor of the company directly reports to the Audit Committee and/or Managing Director.

DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT UNDER REGULATION 18(3) OF SEBI (LODR) REGULATIONS, 2015

To
The Members

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

Date : 12.04.2016

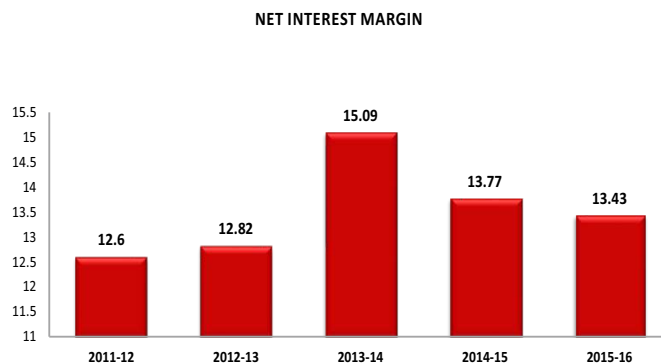
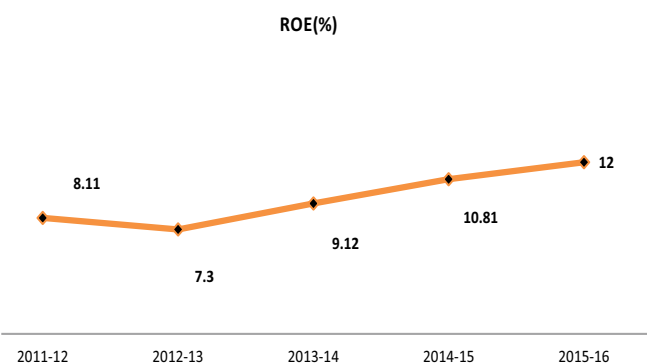
Place: Udaipur

Sd/-

Vinod K. Jain
Managing Director
DIN: 00248843

Sd/-

Rajesh Jain
Director
DIN: 00212393



ANNEXURE VII

CERTIFICATION BY MANAGING DIRECTOR (MD) and CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD

We, Vinod K. Jain, Managing Director and Ashok Kumar, Chief Financial Officer of SRG Housing Finance Limited, certify that:

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

Place : Udaipur
Date : 12.04.2016

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

Sd/-
Ashok Kumar
Chief Financial Officer

ANNEXURE –VIII

DETAILS OF MANAGERIAL REMUNERATION

S.No.	REQUIREMENTS	DISCLOSURES
(I)	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2015-16.	Executive Director Mr. Vinod K. Jain- Managing Director–46.67x
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	Executive Director Mr. Vinod K. Jain- Managing Director– 133.33% KMPs(Other than Managing Director) Mr. Ashok Kumar- 12.50% Mr. Hitesh Soni– 10%
(iii)	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 33.33%
(iv)	The number of permanent employees on the rolls of company	There were 35 permanent employees on the rolls of the Company, as on March 31, 2016.
(v)	The explanation on the relationship between average increase in remuneration and company performance;	The average increase in remuneration of the employees of the Company was in line with the increase in the profitability of the Company. The Company, inter-alia, considers the following factors for deciding upon the increase in the remuneration of the employees: A. Individual performance/ contribution of the Employee vis-à-vis Company Performance. B. Industry Benchmarking C. Balance between fixed and incentive pay reflecting short and long term performance objectives.
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	For the Financial year 2015-16, the total remuneration paid to the KMPs were approx 3.93% of the net profit for the year.
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	The Market capitalisation of the Company has decreased from Rs. 108.60 crores as of March 31, 2015 to Rs. 79.19 crores as of March 31, 2016. Over the same period, the price to earnings ratio moved from 67.13x to 42.42x. The Company's stock price as at March 31, 2016 has increased by 250% to Rs.70/- (BSE) over the last public offering, i.e. IPO as on the date of allotment i.e. 04.09.2012 at the price of Rs. 20/- per share.
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in the remuneration of all employees excluding Managerial Personnels and Directors: 25.77% • Average increase in the remuneration of KMP: 13.46% • Justification: KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

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

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

Particular	% of the Net Profit for the FY 2015-16
Managing Director	42.41%
CFO	2.42%
CS	1.51%

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

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

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

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

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

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

ANNEXURE IX

PARTICULARS OF EMPLOYEES

(Pursuant to section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

S.No.	Particulars	Details of Employee
1	Name	Vinod K. Jain
2	Designation	Managing Director
3	Nature of Employment	Fixed Term
4	Remuneration Received	Rs. 79.20 lakhs
5	Qualification and Experience	Higher secondary with 21 years of experience in Finance and Insurance.
6	Date of Commencement of employment	1 st March, 1999
7	Age	45 Years
8	Last employment held before joining the company	NA
9	Percentage of equity shares held in the company	11.18%
10	Name of Director who are relatives of the employee	Mr. Rajesh Jain, Director- Brother Mrs. Seema Jain, Director- Spouse

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
SRG HOUSING FINANCE LIMITED,

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

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

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

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

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

Date: 12.04.2016
Place: Udaipur

INDEPENDENT AUDITOR'S REPORT

To

The Members

SRG Housing Finance Limited

We have audited the accompanying financial statements of SRG Housing Finance Limited ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a.) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2016.
- b.) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c.) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

For Valawat Jha Pamecha & Co.

Chartered Accountants

(FRN 008265 C)

Place: Udaipur

Dated: 12.04.2016

Sd/-

Jinendra Jain

Partner

M.No. 072995

ANNEXURE TO THE AUDITORS' REPORT

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

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Fixed Assets have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) The company does not have any immoveable property.
2. According to the information and explanations given to us, the Company has not having any Inventory and therefore paragraph 2 of the Order is not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3 of the Order is not applicable.
4. According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
5. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
7. a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, value added tax, service tax, custom duty, excise duty, cess and any other statutory dues as applicable with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2016.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax as at 31st March 2016, which has not been deposited on account of dispute.
8. According to the information and explanations given to us and records of the Company examined by us the company has not defaulted in repayment of loans or borrowing to any financial institution, bank, Government or dues to debenture holders.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The Term loans obtained during the year were applied by the Company for the purpose for which they were obtained

10. According to the information and explanations given to us, we have not noticed or reported any fraud by the Company or any fraud on the Company by its officer or employees during the year.
11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The company is not a Nidhi Company, hence this clause of the Caro 2016 is not applicable to the Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under provisions of section 192 of Companies Act, 2013.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence this clause of the Caro 2016 is not applicable to the Company.
17. As per the Housing Finance Companies (NHB) Directions 2010, we report that:
 - i. The company is registered with NHB under section 29 of NHB Act, 1987 before 12th June, 2000 vide registration no. 02.0032.02 dated 24.05.2002 /02.0056.04 dated 15.04.2004.
 - ii. The company has complied with the provisions of section 29C of the National Housing Bank Act, 1987.
 - iii. The capital adequacy ratio has been shown in the notes of the accounts and which is as per the norms.
 - iv. In case of housing finance company, not accepting public deposit:-
 - a. The Board of Directors has passed resolution for not accepting public deposit.
 - b. The Company has not accepted any public deposit during the year of audit 2015-2016.
 - c. The Company has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.

For Valawat Jha Pamecha & Co.

Chartered Accountants
(FRN 008265 C)

Place: Udaipur

Dated: 12.04.2016

Sd/-

Jinendra Jain

Partner

M.No. 072995

ANNEXURE-A

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SRG HOUSING FINANCE LIMITED

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Valawat Jha Pamecha & Co.

Chartered Accountants

(FRN 008265 C)

Place: Udaipur

Dated: 12.04.2016

Sd/-

Jinendra Jain

Partner

M.No. 072995

Balance Sheet As at 31st March, 2016

Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	113127000	113127000
(b) Reserves and Surplus	2	50934959	34007650
		164061959	147134650
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	388633713	247002524
(b) Deferred Tax Liabilities (net)	4	2156481	796327
(3) Current Liabilities			
(a) Short-term borrowings	5	24315725	1906932
(b) Other current liabilities	6	1988424	2431858
(c) Short-term provisions	7	12415667	9886586
Total		593571969	409158877
II. Assets			
(1) Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		8391025	1304337
(b) Deferred tax assets (net)		0	0
(c) Long Term Portion Housing and Property Loans	9	389757506	299493462
(d) Other non-current assets	10	8768518	8400276
(2) Current assets			
(a) Current Investment	11	8411095	0
(b) Short Term Portion Housing and Property Loans	9	143087988	87258631
(c) Cash and cash equivalents	12	21321864	2730392
(d) Short-term loans and advances	13	13833973	9971779
Total		593571969	409158877

The accompanying notes are an integral part of these financial statements

In terms of our report attached 1 to 33

As per Our Report of even date

For Valawat Jha Pamecha & Co.

Chartered Accountants

FRN : 008265 C

For & On Behalf of the Board

Sd/-

Vinod K. Jain

Managing Director

DIN: 00248843

Sd/-

Seema Jain

Director

DIN: 00248706

Sd/-

(Jinendra Jain)

Partner

Membership No. 072995

Date : 12.04.2016

Place : Udaipur

Sd/-

Rajesh Jain

Director

DIN: 00212393

Sd/-

Ashok Kumar

CFO

Sd/-

Hitesh Soni

Company Secretary

M.NO. A32401

Profit and Loss Statement For the Year ended 31st March, 2016

Particulars	Note No	As at 31 st March, 2016	As at 31 st March, 2015
I. Revenue from operations	14	102180524	68736136
II. Other Income	15	360860	0
Total Revenue		102541384	68736136
II. Expenses:			
Employee benefit expense	16	14265158	7502254
Financial costs	17	40444550	23914586
Depreciation and amortization expense	8	815837	786326
Other expenses	18	18959080	13841775
Provision For Investment	11	358942	0
Total Expenses		74843567	46044941
III. Profit before tax (I-II)		27697817	22691195
IV. Tax expense:			
Current tax		8087755	6746285
Deferred Tax		61918	-110082
Deferred Tax Liabilities on Special I.T. Reserve		874079	696628
V. Profit/(Loss) for the period (III-IV)		18674065	15358364
VI. Earning per equity share:			
Basic & diluted		1.65	1.43

The accompanying notes are an integral part of these financial statements
In terms of our report attached 1 to 33

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

For & On Behalf of the Board

Sd/-	Sd/-
Vinod K. Jain	Seema Jain
Managing Director	Director
DIN: 00248843	DIN:00248706

Sd/-
(Jinendra Jain)

Partner
Membership No. 072995
Date : 12.4.2016
Place : Udaipur

Sd/-	Sd/-
Rajesh Jain	Ashok Kumar
Director	CFO
DIN: 00212393	

Sd/-
Hitesh Soni
Company Secretary
M. NO. A32401

Cash Flow Statement For the year ended 31st March , 2016

(Amount in Rs.)

Particulars	Figures as at end of the current reporting period		Figures as at end of the previous reporting period	
A. Cash flow from operating activities				
Net Profit before tax		27697817		22691195
<u>Adjustments for:</u>				
Depreciation	815837		786326	
Provision for NPA	(609586)		(457047)	
Provision for Standard Assets	(578025)		(656338)	
Other Provision	223954	(147820)	(42339)	(369398)
Operating profit / (loss) before working capital changes		27549997		22321797
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Loans and Advances (Housing & Property Loan)	(146093401)		(122764916)	
Short-term loans and advances	(3862194)		(3438498)	
Other non-current assets	(368242)	(150323837)	10531758	(115671656)
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	(443434)		1855537	
Short-term provisions	2529081	2085647	2812499	4668036
Cash generated from operations		(120688193)		(88681823)
Net income tax (paid) / refunds		8087755		6746285
Net cash flow from / (used in) operating activities (A)		(128775948)		(95428108)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(7902525)	(7902525)	(583788)	(583788)
	(8770037)	(8770037)	0	0
Net addition to Investment				
Net cash flow from / (used in) investing activities (B)	(16672562)	(16672562)	(583788)	(583788)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	0		0	
Security Premium from issue of equity shares	0		0	
Dividend & Dividend Distribution Tax	0		(3393676)	
Proceeds from long-term borrowings	141631189		91774578	
Proceeds from Short-term borrowings	22408793	164039982	1906932	90287834
Net cash flow from / (used in) financing activities (C)		164039982		90287834
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		18591472		(5724062)
Cash and cash equivalents at the beginning of the year		2730392		8454454
Cash and cash equivalents at the end of the year		21321864		2730392

The accompanying notes are an integral part of these financial statements

In terms of our report attached

1 to 33

As per Our Report of even date

For Valawat Jha Pamecha & Co.

Chartered Accountants

FRN : 008265 C

For & On Behalf of the Board

Sd/-

Vinod K. Jain

Managing Director

DIN:00248843

Sd/-

Seema Jain

Director

DIN: 00248706

Sd/-

(Jinendra Jain)

Partner

Sd/-

Rajesh Jain

Director

DIN: 00212393

Sd/-

Ashok Kumar

CFO

Membership No. 072995

Date : 12.04.2016

Place : Udaipur

Sd/-

Hitesh Soni

Company Secretary

M.NO.- A32401

SRG HOUSING FINANCE LIMITED

AS AT 31.03.2016

SIGNIFICANT ACCOUNTING POLICIES :

1. Basis of preparation

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

2. Income Recognition

Interest income on housing / other loans and other dues are accounted on accrual basis. Housing / other loans are classified into "Performing and non-performing assets in terms of the directions issued by the NHB from time to time". Income recognition on non-performing advances are made in accordance with the NHB guidelines. Fees and additional interest income on delayed EMI/Pre-EMI are recognized on receipt basis.

3. Interest on Housing Loans

Repayment of the Housing Loans is by way of equated monthly installments (EMIs) comprising principal and interest. The interest is calculated on the outstanding balances at the beginning of the month. EMIs commence once the entire loan is disbursed. Pending commencement of EMI, pre-equated monthly installment interest (PEMI) is payable every month.

4. Income from Investment

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

5. Fixed Assets and Depreciation

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

6. Provision on Non-Performing Assets & 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 NHB. Provisions for non-performing assets and for diminution in investment value are made in the accordance with the NHB guidelines.

7. Investments

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

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

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

8. Retirement Benefits :-

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

i) Gratuity

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

ii) Pension

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

9. Accounting For Taxes On Income

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

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

10. Earnings Per Share

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

Earnings per share (EPS) is calculated as follows:

Particulars	2015-16	2014-15
Net profit after tax	18674065	15358364
Weighted Average Number of Equity Shares (No's)	11312700	10763669
Earnings Per Share - Basic and Diluted	1.65	1.43

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st March 2016

1. SHARE CAPITAL	As at 31 st March, 2016	As at 31 st March, 2015
Authorised Share Capital :		
1,20,00,000 Equity Shares of Rs. 10 /- Each (P.Y. 1,20,00,000 Equity Shares of Rs. 10/- Each)	120000000	120000000
Issued , Subscribed & Paid up :		
(1,13,12,700 Equity shares of Rs. 10 / - Each) (P.Y. 11312700 Equity shares of Rs. 10 /- Each)	113127000	113127000
Total	113127000	113127000

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

	As at 31 st March, 2016		As at 31 st March, 2015	
	Number	Amount	Number	Amount
Share outstanding at the beginning of the year	11312700	113127000	8080500	80805000
Share issued during the year	-	-	-	-
Bonus share issued during the year	0	0	3232200	32322000
Initial Public Offering (IPO)	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11312700	113127000	11312700	113127000

The details of Shareholding more than 5 % shares

Name of the shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares Held	%	No. of Shares Held	%
Vinod Jain	1265150	11.18	1050201	9.28
Pushpa Jain	601671	5.32	601671	5.32

Terms/Rights attached to Equity Shares

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.

2. RESERVE AND SURPLUS :	As at 31 st March, 2016	As at 31 st March, 2015
Special Reserve		
In accordance with section 36(1)(viii) of Income tax act, 1961 and Section 29(C) of NHB Act 1987		
As per Last Balance Sheet	10013400	6913400
Add : Transferred from Profit and Loss Account	3750000	3100000
Total	13763400	10013400
Securities Premium Reserve		
As per Last Balance Sheet	2718000	35040000
Add: Received during the year	0	0
Less: Utilized for issue of bonus shares	0	32322000
Total	2718000	2718000
Surplus		
As per last Balance Sheet	21276250	14019320
Add : Profit for the year	18674065	15358364
Total	39950315	29377684

Less : Appropriations		
Transfer to Special Reserve *	3750000	3100000
Provisions for NPA	609586	457047
Provisions for standard Assets	578025	656338
Assets W/o as per co. act 2013	0	27877
Def. Tax Liab. On special I.T. Reserve	424157	424157
Excess Prov.	134988	42339
Interim Equity Dividend**	0	2828210
Dividend Distribution Tax	0	565466
	5496756	8101434
	34453559	21276250
Total	50934959	34007650

* As per section 29C of the NHB Act, 1987, the company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under section 36 (1) (VIII) of The income Tax Act, 1961 is considered to be an eligible transfer. The Company has transferred an amount of Rs.37.50 Lacs (Previous Year Rs. 31.00 Lacs) to special reserve in terms of Section 36 (1) (Viii) of the income Tax Act, 1961. The Company doesn't anticipate any withdrawal from special reserve in foreseeable future.

3. LONG TERM BORROWINGS :	As at 31st March, 2016	As at 31st March, 2015
Secured		
Term Loan From State Bank of India	384034213	247002524

(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 the director)

Term Loan-1 Rs 400.00 Lacs -Repayable in 54 months @ Rs.7.50 lacs for 53 months and last installment being 2.50 lacs. Outstanding at the year end Rs. 101.10 lacs

Term Loan-2 Rs 1250.00 Lacs -Repayable in 54 months @ Rs.23 lacs for 53 months and last installment being 31 lacs. Outstanding at the year end Rs.707.52 lacs

Term Loan-3 Sanction Rs. 3000.00 Lacs ,Repayable in 60 months @ Rs 50.00 lacs PM w.e.f. May-2016 , Loan Outstanding at the year end Rs.3031.72 lacs

Term Loan From ICICI Bank	4599500	0
Secured against Hypothecation of Car repayable in 36 months @ 148200 PM w.e.f. May 2016		
Total	388633713	247002524

4. DEFERRED TAX LIABILITIES/(ASSETS) NET :	As at 31st March, 2016	As at 31st March, 2015
(Timing difference of depreciation under Co. Act and Income Tax Act)	61918	(324458)
Deferred Tax Liability		
Sepecial Reserve u/s 36(1) (viii) of Income Tax Act, 1961	2094563	1120785
Total	2156481	796327

5. SHORT TERM BORROWINGS :	As at 31st March, 2016	As at 31st March, 2015
Secured		
Loans repayable on Demand (From Bank)		
From : State Bank of India		
Working Capital Loans	24315725	1906932
Total	24315725	1906932

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 the director)

As at 31 st March, 2016	As at 31 st March, 2015
------------------------------------	------------------------------------

6. OTHER CURRENT LIABILITIES :

Expenses Payable	1309522	689226
Unclaimed Dividend	5025	435963
Other Current Liabilities	673877	1306669
Total	1988424	2431858

7. SHORT TERM PROVISIONS :

Provision for Taxation	8087755	6746285
Provision for NPA	1694701	1085115
Provision for standard Assets	2633211	2055186
Total	12415667	9886586

8. FIXED ASSETS

FIXED ASSETS									
PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS AT 01.04.15	ADD	Trans- fer*	AS AT 31.03.2016	AS AT 01.04.15	FOR THE YEAR	AS AT 31.03.2016	AS AT 31.03.2016	AS AT 31.03.15
TANGIBLE ASSETS									
Computers	445532	140000	0	585532	415816	41057	456873	128659	29716
Office Equipments	397792	1090746	0	1488538	290140	324878	615018	873520	107652
Motor Cars	4494495	5558761	0	10053256	3588727	308089	3896816	6156440	905768
Franking Machine	180110	0	0	180110	129266	29446	158712	21398	50844
Furniture & Fixture	240690	1009548	0	1250238	30333.00	103486	133819	1116419	210357
Motor Cycles	0	103470	0	103470	0	8881	8881	94589	0
Total	5758619	7902525	0	13661144	4454282	815837	5270119	8391025	1304337
Previous Year	5202708	583788	-27877	5758619	3667956	786326	4454282	1304337	1534752

9. LONG TERM HOUSING & PROPERTY LOANS :	Non Current Portion		Current Portion	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Secured considered good unless stated otherwise				
Housing Loans	334634886	230520957	118325619	69690727
Property Loans (LAP)	55122620	68972505	24762369	17567904
Total	389757506	299493462	143087988	87258631

10. OTHER NON CURRENT ASSETS :	As at 31 st March, 2016	As at 31 st March, 2015
Advance against Office Booking	1500000	1500000
Security Deposit	5000	5000
Deferred Expenses	4113518	5895276
Rent Deposit	3150000	1000000
Total	8768518	8400276

11. CURRENT INVESTMENT :			As at 31 st March, 2016		As at 31 st March, 2015	
Trade Investment						
Investment in Equity Instruments - Quoted			Face Value	Nos.	Amount	Nos. Amount
ADANI TRANSMISSION LTD			10	1000	39109	0 0
ALEMBIC LTD.			2	1000	50412	0 0
APL APOLLO TUBES LTD.			10	50	23243	0 0
BALMER LAWRIE & CO.LTD			10	750	479243	0 0
BHARAT GEARS LTD.			10	400	40957	0 0
EXCEL CROP CARE LTD.			5	250	239907	0 0
GABRIEL INDIA LTD.			1	500	48791	0 0
GUJARAT INDUSTRIES POWER CO.LTD.			10	500	47089	0 0
GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD.			10	500	35505	0 0
GOLDIAM INTERNATIONAL LTD.			10	1000	56224	0 0
GUJARAT STATE FERTILIZERS & CHEMICALS LTD			2	500	38509	0 0
INDRAPRASTHA MEDICAL CORP.LTD.			10	400	30341	0 0
IPCA LABORATORIES LTD			2	100	84860	0 0
IVP LTD.			10	600	65648	0 0
KEC INTERNATIONAL LTD.			2	200	32467	0 0
MIRC ELECTRONICS LTD			1	1000	20841	0 0
MPL PLASTICS LIMITED			10	6000	149432	0 0
MANGALORE REFINERY & PETROCHEMICALS LTD.			10	1000	81356	0 0
MUKAND LTD.			10	500	25266	0 0
NEYVELI LIGNITE CORPORATION LTD.			10	1000	93082	0 0
PTC INDIA FINANCIAL SERVICES LTD.			10	10000	470610	0 0
RASANDIK ENGINEERING INDUSTRIES INDIA LTD.			10	300	26907	0 0
SMARTLINK NETWORK SYSTEMS LTD.			2	16443	1841442	0 0
S R G SECURITIES FINANCE LIMITED			10	150000	4194677	0 0
TINPLATE COMPANY OF INDIA LTD.			10	500	38544	0 0
TAMIL NADU NEWSPRINT & PAPERS LTD.			10	2500	506022	0 0
ZENSAR TECHNOLOGIES LTD.			10	10	9552	0 0
Total				197003	8770037	0 0
Aggregated Market Value of Quoted Investment					8411095	
Provision for Diminution in value of Investment					358942	

12. CASH & CASH EQUIVALENTS :		
Cash on Hand	1346131	1620887
Balance With Banks		
A. In Current Account	693186	646827
B. Deposits having balance maturity of more than 12 month (Deposit amounting to Rs. 1.90 Cr. Under lien with State bank of India)	19278948	26715
C. Balance in unpaid dividend bank account	3599	435963
Total	21321864	2730392

13. SHORT TERM LOANS AND ADVANCES :		
Unsecured Considered Good		
Advance Tax and TDS	8489859	6862325
Interest Accrued but not due	4991081	2956813
Others-Stock on Stamps	34148	12628
Prepaid Exp.	40411	38889
Other Advance	278474	101124
Total	13833973	9971779

	As at 31 st March, 2016	As at 31 st March, 2015
14. REVENUE FROM OPERATIONS		
Interest on Housing loans	83834916	50475482
Interest on Property Loans	18003128	17960189
Other Income from operations	342480	300465
Total	102180524	68736136
15. OTHER INCOME		
Dividend	53245	0
Net Profit from sale of current Investment	307615	0
	360860	0
16. EMPLOYEE BENEFIT EXPENSES :		
Salaries to Employees	6345158	3992254
Directors Remuneration	7920000	3510000
Total	14265158	7502254
17. FINANCIAL COST :		
Interest on working Capital loan	1592612	2903776
Interest on term loan	38330903	19376680
Other Interest	403	64125
Bank Charges	520632	1570005
Total	40444550	23914586
18. OTHER EXPENSES :		
Advertisement	1069033	533996
Auditors Remuneration	75000	65000
Internal Audit Fees	30000	30000
Vehicle Running & Maintenance	735703	571009
Computer Maintenance	78710	444668
Electricity	76767	64202
Insurance	49062	5984
Legal & Professional Fees	769380	700542
Office Expenses	765652	95796
Postage and Telegramme	8537	7564
Printing and Stationery	664253	106512
Rent	1552005	427560
Telephone	179394	81405
Travelling	856168	278845
Commission	2640000	4425250
Consultancy Fees	230000	112360
Customer Verification Fees	393150	0
Business Promotion Exp.	2351519	1385612
Recovery and Inspection	934991	301760
Satellite Centre	3213238	350059
Market Maker Fees	0	2247200
Miscellaneous Exp. Written Off	1781758	1281758
Other Expenses	504760	324693
Total	18959080	13841775

19. AUDITORS REMUNERATION INCLUDES:

(Rs. In Lakhs)

Particulars	31.03.2016	31.03.2015
Audit Fees	0.50	0.40
Taxation Fees	0.10	0.10
R.O.C. Matters & Certification	0.15	0.15
Total	0.75	0.65

20. RELATED PARTY DISCLOSURES :

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

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

Mr. Vinod K Jain, Managing Director

Seema Jain, Director

Vinod Jain HUF

Archis Jain (Relative of Director)

S R G Securities Finance Limited (Associated / Related Entity)

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

Directors Remuneration- (Salary)	Rs. 79.20 Lakhs (Previous year Rs.35.10 Lakhs)
Office Rent	Rs. 14.16 Lakhs (Previous year Rs.2.78 Lakhs)
Salary	Rs. 6.00 Lakhs (Previous year Rs.0.00 Lakhs)
Investment in shares	Rs. 41.95 Lakhs (Previous year Rs.0.00 Lakhs)

21. In the opinion of management the current assets and advances are approximately of the value as stated if realized in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate and not in excess / shortage of the amount reasonably necessary.
22. During the year one employee (Managing Director) was getting salary more than Rs. 60, 00,000/-p.a.
23. All the balances of Sundry Creditors, Loans and Advances are subject to confirmation.
24. The previous year figure have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.
25. The Company have complied all the prudential norms prescribed by National Housing Bank on income recognition, accounting standards, assets classification, provisions for Bad & doubtful debts, capital adequacy and credit / investment Concentration .
26. The company does not have any exposure in foreign currency at the year end.
27. The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation. etc. of houses to Individuals, Corporate Bodies, Builders and Co-operative Housing Societies and or loan against properties and has its operations within India. Accordingly, there are no separate reportable segments, 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.
28. National Housing Bank (NHB) vide its circular no NHB(ND)DRS/Policy circular 62/2014 dated 27th May 2014 directed Housing Finance Companies to provide for deferred tax liability in respect of the balance in the Special reserve created under section 36(i)(viii) of the Income Tax Act,1961 further NHB vide its policy circular dated 22nd August 2014, has clarified that such contingent deferred tax liability in respect of opening balance in the Special Reserve as at 1st April,2014 may be created by adjusting the opening reserves of the Company over a period of three years. Accordingly, Company has adjusted its opening general reserve as at 1st April, 2015 with an amount of Rs. 4.24 Lakhs as contingent deferred tax liability and the unamortized amount against the same is Rs. 8.48 Lakhs.

The contingent deferred tax liability of Rs 8.74 Lakhs in respect of the amount appropriated to Special Reserve during the year ended on 31st March, 2016 has been charged to Statement of Profit & Loss and deferred tax liability on Special reserve created under section 36(i)(viii) of the Income Tax Act,1961 has been created as per NHB Direction. For comparability, DTL charged to statement of Profit & Loss has been separately disclosed in the above a/c.

29. As required by the revised guidelines dated 11th October, 2010 by NHB read with additional requirements/guidelines with reference to the interpretation of various terms/ classifications, the following additional disclosures are given as under :

29.1 CAPITAL TO RISK ASSETS RATIO (CRAR)

Items		31 st March , 2016	31 st March , 2015
i)	CRAR (%)	49.91	50.34
ii)	CRAR- Tier I Capital (%)	49.91	50.34
iii)	CRAR- Tier II Capital (%)	0	0

29.2 Asset Liability Management

Maturity Pattern of certain items of assets and liabilities

(Rs. In Lakhs)

	1 day to 14 days	15 day to 30-31 days	Over one month to 2 months	Over 2 month upto 3 Months	Over 3 month to 6 months	Over 6 month to 1 years	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 year to 7 years	Over 7 year to 10 years	Over 10 years	Total
Liabilities												
Borrowing from banks	314.00	0.00	81.60	81.61	244.89	490.04	1665.88	1201.47	50.00	0.00	0.00	4129.49
Market borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets												
Advances	80.71	51.65	120.89	133.91	315.85	727.87	2065.33	1390.99	317.21	121.52	2.52	5328.45
Investment	84.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	84.11
Other Liquid Assets	213.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	213.22

29.3 Exposure to Real Estate Sector

Category	Current Year	Previous Year
a) Direct exposure		
(I) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Individual Housing Loan up to Rs. 15 Lakh	1455.27 2561.40	1362.64 1152.49
(II) Commercial Real Estate - Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	1311.78	1352.39
(iii) Investment in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	0.00	0.00
b. Commercial Real Estate	0.00	0.00
b) Indirect Exposure Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	0.00	0.00

30. Classification of Loans and Provisions made for Non Performing Assets are as under:

Particulars	For the year ended 31-3-2016					For the year ended 31-3-2015				
	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
Housing Loan	4490.73	19.10	19.78	0.00	4529.61	2976.98	14.64	10.50	0.00	3002.12
Property Loan	783.94	0.00	14.90	0.00	798.84	850.50	0.00	14.90	0.00	865.40
Total loans	5274.67	19.10	34.68	0.00	5328.45	3827.48	14.64	25.40	0.00	3867.52
Provision-Housing Loan	21.66	2.87	8.12	0.00	32.65	15.93	2.19	4.93	0.00	23.05
Property Loan	4.67	0.00	5.96	0.00	10.63	4.62	0.00	3.73	0.00	8.35
Total Provision	26.33	2.87	4.08	0.00	43.28	20.55	2.19	8.66	0.00	31.40

31. Details of movement in provisions

Particulars	Opening as on 1.04.2015	Provisions made during the year	Provisions reversed/adjusted	Closing as on 31.03.2016
Bad & Doubtful Debts	10.85	6.10	0.00	16.95
Taxation	67.46	80.88	67.46	80.88
Standard Assets	20.55	5.78	0.00	26.33
Investment	0.00	3.59	0.00	3.59

32. In terms of requirement of NHB's Circular No. NHB(ND)/DRS/Pol.Circular.61/2013-14 dated April 7, 2014 following information on Reserve Fund under Section 29C of the NHB Act, 1987 is provided

(Rs. In Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
Balance at the beginning of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987.	22.68	14.22
b) Amount of special reserve u/s 36 (1) (viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29 C of the NHB Act, 1987	77.45	54.91
c) Total	100.13	69.13
Addition/Appropriation/Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	9.21	8.46
b) Amount of special reserve u/s 36 (1) (viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29 C of the NHB Act, 1987	28.29	22.54
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	0.00	0.00
b) Amount withdrawn from the Special Reserve u/s 36(1) (viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	0.00	0.00
Balance at the end of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	31.89	22.68
b) Amount of special reserve u/s 36 (1) (viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of NHB Act, 1987	105.74	77.45
c) Total	137.63	100.13

33. Notes on Financial statements 1 to 32 are annexed and forming part of the Balance Sheet and Profit & Loss account.

For VALAWAT JHA PAMECHA & CO.

Chartered Accountant

FRN: 008265 C

For & on behalf of the Board

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

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

Sd/-
(RAJESH JAIN)
Director
DIN: 00212393

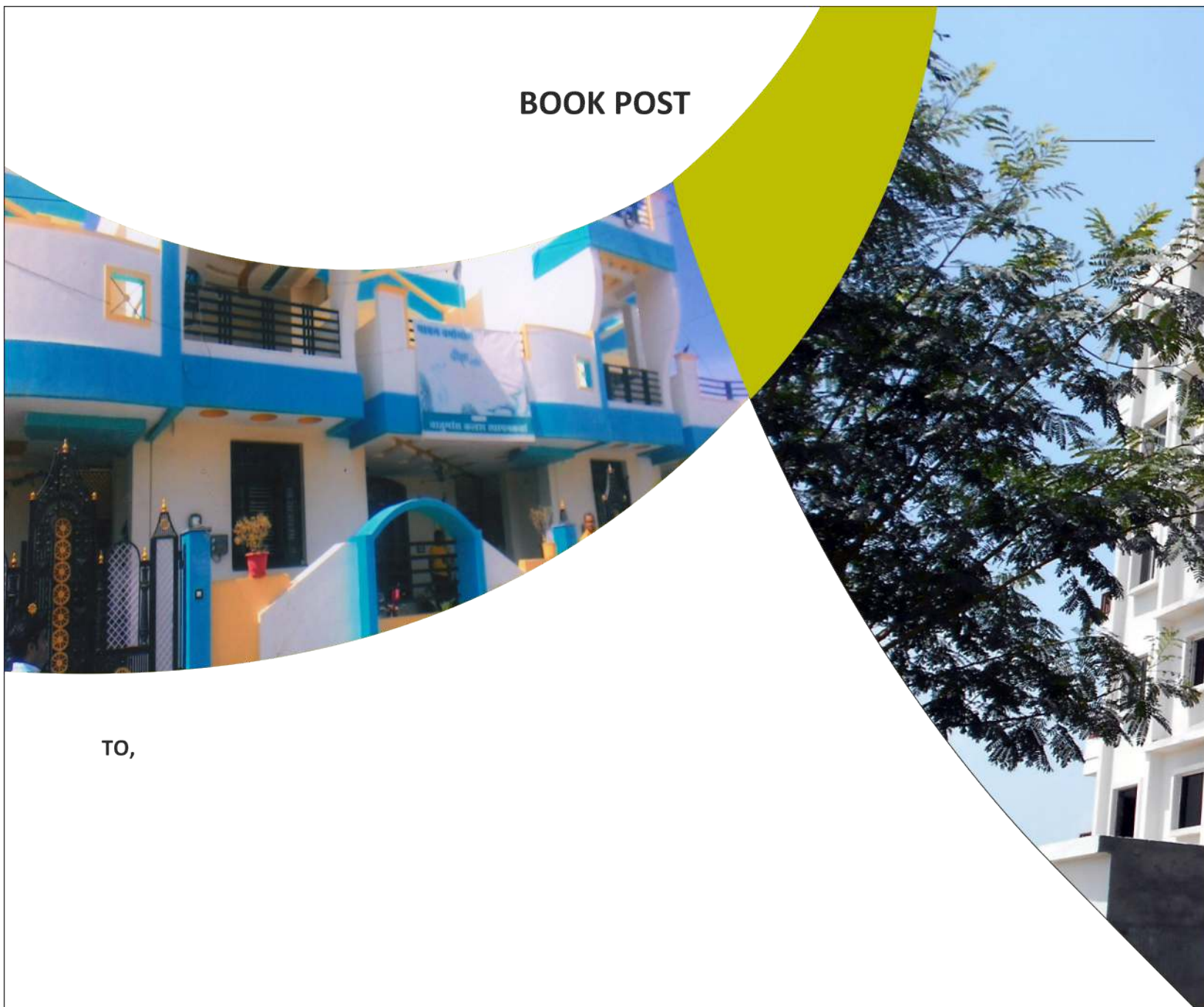
Sd/-
(SEEMA JAIN)
Director
DIN: 00248706

PLACE: UDAIPUR
DATE: 12.04.2016

Sd/-
(ASHOK KUMAR)
CFO

Sd/-
(HITESH SONI)
Company Secretary
M.NO. A32401

BOOK POST



TO,

IF UNDELIVERED PLEASE RETURN TO:-
SRG HOUSING FINANCE LIMITED
321, S. M. LODHA COMPLEX, NEAR SHASTRI CIRCLE
UDAIPUR , RAJASTHAN-313 001
CIN: L65922RJ1999PLC015440

