



**S P CAPITAL**

**FINANCING LIMITED**

**35th**

---

**ANNUAL REPORT**

**2017-2018**



**Board of Directors**

Shri Siddharth S. Bharill	Chairman (Independent Director)
Shri S.P.Jain	Managing Director
Shri D. P. Jain	Director
Shri Baldev L. Boolani	Independent Director
Mrs. Meena S Jain	Director

**BOARD COMMITTEES:**

**Audit Committee**

Shri Siddharth S. Bharill	Chairman
Shri Baldev Boolani	Member
Shri S.P. Jain	Member

**Auditors**

M/s. SANJAY RAJA JAIN & CO  
Chartered Accountants

**Chief Financial Officer**

Mr. Sandeep Gopale

**Stakeholders Relationship Committee**

Shri Siddharth S. Bharill	Chairman
Shri S.P.Jain	Member
Mrs.Meena S Jain	Member

**Bankers**

Central Bank of India  
HDFC Bank

**Nomination and Remuneration Committee**

Shri Baldev L Boolani	Chairman
Shri Siddharth S. Bharill	Member
Mrs. Meena Jain	Member

**35<sup>th</sup> ANNUAL GENERAL MEETING:**

DATE : 29<sup>th</sup> September, 2018  
TIME : 3.00 p.m.  
VENUE : 908, Dalamal Tower,  
211, Nariman Point, Mumbai-21.

**Secretarial Advisor**

Mr. Martinho Ferrao & Associates  
Practicing Company Secretary  
Mumbai.

**WEBSITE:** www.spcapital.in

**Registrar and Transfer Agents**

**Bigshare Services Pvt Ltd**

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E), Mumbai - 400059.  
Tel.No. : 022 - 62638200  
Fax No. : 022 - 62638299  
E-Mail : investor@bigshareonline.com

**Office Registered**

908, Dalamal Tower,  
211, Nariman Point, Mumbai - 400 021.  
Tel.: 40372424/40372403  
E-Mail: spcapitalfin@gmail.com

**Equity Shares are listed on**

Bombay Stock Exchange

**CONTENTS**

Notice	1
Directors' Report	10
Auditors' Report	38
Balance Sheet	44
Profit & Loss Account	45
Cash Flow Statement	46
Significant Accounting Policies	47-49
Notes on Financial Statements	50-57
Auditors Report for Consolidated	58-61
Consolidated Balance Sheet	62
Consolidated Statement for Profit & Loss	63
Consolidated Cash Flow Statement	64
Significant Accounting Policies	65-67
Notes on Financial Statements	68-78
Schedule to the notes appended	79



**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE 35<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF S.P. CAPITAL FINANCING LIMITED WILL BE HELD AT 908, DALAMAL TOWER, 211, NARIMAN POINT, MUMBAI - 400 021 ON SATURDAY, SEPTEMBER 29, 2018 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the Company for the year ended on 31<sup>st</sup> March, 2018 (including audited consolidated financial statement) and the Reports of the Directors' and the Auditor's thereon.
2. To appoint a Director in place of **Mr. Dhannalal P Jain (DIN: 00076679)**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Mr. S P Jain (DIN: 00004402)**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and to fix their remuneration:  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in terms of the provisions of Sections 139,141 and 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any modification and or amendment or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Audit committee, M/s. Amar Bafna & Associates (ICAI Registration No.114854W), be and is hereby appointed as Statutory Auditors of the Company, in place of **M/s. Sanjay Raja Jain & Co.**, Chartered Accountants, Mumbai (ICAI Registration Number- **120132W**), the retiring Auditor of the Company whose tenure expires at this Annual General Meeting, to hold office for a term of five consecutive years from the conclusion of the 35<sup>th</sup> Annual General Meeting, until the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2023 (subject to ratification of their appointment at every AGM), at a remuneration to be determined by the Board of Directors plus taxes as applicable.”

**For and on behalf of the Board  
S P CAPITAL FINANCING LTD**

**Sd/  
S.P. Jain  
Managing Director  
Din: 00004402**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2018**

**Registered Office:  
908, Dalamal Tower,  
211, Nariman Point,  
Mumbai-400 021**



**NOTES:**

1. The person seeking appointment as Director under **Item No. 2 & 3** of the Notice, the details for the same are annexed,
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under **Item Nos. 4** of the Notice, is annexed hereto.
3. **A Member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company.** A person can act as a proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of Total Paid-up Share Capital of the Company. Any Member holding more than 10% of Total Paid-up Share Capital of the Company may appoint a single person as proxy and in such case, the said person shall not act as proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting, duly stamped.
4. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to bring their admission slip along with copy of the report and accounts to Annual General Meeting.
6. Relevant documents referred to in the accompanying Notice would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays during business hours i.e. 11:00 AM to 5:00 PM upto the date of the Annual General Meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday 22<sup>nd</sup> September, 2018 to Saturday 29<sup>th</sup> September, 2018** (Both Days Inclusive) for the purpose of the Annual General Meeting.
8. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DP IN in all correspondence, so as to enable the Company to address any future communication at their correct address.
9. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
10. Members desirous of seeking any information concerning the Accounts or operations of the Company is requested to address their queries in writing to the Company at an early date, so that the requested information can be made available at the time of the meeting.
11. Members holding shares in physical forms are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Member can contact the Company or the Company's Registrar and Transfer Agent, **Bigshare Services Private Limited**, for assistance in this regard.
12. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
13. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in single name are advised, in their own interest to avail of the nomination facility by filling form with Depository Participants. Members holding shares in the dematerialized form may contact their depository Participant for recording nomination in form may contact their depository Participant for recording nomination in respect of their shares.
14. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.



15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s). As per provisions of Section 20 of the Companies Act, 2013 read with Rules thereunder, a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his/her Depository Participants(s)/Company Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is being sent to all members in the permitted mode.
17. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2018 will also be available on the Company's website [www.spcapital.in](http://www.spcapital.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: [spcapitalfin@gmail.com](mailto:spcapitalfin@gmail.com)
18. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then they cannot vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
19. In terms of relevant provisions of SEBI (LODR), Regulations 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to **M/s. Martinho Ferrao & Associates**, Scrutinizer, Level 3, Office # 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001. Tel.: **022-22024366**, Email: [mferraocs@gmail.com](mailto:mferraocs@gmail.com) so as to reach him on or before Friday, September 28, 2018 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
20. Members can request for a Ballot Form at **S.P.Capital Financing Limited**, at 908, Dalamal Tower, 211, Nariman Point, Mumbai – 400 021 or they may also address their request through E-mail to: [spcapitalfin@gmail.com](mailto:spcapitalfin@gmail.com), Contact No.: **022-40372424**.
21. The E-voting period for all items of business contained in this Notice shall commence from **Wednesday 26<sup>th</sup> September, 2018 at 9.00 a.m.** and will end on **Friday, 28<sup>th</sup> September, 2018 at 5:00 p.m.** During this period equity shareholder of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of **September 22, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their equity shareholding in the paid-up equity share capital of the Company as on **September 22, 2018**.



22. The Board of Directors has appointed **Mr. Martinho Ferrao** of **M/s. Martinho Ferrao & Associates**, Practicing Company Secretaries (Membership No. **FCS 6221**) and failing **Ms. Sherlyn Rebello**, Practicing Company Secretary (Membership No. **ACS 41541**) an Independent Professional has been appointed as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.
23. The Results of E-voting shall be declared at the AGM of the Company and the results along with Scrutinizer's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
24. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than **forty eight hours** of conclusion of the meeting and after scrutinizing such votes received shall make a Scrutinizer's report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.
25. Voting through electronic means:  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on **Wednesday 26<sup>th</sup> September, 2018 at 9.00 a.m.** and ends on **Friday, 28<sup>th</sup> September, 2018 at 5:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 22, 2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2018. Please follow the instructions as prompted by the mobile app while voting on your mobile.**



(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on **Wednesday 26<sup>th</sup> September, 2018 at 9.00 a.m.** and will ends on **Friday, 28<sup>th</sup> September, 2018 at 5:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **September 22, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**For and on behalf of the Board  
S P CAPITAL FINANCING LTD**

**Sd/-  
S.P. Jain  
Managing Director  
DIN: 00004402**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2018**

**Registered Office:  
908, Dalamal Tower,  
211, Nariman Point,  
Mumbai-400 021.**





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item 4** (Ordinary Resolution)

Item No. 4: The Statutory Auditors M/s. Sanjay Raja Jain & Co., Chartered Accountants, Mumbai (ICAI Registration Number- 120132W), have held their office as Auditors of the Company from the conclusion of the 34<sup>th</sup> Annual General Meeting held on 29th September, 2017. Since M/s. Sanjay Raja Jain & Co. have completed their term of appointment in the Company. Now the Company is required to appoint a new Statutory Auditors, in place of retiring auditors for a term of 5 consecutive years w.e.f the conclusion of the 35th Annual General Meeting.

M/s. Amar Bafna & Associates., Chartered Accountant (ICAI Registration No.114854W), have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013, read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and SEBI (LODR) Regulations, 2015. The Board of Directors at its meeting held on 30<sup>th</sup> July, 2018, based on recommendation of Audit Committee and subject to approval of the shareholders, has appointed the M/s. Amar Bafna & Associates., Chartered Accountant (ICAI Registration No.114854W) as the statutory Auditors of the Company, in place of retiring Auditor M/s. Sanjay Raja Jain & Co. for a term of 5 consecutive years w.e.f. the conclusion of the 35<sup>th</sup> Annual General Meeting.

Accordingly, the Directors recommend the passing of the Resolution at Item No.4 as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, financially or otherwise, deemed to be concerned or interested in item of business.

**ANNEXURE TO NOTICE**

Information under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to Directors seeking re-appointment in this Annual General Meeting.

**Annexure A**

<b>Item No. 2</b>		
1.	Name	S.P. Jain
2.	Date of Birth	4th September1950
3.	Profession	Business
4.	Qualification	B.Com F.C.A
5.	List of other Directorship held excluding private Companies	-----
6.	Chairman/Member of the Committee of Board of Director of the Company	Chairman Shareholders / Investors Grievance Committee and Members Audit Committee.
7.	Chairman/Member of the Committee of Board of Director of the other Company	None
8.	Expertise in specific functional area	In the field of Finance, Hotels & Construction Business
9.	Shareholding in the Company	7,00,200



<b>Item No. 3</b>		
1.	Name	Mr. D.P.Jain
2.	Date of Birth	19th December 1960
3.	Profession	Business
4.	Qualification	B.Com. L.L.B(G), D.T.M
5.	List of other Directorship held excluding private Companies	-----
6.	Chairman/Member of the Committee of Board of Director of the Company	1 (One)
7.	Chairman/Member of the Committee of Board of Director of the other Company	None
8.	Expertise in specific functional area	In the field of Finance, Hotels & Construction Business
9.	Shareholding in the Company	3,000

**For and on behalf of the Board  
S P CAPITAL FINANCING LTD**

**Sd/-  
S.P. Jain  
Managing Director  
DIN: 00004402**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2018**

**Registered Office:  
908, Dalamal Tower,  
211, Nariman Point,  
Mumbai-400 021.**

**Director's Report**

To the Members,

Your Directors are pleased to present the Annual Report on the Business and operations of the Company together with the Audited Statement of Accounts for the year ended **31<sup>st</sup> March, 2018**.

**FINANCIAL RESULTS**

The financial performance of your Company for the year ended **March 31, 2018** is summarized below:

(Rupees in Lacs)

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
Net Sales/ Income from Operations	178.47	153.32
Total Income	218.64	153.45
Total Expenses	177.04	123.45
Profit/(Loss) from operations before other incomes, finance cost and exceptional items	1.43	29.86
Other Incomes	40.17	0.13
Profit/(Loss) from operations after other incomes, finance cost but before exceptional items	41.60	30.00
(-) Exceptional Items	-	-
Profit/(Loss) Before Tax	41.60	30.00
Tax		
- Current Tax	10.67	9.63
- Deferred Tax	0.00	0.00
- Tax for earlier years	(0.31)	0.02
Net Profit After Tax	31.24	20.35
(-) Extraordinary Items	-	-
Net Profit	31.24	20.35

The Financial Statements including consolidated financial statement for the financial year ended 31<sup>st</sup> March, 2018 have been approved by the Board of Directors.

**COMPANY'S AFFAIRS**

The Gross Income of the Company stood at Rs. 218.64 Lacs for the year ended March 31, 2018 as against Rs. 153.45 Lacs in the previous year. The Company made a Net Profit of Rs.31.24 Lacs for the year ended March 31, 2018 as compared to the Net Profit of Rs.20.35 Lacs in the previous year. The above Gross Income and Net Profit for the year ended March 31, 2018 also includes the revenue and profit earned by the Company from the funds management business during the fourth quarter ended on March 31, 2018.

**DIVIDEND**

The Board of Directors does not recommend any Dividend for the year under review.

**SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2018 was Rs.601.22 Lacs @ Rs.10 per share. The Company has not issued shares with differential voting rights nor granted stock options or sweat equity.

**FIXED DEPOSITS**

Since your Company is a non-deposit taking Non-Banking Financial Company, it has not accepted any deposits under Chapter V of Companies Act, 2013/applicable guidelines of Reserve Bank of India, during the year under review.

**RBI GUIDELINES**

As a Non-Deposit accepting Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

**SUBSIDIARIES COMPANIES, JOINT VENTURES AND ASSOCIATES**

The Company has no subsidiary Company. The company has one Associate company- Pride Orchades Private Limited, which was incorporated on 15.01.1997.

**RESERVES**

The Bank transferred Rs.8 Lacs to Statutory Reserves in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review as stipulated in Regulation 34 of the Listing Regulations, 2015 is annexed to this Report.

**PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY**

During the year under review, Company has entered into Related Party which requires disclosure under Section 134 (3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. The transaction with related party are disclosed in annexure - 6 as AOC-2 in board report. The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Board may be accessed on the Company website.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

Details of loans, guarantees and investments are given in the notes to the Financial Statements.

**FINANCIAL STATEMENT**

The audited financial statement of the Company prepared in accordance with relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India forms part of this Annual Report. The Compliance Officer will make these documents available upon receipt of a request from any member of the Company interested in obtaining the same. These documents will also be available for inspection at the Registered Office of your Company during working hours up to the date of the Annual General Meeting.

**BOARD OF DIRECTORS:**

The present strength of Board of Directors consists of three (Promoter) Directors and two Non Executive (independent) Directors who are themselves experienced industrialists heading their business empire and category are given below:

**(A) The Constitution of the Board as on March 31, 2018.**

The Composition of the Board of Directors and also the number of other Directorship of Committees of which they are member/Chairperson are as given below:

Directors	Category	No. of Directorships		No. of Committee position	
		Public	Private	Member	Chairman
Shri S. P. Jain	Promoter Managing Director	4	11	1	1
Shri Baldev L Boolani	Independent	1	2	2	-
Shri D.P.Jain	Promoter Non Executive	3	11	-	-
Mrs. Meena S Jain	Promoter Non Executive	1	10	2	-
Shri Siddharth S. Bharill	Independent	-	5	1	2



Shri Siddharth S. Bharill has been appointed as Independent Director & Chairman of the Company on May 30, 2017.

**(B) Board Procedure:**

The Board of the Company met 5 times during the year ended March 31, 2018. Notice and Agenda were circulated in advance of each meeting of the Board of Directors. The Chairman briefed the Board at every meeting on the overall performance of the Company.

**(C) Attendance of each Director at the Board Meeting and the Last Annual General Meeting:**

The Board meetings were held on the following dates: 30<sup>th</sup> May, 2017, 3<sup>rd</sup> August, 2017, 29<sup>th</sup> September 2017, 12<sup>th</sup> December, 2017 and 17<sup>th</sup> January, 2018.

During the year under review, Five Board meetings were held which were attended to by each of the Directors as detailed herewith:

Name of Directors	Category	No. of Board Meetings attended	Attendance of last AGM
Shri S. P. Jain	Promoter / Managing Director	5	Present
Shri Baldev L Boolani	Non-promoter / Independent Director	5	Present
Shri D.P. Jain	Promoter / Director	5	Present
Mrs. Meena S. Jain	Promoter / Director	5	Present
Shri Siddharth S. Bharill	Non-promoter / Independent Director	5	Present

Shri Siddharth S. Bharill has been appointed as Independent Director & Chairman of the Company on May 30, 2017.

**(D) Brief Note on the Directors seeking appointment / Re-appointment at the 35<sup>th</sup> Annual General Meeting:**

In Compliance with and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, brief resume, expertise and details of other directorship, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be re-appointed are given in the Annexure A of forming part of Notice.

**DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013**

No material changes and commitments which could affect the Company financial position have occurred between the end of the financial year of the Company and the date of this report, except as disclosed elsewhere in this report.

**NUMBER OF MEETINGS OF THE BOARD**

The Board met 5 times in the Financial Year 2017-18 viz., 30<sup>th</sup> May, 2017, 3<sup>rd</sup> August, 2017, 29<sup>th</sup> September 2017, 12<sup>th</sup> December, 2017 and 17<sup>th</sup> January, 2018. The maximum time interval between any two meetings did not exceed 120 days.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on 31st March, 2018, the Board of your Company consists of five Directors as follows:

Name	Category
Siddharth S Bharill	Non-executive Independent Director, (Chairman)
Sureshchand P Jain	Managing Director, (Executive Promoter Director)
Dhannalal P Jain	Non-executive Promoter Director
Meena Sureshchand Jain	Non-executive Promoter Director, (Woman Director)
Baldev Boolani	Non-executive Independent Director



*\*Bhupendra T Shah resigned as Director w.e.f. 24.04.2017 and Mr.Siddharth S Bharill was appointed as Additional Independent Director w.e.f. 30.05.2017.*

**a) Directors**

- Mr. Bhupendra T Shah (DIN 02479629) resigned from the board of Directors of the Company with effect from 24.04.2017 due to his personal pre-occupation.

- The Board has also appointed Mr.Siddharth S Bharill (DIN 02137889) as the Additional Independent Director of the Company wef 30.05.2017.

Mr. Sureshchand P Jain (DIN **00004402**), who retires by rotation and, being eligible, offers himself for re appointment. If re-appointed, his term would be in accordance with the policy for directors of the Company.

Mr. Dhannalal P Jain (DIN **00076679**), who retires by rotation and, being eligible, offers himself for re-appointment. If re-appointed, his term would be in accordance with the policy for directors of the Company.

The Company has formulated a policy on director appointment & remuneration including criteria for determining qualifications, positive attributes independence of director & other matters as provided under section 178(3) of the Companies Act, 2013 & such policy is annexed with the Director Report. The details of familiarization programme for Independent Directors have been disclosed on website of the Company. Pursuant to the provisions of the Companies act 2013 and SEBI (Listing Obligation and Disclosure Requirements) 2015, evaluation of every Directors performance was done by the Nomination and Remuneration Committee. The performance evaluation of the Non – Independent Directors and the Board as a whole, committees thereof and the chairperson of the company was carried out by the Independent Directors. Evaluation of the Independent Directors was carried out by the entire Board of Directors, excluding the Directors being evaluated. A structured questionnaire was prepared after circulating the draft norms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the directors to discharge their duties, Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

The following policies of the company are attached herewith and marked as Annexure 1, Annexure 2 and Annexure 3.

Policy on appointment of Directors and Senior Management (Annexure 1)

Policy on Remuneration to Directors' (Annexure 2)

Policy on Remuneration of Key Managerial Personnel and Employees (Annexure 3)

**b) Woman Director**

In terms of the provisions of Section 149 of the Companies Act, 2013, and Regulation 17 (1) (a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one Woman Director on the Board. Your Company has Ms. Meena S Jain, as Woman Director on the Board of the Company.

**c) Key Managerial Personnel**

In accordance to the provisions of Companies Act, 2013, the following persons are the KMPs of the Company, as recorded by the Board as on 31st March, 2018:

Mr. Sureshchand P Jain: Managing Director

Mr. Sandeep Gopale: Chief Financial Officer

**d) Changes in Directors and Key Managerial Personnel (KMP) during the FY 2017 - 2018**

During the year under review, Mr. Bhupendra T Shah (DIN 02479629) resigned from the board of Directors of the Company with effect from 24.04.2017 & The Board has also appointed Mr.Siddharth S Bharill (DIN 02137889) as the Additional Independent Director of the Company wef 30.05.2017. Company is yet to appoint a Company Secretary and is looking for a suitable candidate.



**DECLARATIONS BY INDEPENDENT DIRECTOR**

Pursuant to the provisions of Sub-Section (7) of Section 149 of the Companies Act 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act 2013. As per Section 149 of the Companies Act, 2013, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

**AUDITORS**

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, **M/s. Sanjay Raja Jain & Co.**, (Firm Registration No. 120132W) Chartered Accountants, Mumbai, hold office up to the conclusion of **35<sup>th</sup> Annual General Meeting** of the Company. Since M/s. Sanjay Raja Jain & Co. have completed their term of appointment in the Company. Now the Company is required to appoint a new Statutory Auditors, in place of retiring auditors for a term of 5 consecutive years w.e.f the conclusion of the 35<sup>th</sup> Annual General Meeting. M/s. Amar Bafna & Associates., Chartered Accountant (ICAI Registration No.114854W), have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013, read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and SEBI (LODR) Regulations, 2015. The Board of Directors as recommendation of Audit Committee has appointed the M/s. Amar Bafna & Associates., Chartered Accountant (ICAI Registration No.114854W) as the statutory Auditors of the Company, in place of retiring Auditor M/s. Sanjay Raja Jain & Co. for a term of 5 consecutive years w.e.f. the conclusion of the 35<sup>th</sup> Annual General Meeting and recommends their appointment to the shareholders of the Company.

**STATUTORY AUDITORS REPORT**

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

**SECRETARIAL AUDIT REPORT**

A Secretarial Audit Report for the year ended 31st March, 2018 in prescribed form duly audited by the Practicing Company Secretary Firm M/s. Sherlyn Rebello & Associates is annexed herewith and forming part of the report.

**DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

- i. In the preparation of the annual accounts for the financial year ended **31<sup>st</sup> March, 2018** the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended **31<sup>st</sup> March, 2018**.
- iii. The Directors have taken sufficient and proper care 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 material fraud and other irregularities.
- iv. The Directors have prepared the Annual Accounts on a going concern basis.
- v. There are proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.



**ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Evaluation of Board of Directors The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC) and Corporate Social Responsibility Committee. The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India. The structured questionnaire prepared to evaluate the performance of individual directors and the Chairman, inter alia, contained parameters such as professional conduct, roles and functions, discharge of duties and their contribution to Board/ Committees/Senior Management. The questionnaire prepared for evaluation of the Board and its Committees, inter alia, covered various aspects such as structure and composition, effectiveness of board process, information and roles, responsibilities and functioning of the Board and its Committees, establishment and determination of responsibilities of Committees, the quality of relationship between the board and the management and professional development. The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Managing Director and the Board as a whole was carried out by the Independent Directors at their separate meeting held on December 18, 2017. The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

**DETAILS OF COMMITTEE OF DIRECTORS**

The Board of Directors has constituted. Three committees of the Board (i) the Audit committee (ii) Nomination & Remuneration Committee and (iii) Stakeholder's Grievance Committee.

**1) Audit Committee**

During the year an Audit Committee of Directors comprising of Shri S. P. Jain, Shri Baldev L. Boolani and Shri Bhupendra T Shah was constituted in line with the amendments in the Companies Act, 2013. Shri Bhupendra T. Shah resigned as Director of the Company on 24.04.2017 and on reconstitution of Audit Committee Mr. Siddharth S. Bharill was appointed on 30<sup>th</sup> May 2017 in place of Shri. Bhupendra T. Shah. Audit Committee of Directors now comprise of Shri S. P. Jain, Shri Baldev L. Boolani and Shri Siddharth S. Bharill. The Committee elected Shri Siddharth S. Bharill as the Chairman. The Audit Committee acted as interface between the management and statutory Auditor and the terms of reference were specified as per the requirement of the Act.

**Composition, name of members and Chairperson:**

Sr. No.	Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
1.	Shri Baldev Boolani	Member	4	4
2.	Shri S. P. Jain	Member	4	4
3.	*Shri Siddharth S. Bharill	Chairman	3	3

Shri Siddharth S. Bharill has been appointed as Chairman of Audit Committee of the Company on May 30, 2017.

**Attendance during the year:** The Committee met on 30<sup>th</sup> May, 2017, 3<sup>rd</sup> August, 2017, 29<sup>th</sup> September, 2017, 12<sup>th</sup> December 2017, and 17<sup>th</sup> January, 2018 and was attended by all the members.

Apart from various responsibilities stipulated by the Board to the Audit Committee, the responsibility areas are as follows:

Review of the Company's financial reporting process and disclosures to ensure that the financial statements are correct, sufficient and credible.





Recommending the appointment/removal of external Auditors, fixing of Audit fee and payment for other services.

Reviewing annual financial statement before submission to the Board with focus on change in accounting policies and practice. Major accounting entries, qualification in draft audit report, significant adjustments arising out of audit, accounting standards compliance, compliance with Stock Exchange and other legal requirements.

Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit functions.

Discussions with auditors, any significant findings and follow-up thereon. Reviewing any suspected fraud, irregularity or failure of internal Control system of material nature and reporting the matter to the Board.

Discussion with external auditor in respect of pre and post audit matters.

Reviewing Company's financial and risk management policies.

Look into reasons for substantial defaults in payment to shareholders and creditors.

**ii) Nomination & Remuneration Committee  
Terms of Reference**

The Broad terms of reference of the Nomination & Remuneration Committee is to fix remuneration payable to the Directors in terms of provisions of the Companies Act, 2013 and refer the same to the Board. Shri Bhupendra T. Shah resigned as Director of the Company on 24.04.2017 and on reconstitution of Nomination & Remuneration Committee Mr. Siddharth S. Bharill was appointed in place of Shri. Bhupendra T. Shah. Nomination & Remuneration Committee of Directors now comprise of Shri Baldev L. Boolani, Mrs. Meena Jain and Shri Siddharth S. Bharill.

**Composition, name of members and Chairperson:**

Sr. No.	Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
1.	Shri Baldev Boolani	Member	1	1
2.	Shri S. P. Jain	Member	1	1
3.	*Shri Siddharth S. Bharill	Chairman	1	1

\* Shri Siddharth S. Bharill has been appointed as Chairman of Nomination & Remuneration Committee of the Company.

**Attendance during the year:**

The Committee met on 30.01.2018 and was attended by all the members.

**Remuneration Policy:** Non-executive Directors are remunerated by way of sitting fees only. The Company does not pay any remuneration by way of Salary, Perquisites and Allowances to the Directors as prescribed under provisions of the Companies Act, 2013. The minutes of the Nomination & Remuneration Committee Meeting were circulated to the Board, discussed and taken note of.

**iii) Stakeholders Grievances Committee:**

Mr. S. P. Jain, the Managing Director of your Company has always remained very cautious, conscious and concerned about the shareholders' grievances. This resulted in quick attendance and settlement of any grievance leaving no complaint unattended to for a longer time. The Board of Directors are pleased to announce that there were nil complaints received during the year under review.

**a). Stakeholders Grievances Committee:**

During the year under review the following Directors were the Members of the Stakeholders' Grievance Committee.



Sr. No.	Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
1.	Shri. S.P. Jain	Chairman	2	2
2.	Mrs. Meena S. Jain	Member	2	2
3.	*Shri Siddharth S. Bharill	Member	1	1

\* Shri Siddharth S. Bharill has been appointed as Member of Investors Grievances Committee of the Company on May 30, 2017.

**b). The Particulars of Investors, grievances received and redressed during the year are furnished below:**

Sr. No.	Nature of Complaints	No. of Complaints		
		Received	Resolved	Pending as on 31/3/2018
1.	Non receipt of Annual Report	Nil	Nil	Nil
2.	Complaints relating to dematerialization of Shares	Nil	Nil	Nil
3.	Non-receipt of Share Certificates after transfer / duplicate / name correction	Nil	Nil	Nil
4.	Others	Nil	Nil	Nil
	<b>TOTAL</b>	Nil	Nil	Nil

**c). Code of Insider Trading:**

The Company has adopted a code of conduct for prevention of insider trading in the shares of the Company. The code inter-alia prohibits purchase/ sale, dealing of shares of the Company by the insiders while in possession of unpublished price sensitive information in relation to the Company. Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each Committee during the financial year **2017-18** and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report forming part of this report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

**RISK MANAGEMENT**

During the year, Management of the Company evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward tradeoff. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company, and approved by the Board. The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

**VIGIL MECHANISM:**

The Company has established a vigil mechanism for directors and employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of Conduct. During the financial year 2017-18, no cases under this mechanism were reported to the Company and associate Company. During the year no personnel has been denied access to the Audit Committee.

**CORPORATE GOVERNANCE**

As per SEBI Listing Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report. As per Regulation 34 of the SEBI Listing Regulations, Management Discussion Analysis Report is attached and forms part of this annual report.

## **MANAGING DIRECTOR'S CERTIFICATE**

A Certificate from the Managing Director in respect of the Financial Statements forms part of the Annual Report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility. Further the Company has not earned nor spends foreign exchange during the year.

## **PARTICULARS OF EMPLOYEES**

The prescribed particulars of the employees required under Rule 5 (1) of the Companies (Appointment and Remuneration) Rules, 2014, are attached as Annexure - 5 and forms part of this report.

None of the employees of the Company is in receipt of remuneration prescribed under Section 197 (12) of the Companies Act, 2013, read with rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014. Thus furnishing of particulars under the Companies (Appointment and Remuneration) Rules, 2014 does not arise.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure to this Director's Report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility Committee is not applicable to the Company as the Net Profit of the Company is below the threshold limit prescribed by the Companies Act, 2013.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## **PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements of the Company for the year ended **31<sup>st</sup> March, 2018** have been disclosed as per Schedule III to the Companies Act, 2013.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business of the company during the Financial Year 2017-18.

## **DISCLOSURE FOR COST RECORDS**

*Cost not applicable to Company*

## **STATUTORY DISCLOSURES**

A copy of audited financial statements of the said Companies will be made available to the members of the Company, seeking such information at any point of time. A cash flow statement for the year **2017-2018** is attached to the Balance Sheet.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment of women at the workplace. The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and an Internal Complaint Committee in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, -



Prohibition and Redressal) Act, 2013 and rules made thereunder for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. The functioning of the Committees were carried out as per letter and spirit contained in the provisions of the Act. During the FY 2017-2018, the Company has not received any complaint of sexual harassment and hence there were no complaints pending for redressal as on 31st March, 2018. The Company had conducted 4 workshops/awareness programs regarding women empowerment during the period under review.

**DISCLOSURE PURSUANT TO RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**Ratio of Remuneration of each director to the median remuneration of the employees for the financial year**

No Managing Director and other director was paid any remuneration during the year. The remuneration of the median employee's remuneration is as follows:

Median Employee's Remuneration -Rs.3,31,000/-

**Percentage increase in remuneration of each director, Chief Financial officer, chief Executive Officer, Company Secretary of Manager, if any, in the Financial year:**

Directors/KMP	Designation	% increase in remuneration
Sandeep Gopale	Chief Financial Officer	16.55

**Percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median remuneration of employees in the financial year 2017-18 is 13.50%

**Number of permanent employees on the rolls of company at the end of the year:**

6 permanent employees are on the rolls of the company at the end of the financial year 2017-18.

**ACKNOWLEDGEMENT**

Yours Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future. We very warmly thank all of our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/-  
**SURESHCHAND P Jain**  
Managing Director  
DIN: 00004402

Sd/-  
**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**  
Date: **30th May, 2018**

**SANDEEP GOPALE**  
CFO



**ANNEXURE 1**

**TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2018:**

**POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT**

**Appointment of Directors**

The Nomination and Remuneration Committee (NRC) of the Board of Directors (Board) of the Company reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and also independence of director when Independent Director is to be appointed:

1. All Board appointments will be based on merit, in the context of the skills, experience, diversity, and knowledge, for the Board as a whole to be effective;
2. Ability of the candidates to devote sufficient time and attention to his / her professional obligations as Director for informed and balanced decision making;
3. Adherence to the applicable Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors;

Based on the recommendations of the NRC the board will evaluate the candidates and decide on the selection the appropriate member. The Board through the Chairman or the Managing Director & CEO will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under.

**Removal of Directors**

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations there under or due to non - adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

**Senior Management Personnel**

The NRC shall identify persons based on merit, experience and knowledge who may be appointed in senior management team.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Managing Director & CEO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/-  
**SURESHCHAND P Jain**  
Managing Director  
DIN: 00004402

Sd/-  
**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**  
Date: **30th May, 2018**

**SANDEEP GOPALE**  
CFO

**ANNEXURE 2****TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018****POLICY FOR REMUNERATION OF THE DIRECTORS****General**

This Policy sets out the approach to Compensation/remuneration/commission etc. will be determined by Committee and Recommended to the Board of Directors, for approval. Also remuneration to be paid to the Managing Director, other executive directors in accordance with provisions of Companies Act, 2013, and other statutory provisions if any, would require to complying for time being of appointment of such person.

**Policy Statement**

The Company has a well-defined Compensation policy for Directors, including the Chairman of the Company. The overall compensation philosophy which guides us to focus on enhancing the value, to attract, to retain and motivate Directors for achieving objectives of Company and to become a major player in market, to be the most trusted brand in the business we operate in and focus on customer serenity through transparency, quality and on time delivery to be a thought leader and establish industry benchmarks in sustainable development.

In order to effectively implement this, the Company has built a Compensation structure by a regular annual benchmarking over the years with relevant players across the industry the Company operates in.

**Non-Executive Including Independent Directors**

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolutions.

**Managing Director & Chief Executive Officer (MD & CEO) and Executive Director**

Remuneration of the MD / CEO and Executive Directors reflects the overall remuneration philosophy and guiding principle of the Company. While considering the appointment and remuneration of Managing Director and Executive Directors, the NRC shall consider the industry benchmarks, merit and seniority of the person and shall ensure that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies. The policy aims at a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The remuneration to the MD / CEO shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as per the policy of the Company from time to time and as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of appointment, the variable compensation will be determined annually by the NRC based on the performance of MD / CEO.

The term of office and remuneration of MD / CEO is subject to the approval of the Board of Directors, shareholders, and Central Government, as may be required and within the statutory limits laid down in this regard from time to time.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay, subject to the requisite approvals, remuneration to its MD / CEO in accordance with the provisions of Schedule V to the Companies Act, 2013



If a MD & CEO draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government of the Company.

Remuneration for MD / CEO is designed subject to the limits laid down under the Companies Act, 2013 to remunerate him / her fairly and responsibly. The remuneration to the MD / CEO comprises of salary, perquisites and benefits as per policy of the Company and performance based incentive apart from retirement benefits like P.F., Superannuation, Gratuity, Leave Encashment, etc. as per Rules Salary is paid within the range approved by the Shareholders. Increments are effective annually, as recommended /approved by the NRC / Board. The MD / CEO is entitled for grant of Stock Options as per the approved Stock Options Schemes of the Company from time to time

#### **Directors**

The MD / CEO is an executive of the Company and draws remuneration from the Company. The Non-Executive Independent Directors receive sitting fees for attending the meeting of the Board and Committee thereof, as fixed by the Board of Directors from time to time subject to statutory provisions. The Non-Executive Independent Directors would be entitled to the remuneration under the Companies Act, 2013. In addition to the above, the Directors are entitled for reimbursement of expenses incurred in discharge of their duties.

The Company may also grant Stock Options to the eligible employees and Directors (other than Independent Directors) in accordance with the ESOP Schemes of the Company from time to time and subject to the compliance statutes and regulations.

#### **Disclosures**

Information on the total remuneration of members of the Company's Board of Directors, Managing Director and Executive Directors and KMP/senior management personnel may be disclosed in the Board's report and the Company's annual report / website as per statutory requirements in this regard.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/- <b>SURESHCHAND P Jain</b> Managing Director DIN: 00004402	Sd/- <b>Meena S Jain</b> Director DIN: 00004413
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**Place: Mumbai**  
**Date: 30th May, 2018**

**SANDEEP GOPALE**  
CFO



**ANNEXURE 3**

**TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018:**

**POLICY ON REMUNERATION OF KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

This policy shall be effective from the financial year 2017-18.

**Objective**

To establish guidelines of remuneration/ compensation/ commission etc. to be paid for employees by way of fairly and in keeping with Statutes, it will be determined by the Nomination & Remuneration committee (NRC) and the NRC will recommend to the Board for approval.

**Standards**

1. All employees, irrespective of contract, are to be paid remuneration fairly and the remuneration is to be externally competitive and internally equitable. The remuneration will be paid in accordance with the laid down Statutes.
2. Remuneration for on-roll employees will include a fixed or guaranteed component payable monthly; and a variable component which is based on performance and paid annually.
3. The fixed component of remuneration will have a flexible component with a bouquet of allowances to enable an employee to choose the allowances as well as the quantum based on laid down limits as per Company policy. The flexible component can be varied only once annually in the month of July, after the salary increment exercise.
4. The variable component of the remuneration will be a function of the employee's grade.
5. The actual pay-out of variable component of the remuneration will be function of individual performance as well as business performance. Business performance is evaluated using a Balance Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA). Both the BSC & KRAs are evaluated at the end of the fiscal to arrive at the BSC rating of the business and PPS rating of the individual.
6. An Annual compensation survey is carried out to ensure that the Company's compensation is externally competitive. Based on the findings of the survey and the business performance, the committee decides:
  - (I) The increment that needs to be paid for different performance ratings as well as grades.
  - (ii) The increment for promotions and the total maximum increment.
  - (iii) The maximum increase in compensation cost in % and absolute.
  - (iv) Compensation corrections are made in a few cases where it is outside the band or to keep it tune with the market.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/-  
**SURESHCHAND P Jain**  
Managing Director  
DIN: 00004402

Sd/-  
**Meena S Jain**  
Director  
DIN: 00004413

**Place: Mumbai**  
**Date: 30th May, 2018**

**SANDEEP GOPALE**  
CFO





**ANNEXURE-4**

**TO THE DIRECTOR REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018  
FORM MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31st march, 2018

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**S.P.Capital Financing Limited**

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S P CAPITAL FINANCING LTD. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the S P CAPITAL FINANCING LTD'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, 2018, 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:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by S P CAPITAL FINANCING LTD. ("the Company") for the financial year ended on 31st March, 2018 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, 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 Benefit) Regulation, 2014; - **Not applicable as the Company has not issued ESOPs.**
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as the Company has not listed its Debt Securities.**
    - (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; - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review.**
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review** and
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable as the Company has not done buyback of securities during the financial year under review.**



- (vi) We have also examined the compliances of the provisions of the following other laws applicable specifically to the Company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:
1. the Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016
  4. We have also examined compliance with the applicable clauses of the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
    - (ii) The Listing Agreements entered into by the Company with Stock Exchanges.
  5. 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 its authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
  6. 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. **However, the Company has not appointed a Company Secretary as required u/s 203 of the Companies Act, 2013.** There changes in the composition of the Board of Directors that took place during the period under review were in Compliance with the Provisions of the applicable laws.
  7. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least 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.
  8. Majority of the decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
  9. As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and there were no dissenting views communicated by the Directors.
  10. We further report that there are adequate systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.
  11. We further report that during the audit period, the Company has taken approval of shareholders at the 34<sup>th</sup> AGM of the Company held on 29<sup>th</sup> September, 2017:
    - i. for related party transactions as specified and described in the Notice of the respective AGM;
    - ii. for appointment of Mr. Siddharth Bharill as an Independent Director.

**For SherlynRebello & Associates  
Company Secretaries**

**SherlynRebello  
Proprietor**  
ACS No. 41541  
COP No. 16401

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2018**

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



**Annexure A'**

To,  
The Members,  
S P CAPITAL FINANCING LTD.

Our report is to be read along with this letter.

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

**For SherlynRebello& Associates**  
**Company Secretaries**

**SherlynRebello**  
**Proprietor**  
ACS No. 41541  
COP No. 16401

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2018**



**ANNEXURE- 5**

**TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

Additional Information as per section 197 of the Companies Act, 2013, Rule 5(1) of chapter xiii, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name of the Employees	Designation	Remuneration (subject to Income-tax)	% increase in Remuneration in the F.Y 2017 - 2018	Ratio of remuneration of each Director/to median remuneration of employees	Qualifications	Age (yrs)	Experience (years)	Date of Commencement of employment	Last employment and Designation
Mr. S.P.Jain	Managing Director	Nil	NIL	Nil	B.com, MBA	68 Years	More than 30	25/03/2015	Managing Director
Mrs. Meena S Jain	Director	Nil	NIL	Nil	B.Com	67 Years	More than 30	25/03/2015	Director
Mr. D.P.Jain	Director	Nil	Nil	Nil	B.com L.L.B (G) D.T.M	58 Years	More than 30	30/09/2015	Director
Mr. Baldev Boolani	Director	Nil	Nil	Nil	M.Sc (Tech)	89 Years	More than 30	22/10/1994	Director
Mr. Siddharth	Director	Nil	Nil	Nil	Non-Graduate	48 Years	More than 30	30/05/2017	Director
SandeepGopale	CFO	3.31 Lacs	16.55	0:51	Non-Graduate			25/03/2015	Executive Co-ordinator

**Notes:**

- The median remuneration of the employees of the company during the financial year was Rs. 16,68,500.**
- Nature of employment of MD/CEO is contractual, subject to termination by 3 months notice from either side.
- For other employees nature of employment is contractual, subject to termination by One or three month notice from either side or salary in lieu of notice period.
- None of the above employee is related to any Director of the Company.
- None of the above employee except to the Managing Director holds by himself/herself or along with his/her spouse and dependent children 2% or more of the equity shares of the Company.
- Employment terms and conditions are as per Company's Rules.
- Remuneration received as shown in the statement above includes basic salary and all other allowances/perquisites as applicable.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/- SURESHCHAND P Jain Managing Director  
DIN: 00004402

Sd/- Meena S Jain Director  
DIN: 00004413

Place: Mumbai  
Date: 30th May, 2018

**SANDEEP GOPALE**  
CFO



**ANNEXURE-6**

**TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2018  
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 arm's length transactions under third proviso thereto.

**Details of Contracts or arrangement or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year end 31<sup>st</sup> March, 2018, which were not at arm's length basis.

**Details of Contracts or arrangement or transactions at arm's length basis:**

Name of the parties	Nature of Relationship	Silent Terms of Transactions	Nature of Transaction	During of Transactions	Amount (Rs. in Lacs)
Meena Investment Corporation	Associate Company (Firm)	NA	Receiving Rent	NA	00.60
Sureshchand P Jain	Managing Director	NA	Receiving Rent	NA	00.60
Pride Hotels Ltd	Promoter Company	NA	Interest Income	N.A	23.74
Pride Hotels Ltd	Promoter Company	NA	Inter Corporate Deposit	N.A	116.91
Pride Builders L.L.P	Mr. S.P.Jain Managing Director is also partner Pride Builders L.L.P	NA	Inter Corporate Deposit	NA	12.50
ASP.Enterprises P Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	50.46
ASP.Enterprises P Ltd	Promoter Company	NA	Interest Income	NA	0.46
Executive Housing Fin Co Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	4.01
Executive Housing Fin Co Ltd	Promoter Company	NA	Interest Income	NA	0.01
Khairana Development P Ltd	Related Party	NA	Inter Corporate Deposit	NA	15.85
Khairana Development P Ltd	Related Party	NA	Interest Income	NA	0.02
Kopra Estate Pvt Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	33.26
Kopra Estate Pvt Ltd	Promoter Company	NA	Interest Income	NA	0.24
Pride Centre & Dev P Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	149.85
Pride Centre & Dev P Ltd	Promoter Company	NA	Interest Income	NA	1.35
Pride Orchades P Ltd	Associate Company	NA	Inter Corporate Deposit	NA	19.08
Pride Orchades P Ltd	Associate Company	NA	Interest Income	NA	0.18
Pride Paradise & Dev P Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	155.71
Pride Paradise & Dev P Ltd	Promoter Company	NA	Interest Income	NA	1.39
Rohan Hotels P Ltd	Related Party	NA	Inter Corporate Deposit	NA	2.22
Rohan Hotels P Ltd	Related Party	NA	Interest Income	NA	0.0024
S.P.Capital Consultants P Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	7.53
S.P.Capital Consultants P Ltd	Promoter Company	NA	Interest Income	NA	0.0119
S.P.Realtors P Ltd	Promoter Company	NA	Inter Corporate Deposit	NA	117.11
S.P.Realtors P Ltd	Promoter Company	NA	Interest Income	NA	1.08

By Order of the Board  
For S.P.Capital Financing Limited

Sd/- SURESHCHAND P Jain Managing Director  
DIN: 00004402

Sd/- Meena S Jain Director  
DIN: 00004413

Place: Mumbai  
Date: 30th May, 2018

**SANDEEP GOPALE**  
CFO



**ANNEXURE "C" TO BOARD'S REPORT  
FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31.03.2018**

{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:**

1. CIN: L74140MH1983PLC029494
2. Registration Date: 08/03/1983
3. Name of the Company: **S.P. Capital Financing Limited**
4. Category / Sub-category of the Company: Company Limited by shares  
Address of the Registered office and contact details: 908, Dalamal Tower, 211, Nariman Point, Mumbai – 400 021, Tel No. 022 40372424/40372411 **E-Mail** : spcapitalfin@gmail.com Website: www.spcapital.in under <http://www.spcapital.in/policieslink>.
5. Whether listed Company: Yes
6. Name, Address and contact details of Registrar and Transfer Agent, if any: **Bigshare Services Pvt Ltd**, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059. **Tel.No.** : 022 – 62638200 **Fax No.** : **022 62638299** **E-Mail:** investors@bigshareonline.com / bigshare@bom7.vsnl.net.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:-**

Company is engaged in to the activity of leasing and financing and registered as a Non Banking Financial Company with the Reserve Bank of India.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Pride Orchades P Ltd	U70100MH1997PTC105109	Associate	45%	2(6)

**iv. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):-**

**i) Category-wise Shareholding:**

	Category of Shareholders	Number of shares held as at 1 <sup>st</sup> April, 2017				Number of shares held as at 1 <sup>st</sup> April, 2018				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A)</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
a)	Individual / HUF	2574400	0	2574400	42.82	2574400	0	2574400	42.82	0
b)	Central Government	0	0	0	0	0	0	0	0	0
c)	State Government(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corporate Banks/ Financial Institutions	1892800	0	1892800	31.48	1892800	0	1892800	31.48	0
e)	Any Others(Specify)	0	0	0	0	0	0	0	0	0
f)		0	0	0	0	0	0	0	0	0
	<b>Sub- Total (A)(1)</b>	<b>4467200</b>	<b>0</b>	<b>4467200</b>	<b>74.30</b>	<b>4467200</b>	<b>0</b>	<b>4467200</b>	<b>74.30</b>	<b>0</b>



<b>(2)</b>	<b>Foreign</b>									
a)	NRI s – Individuals	0	0	0	0	0	0	0	0	0
b)	Other – Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub- Total (A)(2)	0	0	0	0	0	0	0	0	0
	<b>Total shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>4467200</b>	<b>0</b>	<b>4467200</b>	<b>74.30</b>	<b>4467200</b>	<b>0</b>	<b>4467200</b>	<b>74.30</b>	<b>0</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
a)	Mutual Funds/ UTI Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
b)	Central Government	0	0	0	0	0	0	0	0	0
c)	State Government(s)	0	0	0	0	0	0	0	0	0
d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
e)	Insurance Companies	0	0	0	0	0	0	0	0	0
f)	Foreign Institutional investors(FII)	0	0	0	0	0	0	0	0	0
g)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h)	Any Other(specify)	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0
<b>(1)</b>	<b>Non- Institutions</b>									
a)	Bodies Corporate									
i)	Indian	58727	3100	61827	1.03	78412	3100	81512	1.36	0.33
ii)	Overseas									
b)	Individual									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	457867	141500	599367	9.97	469135	138700	607835	10.11	0.14
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	874948	0	874948	14.55	852638	0	852638	14.18	(0.37)
c)	Others									
i)	Non-Resident Indians	3	1700	1703	0.03	103	1700	1803	0.03	0
ii)	Clearing Members	7155	0	7155	0.12	1212	0	1212	0.02	(0.10)
iii)	Directors and their relatives	0	0	0	0	0	0	0	0	0
iv)	Hindu Undivided Families	0	0	0	0	0	0	0	0	0
v)	Trusts	0	0	0	0	0	0	0	0	0
	Sub- Total (B)(2)	<b>1398700</b>	<b>146300</b>	<b>1545000</b>	<b>25.70</b>	<b>1401500</b>	<b>143500</b>	<b>1545000</b>	<b>25.70</b>	<b>(0.00)</b>
	<b>Total shareholding of Promoters (B) = (B)(1)+(B)(2)</b>	<b>1398700</b>	<b>146300</b>	<b>1545000</b>	<b>25.70</b>	<b>1401500</b>	<b>143500</b>	<b>1545000</b>	<b>25.70</b>	<b>(0.00)</b>
©	<b>Shares held by Custodians for GDRs and ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	<b>5865900</b>	<b>146300</b>	<b>6012200</b>	<b>100.00</b>	<b>5868700</b>	<b>143500</b>	<b>6012200</b>	<b>100.00</b>	<b>(0.00)</b>



**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% 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	M/S PRIDE REGENCY AND DEVELOPERS PVT LTD	6100	0.1015	0.0000	6100	0.1015	0.0000	0.0000
2	ARVIND PREMCHAND JAIN	10000	0.1663	0.0000	10000	0.1663	0.0000	0.0000
3	M/S PRIDE PARADISE AND DEVELOPMENT PVT LTD	13100	0.2179	0.0000	13100	0.2179	0.0000	0.0000
4	M/S.PRIDE CENTRE & DEVELOPMENT P. LTD.	14800	0.2462	0.0000	14800	0.2462	0.0000	0.0000
5	PRIDE PLAZA PVT LTD	20600	0.3426	0.0000	20600	0.3426	0.0000	0.0000
6	EXECUTIVE HOUSING FINANCE CO.LTD.	21100	0.3510	0.0000	21100	0.3510	0.0000	0.0000
7	SOMTIBEN P. JAIN	25800	0.4291	0.0000	25800	0.4291	0.0000	0.0000
8	PREMCHAND CHATURLAL (HUF)	29700	0.4940	0.0000	29700	0.4940	0.0000	0.0000
9	NAMRATA JAIN	45600	0.7585	0.0000	45600	0.7585	0.0000	0.0000
10	SURESHCHAND DHANNALAL (HUF)	49800	0.8283	0.0000	49800	0.8283	0.0000	0.0000
11	SATYEN SURESH JAIN	50000	0.8316	0.0000	50000	0.8316	0.0000	0.0000
12	THE EXECUTIVE INN LTD.	72000	1.1976	0.0000	72000	1.1976	0.0000	0.0000
13	KOPRA ESTATE P.LTD.	202400	3.3665	0.0000	202400	3.3665	0.0000	0.0000
14	SURESHCHAND PREMCHAND JAIN (HUF)	237600	3.9520	0.0000	237600	3.9520	0.0000	0.0000
15	MEENA JAIN	275500	4.5823	0.0000	275500	4.5823	0.0000	0.0000
16	S P REALTORS PVT LTD	318800	5.3026	0.0000	318800	5.3026	0.0000	0.0000
17	PRIDE HOTELS LTD	327700	5.4506	0.0000	327700	5.4506	0.0000	0.0000
18	A S P ENTERPRISES P LTD	433800	7.2153	0.0000	433800	7.2153	0.0000	0.0000
19	S P CAPITAL CONS (P) LTD	462400	7.6910	0.0000	462400	7.6910	0.0000	0.0000
20	SURESHCHAND PJAIN	700200	11.6463	0.0000	700200	11.6463	0.0000	0.0000
21	MEENA SURESHCHAND JAIN	1150200	19.1311	0.0000	1150200	19.1311	0.0000	0.0000
	<b>Total</b>	<b>4467200</b>	<b>74.3023</b>	<b>0.0000</b>	<b>4467200</b>	<b>74.3023</b>	<b>0.0000</b>	<b>0.0000</b>

**(iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	4467200	74.30	4467200	74.30
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus / sweat equity etc.)	*The Company has only one class of equity shares having a par value of Rs.10/- per share.			
	At the end of the year	<b>4467200</b>	<b>74.30</b>	<b>4467200</b>	<b>74.30</b>





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

SI No.	Top 10 shareholders	Share Holding at the beginning of the year		Increase / Decrease In shareholding comparing between 2017 and 2018	Cumulative Shareholding during the year		Reason
		31-03-17			31-03-18		
		No. of Shares	% of Total Shares of the company		No. of Shares	% change in share holding during the year	
1	Anurag Gupta	94101	1.57	0	94101	1.57	
2	Anurag Gupta HUF						
	30/03/2018	49000	0.82	25000	74000	1.23	Buy
3	Mukesh Prajapati	53458	0.89	0	53458	0.89	
	16/06/2017	53458	0.89	10	53465	0.89	Buy
	21/07/2017	53465	0.89	-40	53428	0.89	Sell
	28/07/2017	53428	0.89	-29	53399	0.89	Sell
4	Keyur Hemant Gogri	54890	0.91	0	54890	0.91	
5	Karan hemant Gogri	51480	0.86	0	51480	0.86	
6	Yash Gupta	49830	0.83	300	50130	0.83	Buy
7	Jitendra Virwani	35000	0.58	0	35000	0.58	
8	Yasin A Vадnagarwala						
	07/04/2017	22762	0.38	5000	27762	0.46	Buy
	14/07/2017	27762	0.46	246	28008	0.47	Buy
9	D.K.Goyal (HUF)						
	30/12/2016	30000	0.50	-30000	0.00	0.00	Sell
10	NAVRATI GUPTA	49000	0.82	0	49000	0.82	

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Name	Shareholding at the beginning of the year 01.04.2017		Date of Transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during at the end of the year 31.03.2018	
		No. of shares at the beginning (01.04.2017) / end of the year 31.03.2018	% of total Shares of the Company				No. of shares	% of total Shares of the Company
1.	Sureshchand P Jain	700200	11.65		0		700200	11.65
2.	Meena S Jain	275500	4.58		0		275500	4.58
3.	Dhannalal P Jain	3300	0.00		0		3300	0.00



**I) INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment (Rs. in Lacs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	N.A.	N.A.	N.A.	N.A.
ii) Interest due but not paid	N.A.	N.A.	N.A.	N.A.
iii) Interest accrued but not due	N.A.	N.A.	N.A.	N.A.
<b>Total (i+ii+iii)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	N.A.	N.A.	N.A.	N.A.
Reduction	N.A.	N.A.	N.A.	N.A.
<b>Net Change</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	N.A.	N.A.	N.A.	N.A.
ii) Interest due but not paid	N.A.	N.A.	N.A.	N.A.
iii) Interest accrued but not due	N.A.	N.A.	N.A.	N.A.
<b>Total (i+ii+iii)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

**II) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/MANAGER	Total Amt
		Shri S.P. Jain	
1	Gross Salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option related perquisites	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit	NIL	NIL
	- Others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.	



**B. Remuneration to other directors:**

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mrs. Meena S Jain	Mr. Dhannalal P Jain	Mr. Siddharth S Bharill	Mr. Baldev Boolani	
1	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
2	<b>Other Non-Executive Directors</b>					
	• Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B)=(1+2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total Managerial Remuneration</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Rs. In Lakhs)

Sl. No	Particulars of Remuneration		Total
		(CEO - Chief Executive Officer)	Sandeep Gopale (CFO - Chief Financial Officer)
1	Gross Salary		3.31/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL
2	Stock Option related perquisites		NIL
3	Sweat Equity		NIL
4	Commission		NIL
	- as % of profit		NIL
	- others, specify...		NIL
5	Others, please specify		NIL
	<b>Total</b>		<b>3.31</b>



**III) 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)
Penalty	<b>NONE</b>				
Punishment					
Compounding					

**Other Officers in Default**

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)
Penalty	<b>NONE</b>				
Punishment					
Compounding					

By Order of the Board  
For S.P.Capital Financing Limited

Sd/-	Sd/-
<b>SURESHCHAND P Jain</b>	<b>Meena S Jain</b>
Managing Director	Director
DIN: 00004402	DIN: 00004413

Place: Mumbai  
Date: 30th May, 2018

**SANDEEP GOPALE**  
CFO



### **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended **31<sup>st</sup> March, 2018**.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by the Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinion or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian financial market has displayed relative stability for the last several years, even when markets in the Asian region were facing a crisis. India's latest run of economic growth and continuing macroeconomic stability is a tribute the important progress made in recent year in macroeconomic management techniques as well as to an earlier generation of structural reforms. However, while growth and stability in the Indian market remains stable, turmoil in the Middle East and North Africa are adding uncertainty to the pace of global recovery. The financial downtrend in the US and Europe has an adverse effect on the pace of global financial recovery and has added to inflationary woes. Hence going forward countries will have to face the challenge of achieving growth while balancing inflationary concerns and growth momentum.

### **THE FINANCIAL AND OPERATIONAL PERFORMANCE**

The financial statement is in confirmation with provisions of the Companies Act, 1956 and applicable accounting standard recommended by the Institute of Chartered Accountants of India. The financial statement reflects the genuine desire for the transparency and best judgment for the estimates made on prudent and reasonable basis to correctly reflect the true and fair affairs of the company.

### **FUTURE PROSPECT / BUSINESS PLANS OF THE COMPANY**

The opportunities ahead are immense and Company is fully geared to make the most of them. The company has concentrated on its goals of consolidating and cutting cost wherever possible. Various organization development initiatives were undertaken during the year. These are expected to help create a robust organization based on strong values, uniform and systematic business processes and people empowerment.

### **ADEQUACY OF INTERNAL CONTROL**

The Company has robust internal control systems in place which are commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. Increased attention is given to auto generation of MIS reports as against manual reports to take care of possible human errors or alteration of data. The Management reviews and strengthens the controls periodically.

### **HUMAN RESOURCE DEVELOPMENT**

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling.

### **SEGMENT-WISE PERFORMANCE**

The Company is into single reportable segment only.



**INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditor of the Company for inefficiency or inadequacy of such controls.

**COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes.

**CAUTIONARY STATEMENT**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

By Order of the Board  
For **S.P.Capital Financing Limited**

Sd/-	Sd/-
<b>SURESHCHAND P Jain</b>	<b>Meena S Jain</b>
<b>Managing Director</b>	<b>Director</b>
<b>DIN: 00004402</b>	<b>DIN: 00004413</b>

**Place: Mumbai**  
**Date: 30th May, 2018**

**SANDEEP GOPALE**  
**CFO**

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF  
S. P. CAPITAL FINANCING LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone Financial Statements of **S. P. CAPITAL FINANCING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

### **Management's Responsibility for the Standalone 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 these standalone 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 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 standalone 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 standalone 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 thereunder.

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 standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone Financial Statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss and its 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 amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.



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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
  - (h) 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 derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31.03.2018.
    - iv. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management

For **SANJAY RAJA JAIN & CO.**  
CHARTERED ACCOUNTANTS  
**FRN : 120132W**

**SURJEET JAIN**  
**M No. 129531**  
(PARTNER)

**Place : Mumbai.**  
**Date : 30/05/2018**





**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Independent Auditor's Report of even date to the members of **S. P. CAPITAL FINANCING LIMITED**. on the standalone Financial Statements as of and for the year ended 31.03.2018,

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that

- (l) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and on the basis of our examination of records the agreement to sale of immovable properties are held in the name of the company.
- (ii) The inventories of the company comprise of shares and securities and accordingly the clause for physical verification is not applicable.
- (iii) During the year the Company has granted unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
  - (b) The receipt of the principal amount and interest are regular; and
  - (c) As explained to us there are no overdue amounts of the said loans .
- (iv) In our opinion and according to the information and explanation give to us, the company has granted loans, guarantee and security covered u/s 185 and 186 the investment made by the company is in compliance with the provisions of section 186 of the companies Act 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under section 148 (1) of the Companies Act, 2013.
- (vii) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable except the following:
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned below:

<i>Sr. No.</i>	<i>Name of Statute</i>	<i>Nature of Dues</i>	<i>Forum where Dispute is pending</i>	<i>Asst. Year</i>	<i>Amount in Rs.</i>
<i>1</i>	<i>Income Tax Act</i>	<i>Income Tax</i>	<i>CIT(A)</i>	<i>2012-13</i>	<i>64,890/-</i>



- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any loan or borrowing from any banks, government and Debenture holders. The Company has not defaulted in the repayment of dues to financial institution.
- (ix) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year.
- (x) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud on the Company by the company or any fraud by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.
- (xi) As explained to us, 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, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, The Company is duly registered under section 45-IA of the Reserve Bank of India Act 1934.

For **SANJAY RAJA JAIN & CO.**  
CHARTERED ACCOUNTANTS  
**FRN : 120132W**

**SURJEET JAIN**  
**M No. 129531**  
(PARTNER)

**Place : Mumbai.**  
**Date : 30/05/2018**

**“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of  
S. P. CAPITAL FINANCING LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies  
Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **S. P. CAPITAL FINANCING LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone 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. 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.

**Auditors' 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 deemed to be 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 or for other reasons.

**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, 2018, 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 **SANJAY RAJA JAIN & CO.**  
CHARTERED ACCOUNTANTS  
**FRN : 120132W**

**SURJEET JAIN**  
**M No. 129531**  
(PARTNER)

**Place : Mumbai.**  
**Date : 30/05/2018**



**S.P.CAPITAL FINANCING LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018**

PARTICULARS	NOTE NO.	AS AT 31 <sup>ST</sup> MARCH 2018 Rs.	AS AT 31 <sup>ST</sup> MARCH 2017 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	60,122,000	60,122,000
(b) Reserves and surplus	3	65,292,960	62,168,939
(c) Money received against share warrants		-	-
		<b>125,414,960</b>	<b>122,290,939</b>
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non-Current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>(4) Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade Payables		-	-
(c) Other current liabilities	4	247,009	255,316
(d) Short-term provisions	5	1,942,000	1,837,992
		<b>2,189,009</b>	<b>2,093,308</b>
<b>TOTAL</b>		<b>127,603,970</b>	<b>124,384,247</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>(1) (a) Fixed assets</b>			
(i) Tangible assets	6	2,511,000	2,511,000
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Deferred tax assets (net)		-	-
(c) Non Current Investments	7	13,220,900	17,220,900
(d) Long-term loans and advances		-	-
(e) Other non-current assets	8	10,027,300	10,027,300
		<b>25,759,200</b>	<b>29,759,200</b>
<b>(2) Current assets</b>			
(a) Current Investments		-	-
(b) Inventories	9	160,965	1,307,738
(c) Trade Receivables		-	-
(d) Cash and cash equivalents	10	40,339,072	52,602,478
(e) Short Term Loans & Advances	11	61,344,733	40,714,831
(f) Other Current assets		-	-
		<b>101,844,770</b>	<b>94,625,047</b>
<b>TOTAL</b>		<b>127,603,970</b>	<b>124,384,247</b>
<b>Significat Accounting Policies notes on Financial Statements</b>	1-24		

As per our report of even date

For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W

**SURJEET JAIN**  
**(PARTNER)**  
M.N.129531

PLACE: MUMBAI  
DATE: 30.05.2018

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**  
**MANAGING DIRECTOR**  
DIN NO.00004402

**MRS. MEENA S JAIN**  
**DIRECTOR**  
DIN NO.00004413

**SANDEEP GOPALE**  
**CFO**



**S.P.CAPITAL FINANCING LIMITED**

**Statement of Profit and loss for the year ended 31<sup>st</sup> March 2018**

	PARTICULARS	NOTE NO.	For the year ended	For the year ended
			31 <sup>st</sup> MARCH 2018	31 <sup>st</sup> MARCH 2017
			Rs.	Rs.
	<b>Income</b>			
I.	Revenue From Operations	12	17,847,136	15,331,805
II.	Other Income	13	4,017,009	13,463
III.	<b>Total Revenue</b>		<b>21,864,145</b>	<b>15,345,268</b>
IV.	<b>Expenses:</b>			
	Cost of Shares Sold	14	14,150,107	9,575,252
	Employee benefits expense Finance Costs	15	2,082,125	1,446,039
	Depreciation and amortization expense		-	-
	Other expenses	16	1,471,672	1,324,159
	<b>Total expenses</b>		<b>17,703,904</b>	<b>12,345,450</b>
V	<b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>4,160,241</b>	<b>2,999,819</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>4,160,241</b>	<b>2,999,819</b>
VIII	<b>Extraordinary items</b>		-	-
IX	<b>Profit before tax (VII - VIII)</b>		<b>4,160,241</b>	<b>2,999,819</b>
X	<b>Tax expense:</b>			
	(1) Current tax		1,067,000	962,992
	(2) Deferred tax		-	-
	(3) Tax for earlier years		(30,780)	2,127
			<b>1,036,220</b>	<b>965,119</b>
XI	<b>Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>3,124,021</b>	<b>2,034,700</b>
XII	<b>Profit/(Loss) from discontinuing operations</b>		-	-
XIII	<b>Tax expense of discontinuing operations</b>		-	-
XIV	<b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>		-	-
XV	<b>Profit/(Loss) for the period (XI+XIV)</b>		<b>3,124,021</b>	<b>2,034,700</b>
XVII	<b>Earnings per equity share of face value of Rs. 10 each</b>	17	<b>0.52</b>	<b>0.34</b>
	Basic & Diluted (in Rupees)			
	<b>Significant Accounting Policies notes on Financial Statements</b>	1-25		

As per our report of even date

For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W

**SURJEET JAIN**  
**(PARTNER)**  
M.N.129531

**PLACE: MUMBAI**  
**DATE: 30.05.2018**

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**  
**MANAGING DIRECTOR**  
DIN NO.00004402

**MRS. MEENA S JAIN**  
**DIRECTOR**  
DIN NO.00004413

**SANDEEP GOPALE**  
**CFO**



**S.P.CAPITAL FINANCING LIMITED**  
**CASH FLOW STATEMENT PURSUANT TO CLAUSE 32**  
**OF THE LISTING AGREEMENTS 31<sup>ST</sup> MARCH, 2018**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	4,160,241	2,999,818
<u>Adjustments for:</u>		
Depreciation and amortisation	-	-
Profit on sale of Fixed Asset	-	-
Long Term Capital Gain on Sale of Investment	-	-
<b>Operating profit before working capital changes</b>	<u>4,160,241</u>	<u>2,999,818</u>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Non-Current Investment	40,00,000	(40,00,000)
Short-term loans and advances	<b>(20,629,902)</b>	12,431,363
Long-term loans and advances	-	-
Trade Receivables	-	-
Inventories	<b>11,46,773</b>	(60,159)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Proceeds from other short-term borrowings (Net of Repayment)	-	-
Other current liabilities & Provisions	<b>(8,307)</b>	(3,925)
Trade Payables	-	-
Short term Provisions	<b>104,008</b>	405,009
<b>Cash flow from extraordinary items</b>		
Net income tax	<b>(1,036,220)</b>	(965,119)
	<u><b>(12,263,407)</b></u>	<u><b>10,806,988</b></u>
<b>B. Cash flow from investing activities</b>		
Purchase/Sales of Fixed Assets	-	-
Sale of Shares in Investment	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	-	-
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	-
Dividends paid	-	-
Tax on dividend	-	-
<b>Net cash flow from / (used in) financing activities (C)</b>	-	-
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u><b>(12,263,407)</b></u>	<u><b>10,806,988</b></u>
Cash and cash equivalents at the beginning of the year	<b>52,602,478</b>	41,795,490
<b>Cash and cash equivalents at the end of the year</b>	<b>40,339,072</b>	52,602,478
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>	<b>12,263,407</b>	<b>(10,806,988)</b>

Note: Cash and Cash Equivalent include cash in hand, balances with bank and cheques in hand as on 31st March 2018

As per our report of even date

For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W

**SURJEET JAIN**  
**(PARTNER)**  
M.N.129531

**PLACE: MUMBAI**  
**DATE: 30.05.2018**

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**  
**MANAGING DIRECTOR**  
DIN NO.00004402

**MRS. MEENA S JAIN**  
**DIRECTOR**  
DIN NO.00004413

**SANDEEP GOPALE**  
**CFO**



**S.P.CAPITAL FINANCING LIMITED**

**Notes on financial statement as on and for the year ended 31<sup>st</sup> March 2018**

**NOTE: 1 SIGNIFICANT ACCOUNTING POLICIES**

**I. BASIS OF PREPARATION**

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspect with the Accounting Standards notified under Section 211(3C) of Companies Act, 1956 [ Companies ( Accounting Standards ), 2006 as amended ] and other relevant provisions of the Companies Act, 2013.
- b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule – III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current / non-current classification of assets and liabilities.
- c) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- d) The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period .The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

**II. TANGIBLEFIXED ASSETS AND DEPRECIATION**

- a) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- b) Depreciation has been provided as under:
  - (i) For assets existing on 1<sup>st</sup> April 2014 the carrying has been written off as the useful life is expired and the same has been discarded.

**III. IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in the prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

**IV. BORROWING COST**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.





**V. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and net realizable value. Long-term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

**VI. INVENTORIES**

Inventories are value at cost or market value whichever is lower.

**VII. REVENUE RECONGNITION**

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Revenue from sale of shares & securities is recognized when the significant risks and rewards of ownership of shares & securities have passed. Sale of shares & securities are recorded net of brokerage and Taxes.
- c) Transaction of Purchase and Sale effected in cash market, which are settled otherwise than by actual delivery or transfer of Shares and securities are accounted as sales and purchases.
- d) Derivative Instruments: Transaction of Purchase and Sales of derivative contracts effected in F & O market, which are settled otherwise than by actual delivery or transfer of Shares and securities are netted and the resultant Gain or loss is accounted as F & O profit or loss in the statement of profit and loss.

Accounting for derivative contracts, the outstanding derivative contract with respect to F & O as at the year end are marked to market individually to account for the loss, if any and is charged to the statement of profit and loss. The gains arising on account of mark to market are ignored.

- e) Interest Income is recognized on a time proportion basis.
- f) Dividend income on investments is accounted for when the right to receive the payment is established.

**VIII. EMPLOYEE BENEFITS**

The Provident Fund contribution and Gratuity is not required to be provided as the Company does not fulfill the criterion of minimum number of Employees employed during the year and hence is not under the statutory obligation to pay the same.

**IX. TAXATION**

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.



In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

**X. OPERATING LEASES**

As a Lessee :Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**XI. CASH AND CASH EQUIVALENT**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period three months or less and short term highly liquid investments with an original maturity of three months or less.

**XII. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**XIII. CONTINGENT LIABILITIES AND PROVISIONS**

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date based on the available evidence.

Provisions are recognized when there is a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.



**Notes on financial statement as on and for the year ended 31st March 2018**

**NOTE 2:- SHARE CAPITAL**

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of 10/- each	12,100,000	121,000,000	12,100,000	121,000,000
<b>Issued,Subscribed &amp; Paidup</b>				
Equity Shares of 10/- each	6,012,200	60,122,000	6,012,200	60,122,000
Total	<b>6,012,200</b>	<b>60,122,000</b>	<b>6,012,200</b>	<b>60,122,000</b>

2.1 There are no items for reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

**2.2 Terms/Rights Attached to Shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends to the holders of equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

2.3 The details of shareholder holding more than 5% shares as at March 31, 2018 is set out below:

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Class of Shares: Equity Shares				
Meena Sureshchand Jain	1,150,200	19.13	1,150,200	19.13
Mr.Sureshchand Jain	700,200	11.65	700,200	11.65
S.P.Capital Consultants Pvt Ltd	462,400	7.69	462,400	7.69
A.S.P.Enterprises P Ltd	433,800	7.22	433,800	7.22
Pride Hotels Ltd	327,700	5.45	327,700	5.45
S.P.Realtors Pvt Ltd	318,800	5.30	318,800	5.30

2.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past five years



Notes on financial statement as on and for the year ended 31<sup>st</sup> March 2018

**NOTE 3:- RESERVES AND SURPLUS**

Particulars	31 <sup>ST</sup> MARCH 2018	31 <sup>ST</sup> MARCH 2017
	Rs.	Rs.
<b>A) <u>General Reserves</u></b>		
Opening Balance	18,000,000	17,700,000
Add: Transferred From Surplus	400,000	300,000
Total	<u>18,400,000</u>	<u>18,000,000</u>
<b>B) <u>Securities Premium Reserve</u></b>		
Opening Balance	27,010,078	27,010,078
Total	<u>27,010,078</u>	<u>27,010,078</u>
<b>C) <u>Other Reserves</u></b>		
<b>Reserves Fund U/S.45 of RBI Act</b>		
Opening Balance	15,000,000	14,400,000
Add: Transferred From Surplus	800,000	600,000
Total	<u>15,800,000</u>	<u>15,000,000</u>
<b>D) <u>Surplus in Profit &amp; loss a/c</u></b>		
Surplus - Opening balance	21,58,861	1,024,161
Add: Net Profit after tax transferred	3,124,021	2,034,700
Amount available for appropriation	<u>52,82,882</u>	<u>30,58,861</u>
Appropriations:		
Proposed Dividends	-	-
Dividend Tax	-	-
Amount transferred to General reserves	400,000	300,000
Amount transferred to Reserves Fund U/S.45 of RBI Act	800,000	600,000
Surplus - Closing Balance	<u>40,82,882</u>	<u>21,58,861</u>
<b>Total (A+B+C+D)</b>	<u>6,52,92,960</u>	<u>6,21,68,939</u>

**NOTE 4:- OTHER CURRENT LIABILITIES**

Unpaid dividends	72,209	95,516
Audit Fees Payable	169,800	154,800
TDS Payable	5,000	5,000
<b>Total</b>	<u>247,009</u>	<u>255,316</u>

**NOTE 5:- SHORT TERM PROVISIONS**

Provision For Income Tax	1,067,000	962,992
Provision For N.P.A	875,000	875,000
<b>Total</b>	<u>1,942,000</u>	<u>1,837,992</u>



**Note 6 FIXED ASSETS**

(In Rs.)

Fixed Assets	Gross Block		Accumulated Depreciation			Net Block	
	Balance as at 1 April 2017	Additions/ (Disposals)	Balance as at 31 March 2018	Balance as at 31 April 2017	Additions/ (Disposals)	Balance as at 31 March 2018	Balance as at 31 March 2017
<b>Tangible Assets</b>							
Land	2,511,000	-	2,511,000	-	-	2,511,000	2,511,000
<b>Total</b>	<b>2,511,000</b>	<b>-</b>	<b>2,511,000</b>	<b>0</b>	<b>0</b>	<b>2,511,000</b>	<b>2,511,000</b>

P.Y. -



**NOTE 7:- NON CURRENT INVESTMENTS**

Particulars	31 <sup>ST</sup> MARCH 2018 Rs.	31 <sup>ST</sup> MARCH 2017 Rs.
<u>Unquoted-(At Cost)</u>		
Pride & Expert Properties P Ltd (125000 Equity shares of Rs. 10 each fully paid up)	6,250,000	6,250,000
Pride Hotels Ltd (1633950) Equity shares of Rs. 10 each fully paid up)	2,470,900	2,470,900
Abhiyan Merchant Pvt. Ltd. (400000 Equity shares of Rs. 10 each fully paid up)	-	4,000,000
Pride Orchades Pvt Ltd (450000 Equity shares of Rs. 10 each fully paid up)	45,00,000	45,00,000
<b>Total</b>	<b>1,32,20,900</b>	<b>1,72,20,900</b>

**NOTE 8:- LONG TERM LOANS AND ADVANCES**

**Un-secured considered good**

**Security Deposits:**

Electricity and Other Deposits	27,300	27,300
Rental Deposit	10,000,000	10,000,000
<b>Total</b>	<b>10,027,300</b>	<b>10,027,300</b>

**NOTE 9:- INVENTORIES**

Stock in Trade*	160,965	1,307,738
<b>Total</b>	<b>160,965</b>	<b>1,307,738</b>

**NOTE 10:- CASH AND BANK BALANCES:**

**Balances with banks**

In Current accounts	39,862,355	52,502,408
Cash in hand	404,507	4,554

**Other Bank Balances**

Unpaid Dividend accounts	72,209	95,516
<b>Total</b>	<b>40,339,072</b>	<b>52,602,478</b>

**NOTE 11:- SHORT TERM LOANS AND ADVANCES**

**Un-secured considered good**

Loans to employees	35,000	-
Loan & Advances to related party	56,757,935	39,327,477
Loans & advances to Others	3,361,067	773,370
TDS and Advance tax	1,190,731	613,984
<b>Total</b>	<b>61,344,733</b>	<b>40,714,831</b>



Notes on financial statement as on and for the year ended 31st March 2018

**NOTE 12:- REVENUE FROM OPERATION**

<b>Particulars</b>	<b>For the year ended 31<sup>ST</sup> MARCH 2018 Rs.</b>	<b>For the year ended 31<sup>ST</sup> MARCH 2017 Rs.</b>
Sale of Securities	14,853,239	9,743,177
Interest Income	2,993,897	5,588,628
<b>Total</b>	<b>17,847,136</b>	<b>15,331,805</b>

**NOTE 13:- OTHER INCOME**

Other Income

Dividend Income	17,009	13,463
Net gain/loss on sale of Investments	4,000,000	-
<b>Total</b>	<b>4,017,009</b>	<b>13,463</b>

**NOTE 14:- COST OF SECURITIES SOLD**

Opening Stock	1,307,738	1,247,580
Add: Purchases	13,003,334	9,635,410
	14,311,072	10,882,990
Less: Closing Stock	160,965	1,307,738
<b>Total</b>	<b>14,150,107</b>	<b>9,575,252</b>

**NOTE 15:- EMPLOYEES BENEFIT EXPENSES**

Salaries	1,999,511	1,426,205
Staff Welfare expenses	82,614	19,834
<b>Total</b>	<b>2,082,125</b>	<b>1,446,039</b>



**NOTE 16:- OTHER EXPENSES**

Particulars	For the year ended 31 <sup>ST</sup> MARCH 2018 Rs.	For the year ended 31 <sup>ST</sup> MARCH 2017 Rs.
Printing & Stationery Expenses	112,080	42,370
Office Expenses	91,222	4,676
Books & Periodicals Exp	42,056	1,188
Audit Fees	50,000	50,000
Advertisement Expenses	37,100	-
Bad Debts Written Off	-	150,000
Bank Charges	5,136	3,066
Conveyance & Motor Car Expenses	199,912	185,538
Directors Sitting Fees	40,000	25,000
Postage Courier & Stamp	53,177	16,975
Retainership A/c.	97,500	81,500
Repairs and Maintaince	71,497	-
Listing & Other Expenses	442,302	611,025
Telephone Expenses	13,607	10,993
Rent	120,000	120,000
Sundry Expenses	96,083	15,043
Legal Expenses	-	6,785
<b>Total</b>	<b>1,471,672</b>	<b>1,324,159</b>

**Note:17 Earning Per Share (as per Accounting Standard -20)**

Profit After Tax	31,24,021	20,34,700
No. of Equity Shares	6,012,200	6,012,200
EPS (basic & Diluted)	0.52	0.34

**Note:18 Auditor's Remuneration**

For Audit fees	50,000	50,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>





**Note 19**

Contingent Liability towards Income Tax is Rs.64,890/- (P.Y. Rs. 64,890).

**Note 20**

Other Information pursuant to the provisions of Schedule III of Companies Act, 2013 are either Nil or Not Applicable.

**Note 21**

In the opinion of the management the company is mainly engaged in the business of Capital Market Activities and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

**Note 22**

Information on related party transactions as required by Accounting Standard 18, " issued by the Institute of Chartered Accounts of India for the year ended 31<sup>st</sup> March 2018.

Rs.

<u>Particulars</u>	<u>Key Managerial Persons</u>		<u>Relative of Key Managerial Person</u>		<u>Companies/Firms Controlled by key managerial Persons/Relatives</u>	
	<u>Current Year</u>	<u>Previous Year</u>	<u>Current Year</u>	<u>Previous Year</u>	<u>Current Year</u>	<u>Previous Year</u>
<b>Transactions during the year</b>						
Loan Given	-	-	-	-	16,29,18,400	4,21,60,000
Repayment of Loan given	-	-	-	-	14,80,37,578	5,95,60,000
Loan Taken	-	-	-	-	16,98,000	-
Repayment of Loan taken	-	-	-	-	16,98,000	-
Purchase	-	-	-	40,00,000	-	-
Sales	-	-	80,00,000	-	-	-
Interest Received	-	-	-	-	28,99,943	55,88,628
Rent Paid	60,000	60,000	-	-	60,000	60,000
Compensation Recd (incl. of GST)	8,100	-	-	-	8,100	-
<b>Outstanding Balance as on 31.03.2018</b>						
Loans Given	-	-	-	-	5,67,57,935	3,93,27,477
Loan Taken	-	-	-	-	-	-
Security Deposit Recd	3,000,000	3,000,000	-	-	7,000,000	7,000,000
Trade payables for expenses	-	-	-	-	-	-
a) Key Managerial Persons:	Sureshchand P Jain					
b) Relative Key Managerial Person						
b) Companies/Firms over which the key	Pride Hotels Ltd ASP Enterprises P Ltd Executive Hsg Finance Co Ltd Khairana Development P Ltd Kopra Estate P Ltd Pride Centre & Dev P Ltd Pride Orchades P Ltd Pride Paradise & Dev P Ltd Rohan Hotels P Ltd S.P. Capital Consultants P Ltd S.P. Realtors Pvt Ltd Meena Investment Corporation Pride Builders LLP					
Managerial Persons/ Relatives have significant Influence or control:						



**Note 23 Information (to the extent applicable) pursuant to AS 19:**

The Company's significant leasing arrangements are in respect of operating leases for Office premises. These leasing arrangements which are not non-cancelable range between 8 months, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under schedule E.

The particulars of these leases are as follows:

(Rs.)

<b>PARTICULARS</b>	<b>2017- 2018</b>	<b>2016 - 2017</b>
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	--	--
Later than one year and not later than five years.	--	--
Later than five years	--	--
Lease payments recognized in Profit & Loss Account	1,20,000	1,20,000

**Note 24**

Figures of previous year are regrouped and reclassified as and when necessary.

For SANJAY RAJA JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN : 120132W

For S P CAPITAL FINANCING LTD  
CIN NO: CIN NO. L74140MH1983PLC029494

**SURJEET JAIN**  
(PARTNER)  
Membership No. 129531

**SURESHCHAND. P. JAIN**  
MANAGING DIRECTOR  
DIN NO: 00004402

**MEENA S JAIN**  
DIRECTOR  
DIN NO:00004413

Place : Mumbai  
Date : 30/05/2018

**SANDEEP GOPALE**  
CFO

**INDEPENDENT AUDITOR'S' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE MEMBERS OF  
S. P. CAPITAL FINANCING LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **S. P. Capital Financing Limited** (hereinafter referred to as "the Holding Company"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**



In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at 31st March, 2018 and their consolidated profit/loss and their consolidated 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 amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 are not applicable to the consolidated financial reports.
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 purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- © The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate companies, in India, none of the directors of the company and its associate company is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) 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 derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transfer, to the Investor Education and Protection Fund by the Company during the year ended 31.03.2018.
  - iv. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management.

**For SANJAY RAJA JAIN & CO.**  
**Chartered Accountants**  
FRN No. 120132W

**SURJEET JAIN**  
**Partner**  
**M. No. 129531**  
**Place : Mumbai**  
**Dated: 30.05.2018**

**“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of S. P. CAPITAL FINANCING LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **S. P. CAPITAL FINANCING LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the consolidated 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 Holding Company and its associate company which are companies incorporated in India are 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. 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.

**Auditors’ 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 deemed to be 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**



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

**Opinion**

In our opinion, the Company and its associate, 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, 2018, 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 SANJAY RAJA JAIN & CO.**  
**Chartered Accountants**  
FRN No. 120132W

**SURJEET JAIN**  
**Partner**  
**M. No. 129531**  
**Place : Mumbai**  
**Dated: 30.05.2018**



**S.P.CAPITAL FINANCING LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018**

PARTICULARS	NOTE NO.	AS AT 31 <sup>st</sup> March,2018 Rs.	AS AT 31 <sup>st</sup> March,2017 Rs.
<b><u>I. EQUITY AND LIABILITIES</u></b>			
<b>1.Shareholders' funds</b>			
(a) Share capital	2	60,122,000	60,122,000
(b) Reserves and surplus	3	100,243,879	97,129,906
		<b>160,365,879</b>	<b>157,251,906</b>
<b>2.Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade Payables		-	-
(c) Other current liabilities	4	247,009	255,316
(d) Short-term provisions	5	1,942,000	1,837,992
		<b>2,189,009</b>	<b>2,093,308</b>
<b>TOTAL</b>		<b>162,554,888</b>	<b>159,345,214</b>
<b><u>II. ASSETS</u></b>			
<b>1.Non-current assets</b>			
(a) Fixed assets			
Tangible assets	6	2,511,000	2,511,000
(b) Deferred tax assets (net)	7	-	-
(c) Non Current Investments	8	48,171,819	52,181,867
(d) Long-term loans and advances	9	10,027,300	10,027,300
		<b>60,710,119</b>	<b>64,720,167</b>
<b>2.Current assets</b>			
(a) Inventories	10	160,965	1,307,738
(b) Trade Receivables		-	-
(c) Cash and cash equivalents	11	40,339,072	52,602,478
(d) Short Term Loans & Advances	12	61,344,733	40,714,831
		<b>101,844,770</b>	<b>94,625,047</b>
<b>TOTAL</b>		<b>162,554,888</b>	<b>159,345,214</b>
Significant Accounting Policies notes on Financial Statements	1-24		

As per our report of even date

For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W

**SURJEET JAIN**  
(PARTNER)  
M.N.129531

PLACE: MUMBAI  
DATE: 30.05.2018

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**  
MANAGING DIRECTOR  
DIN NO.00004402

**MRS. MEENA S JAIN**  
DIRECTOR  
DIN NO.00004413

**SANDEEP GOPALE**  
CFO



**S.P.CAPITAL FINANCING LIMITED**  
**Consolidated Statement of Profit and loss for the year ended 31<sup>st</sup> March 2018**

	PARTICULARS	NOTE NO.	For the year ended 31.03.2018	For the year ended 31.03.2017
			Rs.	Rs.
<b>I.</b>	<b>Income</b>			
	Revenue From Operations	13	17,847,136	15,331,805
	Other Income	14	4,017,009	13,463
	<b>Total Revenue</b>		<b>21,864,145</b>	<b>15,345,268</b>
<b>II.</b>	<b>Expenses:</b>			
	Cost of Shares Sold	15	14,150,107	9,575,252
	Employee benefits expense	16	2,082,125	1,446,039
	Depreciation and amortization expense	6	-	-
	Other expenses	17	1,471,672	1,324,159
	<b>Total expenses</b>		<b>17,703,904</b>	<b>12,345,450</b>
<b>III</b>	<b>Profit before extraordinary items and tax (II - III)</b>		4,160,241	2,999,818
<b>IV</b>	<b>Extraordinary items</b>		-	-
	<b>Profit before tax (III - IV)</b>		4,160,241	2,999,818
<b>IV</b>	<b>Tax expense:</b>			
	(1) Current tax		1,067,000	962,992
	(2) Deferred tax		-	-
	(3) Tax for earlier years		(30,780)	2,127
			<b>1,036,220</b>	<b>965,119</b>
<b>V</b>	<b>Profit (Loss) before share in Associates profit /loss</b>		<b>3,124,021</b>	<b>2,034,700</b>
	Add:Share of Assocaite's Profit		-10,048	34,968
	<b>Profit for the year</b>		<b>3,113,973</b>	<b>2,069,667</b>
<b>VI</b>	Earnings per equity share of face value of Rs. 10 each	18	0.52	0.34
	Basic & Diluted (in Rupees)			
	Significat Accounting Policies notes on Financial Statements	1-24		

As per our report of even date  
For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W

**SURJEET JAIN**  
**(PARTNER)**  
M.N.129531

**PLACE: MUMBAI**  
**DATE: 30.05.2018**

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**  
**MANAGING DIRECTOR**  
DIN NO.00004402

**MRS. MEENA S JAIN**  
**DIRECTOR**  
DIN NO.00004413

**SANDEEP GOPALE**  
**CFO**





**S.P.CAPITAL FINANCING LIMITED  
CONSOLIDATED CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE  
LISTING AGREEMENTS 31<sup>ST</sup> MARCH, 2018**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	4,160,241	2,999,818
<u>Adjustments for:</u>		
Depreciation and amortisation	-	-
Profit on sale of Fixed Asset	-	-
Profit/(Loss) in Share of Associates	(10,048)	34,967
Long Term Capital Gain on Sale of Investment	-	-
<b>Operating profit before working capital changes</b>	<u>4,150,193</u>	<u>3,034,785</u>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Short-term loans and advances	(20,629,902)	12,431,363
Long-term loans and advances	-	-
Trade Receivables	-	-
Inventories	5,156,821	(4,095,126)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Proceeds from other short-term borrowings (Net of Repayment)	-	-
Other current liabilities & Provisions	(8,307)	(3,925)
Trade Payables	-	-
Short term Provisions	104,008	405,009
<b>Cash flow from extraordinary items</b>		
Net income tax	(1,036,220)	(965,119)
	<u>(12,263,407)</u>	<u>10,806,988</u>
<b>B. Cash flow from investing activities</b>		
Purchase/Sales of Fixed Assets	-	-
Sale of Shares in Investment	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	-	-
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	-
Dividends paid	-	-
Tax on dividend	-	-
<b>Net cash flow from / (used in) financing activities (C)</b>	-	-
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u>(12,263,407)</u>	<u>10,806,988</u>
Cash and cash equivalents at the beginning of the year	52,602,478	41,795,490
<b>Cash and cash equivalents at the end of the year</b>	<u>40,339,072</u>	<u>52,602,478</u>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>	<u>12,263,407</u>	<u>(10,806,988)</u>

Note: Cash and Cash Equivalent include cash in hand, balances with bank and cheques in hand as on 31st March 2018

As per our report of even date  
For **SANJAY RAJA JAIN & CO**  
**CHARTERED ACCOUNTANTS**  
FRN - 120132W  
**SURJEET JAIN**  
(PARTNER)  
M.N.129531  
  
**PLACE: MUMBAI**  
**DATE: 30.05.2018**

For **S P CAPITAL FINANCING LTD.**  
CIN NO. L74140MH1983PLC029494

**MR.SURESHCHAND P JAIN**      **MRS. MEENA S JAIN**  
**MANAGING DIRECTOR**      **DIRECTOR**  
**DIN NO.00004402**      **DIN NO.00004413**

**SANDEEP GOPALE**  
**CFO**

**S.P.CAPITAL FINANCING LIMITED**

 Consolidated Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2018  
 NOTE: 1 SIGNIFICANT ACCOUNTING POLICIES

**A - BASIS OF CONSOLIDATION**

- (a) The consolidated financial statements relate to S. P. CAPITAL FINANCING PRIVATE LIMITED (the “Company”), its associates. The Company, its associates together constitute the “Group”. The consolidated financial statements have been prepared on the following basis:
- (i) Investments in Associate Companies have been accounted for under the equity method as per Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Statements', as specified under section 133 of the Companies Act, 2013, read with Rules 7 of the Companies (Accounts) Rules, 2014.
  - (ii) The share of profits / (loss) of the Associate Companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.
  - (iii) The financial statements of associates consolidated are drawn upto the same reporting date as that of the Company.
  - (iv) Investment other than on associates has been accounted as per accounting standard (AS) 13 on “accounting for Investment”.
- (b) The list of associate, which are included in the consolidation with their respective country of incorporation and the Group's holding therein, is given below;

Particulars of Associate (held directly):

Name of the Company	County of Incorporation	% of voting power as at 31st March, 2018	% of voting power as at 31st March, 2017
Pride Orchades Pvt. Ltd.	India	45%	45%

**B – SIGNIFICANT ACCOUNTING POLICIES**
**I. BASIS OF PREPARATION**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspect with the Accounting Standards notified under Section 211(3C) of Companies Act, 1956 [ Companies ( Accounting Standards ), 2006 as amended ] and other relevant provisions of the Companies Act, 2013.

**II. TANGIBLE FIXED ASSETS AND DEPRECIATION**

- a) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- b) Depreciation has been provided as under:
  - (i) For assets existing on 1<sup>st</sup> April 2014 the carrying has been written off as the useful life is expired and the same has been discarded.



### **III. IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in the prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

### **IV. BORROWING COST**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

### **V. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and net realizable value. Long-term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

### **VI. INVENTORIES**

Inventories are value at cost or market value whichever is lower.

### **VII. REVENUE RECONGNITION**

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Revenue from sale of shares & securities is recognized when the significant risks and rewards of ownership of shares & securities have passed. Sale of shares & securities are recorded net of brokerage and Taxes.
- c) Transaction of Purchase and Sale effected in cash market, which are settled otherwise than by actual delivery or transfer of Shares and securities are accounted as sales and purchases.
- d) Derivative Instruments: Transaction of Purchase and Sales of derivative contracts effected in F & O market, which are settled otherwise than by actual delivery or transfer of Shares and securities are netted and the resultant Gain or loss is accounted as F & O profit or loss in the statement of profit and loss.

Accounting for derivative contracts, the outstanding derivative contract with respect to F & O as at the year end are marked to market individually to account for the loss, if any and is charged to the statement of profit and loss. The gains arising on account of mark to market are ignored.

- e) Interest Income is recognized on a time proportion basis.
- f) Dividend income on investments is accounted for when the right to receive the payment is established.

### **VIII. EMPLOYEE BENEFITS**

The Provident Fund contribution and Gratuity is not required to be provided as the Company does not fulfill the criterion of minimum number of Employees employed during the year and hence is not under the statutory obligation to pay the same.



**IX. TAXATION**

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

**X. OPERATING LEASES**

As a Lessee :Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

**XI. CASH AND CASH EQUIVALENT**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period three months or less and short term highly liquid investments with an original maturity of three months or less.

**XII. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**XIII. CONTINGENT LIABILITIES AND PROVISIONS**

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date based on the available evidence.

Provisions are recognized when there is a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.



**Notes on financial statement as on and for the year ended 31st March 2018**

**NOTE 2:- SHARE CAPITAL**

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of 10/- each	12,100,000	121,000,000	12,100,000	121,000,000
<b>Issued,Subscribed &amp; Paidup</b>				
Equity Shares of 10/- each	6,012,200	60,122,000	6,012,200	60,122,000
Total	<b>6,012,200</b>	<b>60,122,000</b>	<b>6,012,200</b>	<b>60,122,000</b>

2.1 There are no items for reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

**2.2 Terms/Rights Attached to Shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends to the holders of equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

2.3 The details of shareholder holding more than 5% shares as at March 31, 2018 is set out below:

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Class of Shares: Equity Shares				
Meena Sureshchand Jain	1,150,200	19.13	1,150,200	19.13
Mr.Sureshchand Jain	700,200	11.65	700,200	11.65
S.P.Capital Consultants Pvt Ltd	462,400	7.69	462,400	7.69
A.S.P.Enterprises P Ltd	433,800	7.22	433,800	7.22
Pride Hotels Ltd	327,700	5.45	327,700	5.45
S.P.Realtors Pvt Ltd	318,800	5.30	318,800	5.30

2.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past five years



**NOTE 3:- RESERVES AND SURPLUS**

Particulars	AS AT 31ST MARCH18 Rs.	AS AT 31ST MARCH17 Rs.
<b>A) <u>General Reserves</u></b>		
Opening Balance	18,000,000	17,700,000
Add: Transferred From Surplus	400,000	300,000
Total	<u>18,400,000</u>	<u>18,000,000</u>
<b>B) <u>Securities Premium Reserve</u></b>		
Opening Balance	27,010,078	27,010,078
Total	<u>27,010,078</u>	<u>27,010,078</u>
<b>C) <u>Other Reserves</u></b>		
<b>Reserves Fund U/S.45 of RBI Act</b>		
Opening Balance	15,000,000	14,400,000
Add: Transferred From Surplus	800,000	600,000
Total	<u>15,800,000</u>	<u>15,000,000</u>
<b>D) <u>Surplus in Profit &amp; loss a/c</u></b>		
Surplus - Opening balance	37,119,828	1,083,918
Add: Net Profit after tax transferred	3,113,973	2,069,667
Amount available for appropriation	<u>40,233,801</u>	<u>3,153,585</u>
Appropriations:		
Proposed Dividends	-	-
Dividend Tax	-	-
Amount transferred to General reserves	400,000	300,000
Amount transferred to Reserves Fund U/S.45 of RBI Act	800,000	600,000
Accumulated profit attributable to owner of Associate concern (Equity method)		34,866,243
Surplus - Closing Balance	<u>39,033,801</u>	<u>37,119,828</u>
<b>Total (A+B+C+D)</b>	<u>100,243,879</u>	<u>97,129,906</u>

**NOTE 4:- OTHER CURRENT LIABILITIES**

Unpaid dividends	72,209	95,516
Audit Fees Payable	169,800	154,800
TDS Payable	5,000	5,000
<b>Total</b>	<u>247,009</u>	<u>255,316</u>

**NOTE 5:- SHORT TERM PROVISIONS**

Provision For Income Tax	1,067,000	962,992
Provision For N.P.A	875,000	875,000
<b>Total</b>	<u>1,942,000</u>	<u>1,837,992</u>



**Note 6 FIXED ASSETS**

(In Rs.)

Fixed Assets	Gross Block		Accumulated Depreciation			Net Block	
	Balance as at 1 April 2017	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018	Depreciation charge for the year	Balance as at 31 March 2018	Balance as at 31 March 2017
<b>Tangible Assets</b>							
Land	2,511,000	2,511,000	-	-	-	2,511,000	2,511,000
<b>Total</b>	<b>2,511,000</b>	<b>2,511,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,511,000</b>	<b>2,511,000</b>

P.Y. -



**NOTE 7:- NON CURRENT INVESTMENTS**

Particulars	31 <sup>ST</sup> MARCH 2018 Rs.	31 <sup>ST</sup> MARCH 2017 Rs.
<u>Unquoted-(At Cost)</u>		
Pride & Expert Properties P Ltd (125000 Equity shares of Rs. 10 each fully paid up)	6,250,000	6,250,000
Pride Hotels Ltd ( 1089300 Equity shares of Rs. 10 each fully paid up)	2,470,900	2,470,900
Abhiyan Merchant Pvt. Ltd. (400000 Equity shares of Rs. 10 each fully paid up)	-	4,000,000
Pride Orchades Pvt Ltd (450000 Equity shares of Rs. 10 each fully paid up)	3,94,50,919	3,94,60,967
<b>Total</b>	<b>4,81,71,819</b>	<b>5,21,81,867</b>

**NOTE 8:- LONG TERM LOANS AND ADVANCES**

**Un-secured considered good**

**Security Deposits:**

Electricity and Other Deposits	27,300	27,300
Rental Deposit	10,000,000	10,000,000
<b>Total</b>	<b>10,027,300</b>	<b>10,027,300</b>

**NOTE 9:- INVENTORIES**

Stock in Trade*	160,965	1,307,738
<b>Total</b>	<b>160,965</b>	<b>1,307,738</b>

**NOTE 10:- CASH AND BANK BALANCES:**

**Balances with banks**

In Current accounts	39,862,355	52,502,408
Cash in hand	404,507	4,554

**Other Bank Balances**

Unpaid Dividend accounts	72,209	95,516
<b>Total</b>	<b>40,339,072</b>	<b>52,602,478</b>

**NOTE 11:- SHORT TERM LOANS AND ADVANCES**

**Un-secured considered good**

Loans to employees	35,000	-
Loan & Advances to related party	56,757,935	39,327,477
Loans & advances to Others	3,361,067	773,370
TDS and Advance tax	1,190,731	613,984
<b>Total</b>	<b>61,344,733</b>	<b>40,714,831</b>





Notes on financial statement as on and for the year ended 31st March 2018

**NOTE 12:- REVENUE FROM OPERATION**

Particulars	For the year ended 31 <sup>ST</sup> MARCH 2018 Rs.	For the year ended 31 <sup>ST</sup> MARCH 2017 Rs.
Sale of Securities	14,853,239	9,743,177
Interest Income	2,993,897	5,588,628
<b>Total</b>	<b>17,847,136</b>	<b>15,331,805</b>

**NOTE 13:- OTHER INCOME**

Other Income

Dividend Income	17,009	13,463
Net gain/loss on sale of Investments	4,000,000	-
<b>Total</b>	<b>4,017,009</b>	<b>13,463</b>

**NOTE 14:- COST OF SECURITIES SOLD**

Opening Stock	1,307,738	1,247,580
Add: Purchases	13,003,334	9,635,410
	14,311,072	10,882,990
Less: Closing Stock	160,965	1,307,738
<b>Total</b>	<b>14,150,107</b>	<b>9,575,252</b>

**NOTE 15:- EMPLOYEES BENEFIT EXPENSES**

Salaries	1,999,511	1,426,205
Staff Welfare expenses	82,614	19,834
<b>Total</b>	<b>2,082,125</b>	<b>1,446,039</b>



**NOTE 16:- OTHER EXPENSES**

Particulars	For the year ended 31 <sup>ST</sup> MARCH 2018 Rs.	For the year ended 31 <sup>ST</sup> MARCH 2017 Rs.
Printing & Stationery Expenses	112,080	42,370
Office Expenses	91,222	4,676
Books & Periodicals Exp	42,056	1,188
Audit Fees	50,000	50,000
Advertisement Expenses	37,100	-
Bad Debts Written Off	-	150,000
Bank Charges	5,136	3,066
Conveyance & Motor Car Expenses	199,912	185,538
Directors Sitting Fees	40,000	25,000
Postage Courier & Stamp	53,177	16,975
Retainership A/c.	97,500	81,500
Repairs and Maintaince	71,497	-
Listing & Other Expenses	442,302	611,025
Telephone Expenses	13,607	10,993
Rent	120,000	120,000
Sundry Expenses	96,083	15,043
Legal Expenses	-	6,785
<b>Total</b>	<b>1,471,672</b>	<b>1,324,159</b>

**Note:17 Earning Per Share (as per Accounting Standard -20)**

Profit After Tax	31,13,973	20,69,667
No. of Equity Shares	6,012,200	6,012,200
EPS (basic & Diluted)	0.52	0.34

**Note:18 Auditor's Remuneration**

For Audit fees	50,000	50,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>



**Note 19**

Contingent Liability towards Income Tax is Rs.64,890/- (P.Y. Rs. 64,890).

**Note 20**

Other Information pursuant to the provisions of Schedule III of Companies Act, 2013 are either Nil or Not Applicable.

**Note 21**

In the opinion of the management the company is mainly engaged in the business of Capital Market Activities and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

**Note 22**

Information on related party transactions as required by Accounting Standard 18," issued by the Institute of Chartered Accounts of India for the year ended 31<sup>st</sup> March 2018.

Rs.

<u>Particulars</u>	<u>Key Managerial Persons</u>		<u>Relative of Key Managerial Person</u>		<u>Companies/Firms Controlled by key managerial Persons/Relatives</u>	
	<u>Current Year</u>	<u>Previous Year</u>	<u>Current Year</u>	<u>Previous Year</u>	<u>Current Year</u>	<u>Previous Year</u>
<b>Transactions during the year</b>						
Loan Given	-	-	-	-	16,29,18,400	4,21,60,000
Repayment of Loan given	-	-	-	-	14,80,37,578	5,95,60,000
Loan Taken	-	-	-	-	16,98,000	-
Repayment of Loan taken	-	-	-	-	16,98,000	-
Purchase	-	-	-	40,00,000	-	-
Sales	-	-	80,00,000	-	-	-
Interest Received	-	-	-	-	28,99,943	55,88,628
Rent Paid	60,000	60,000	-	-	60,000	60,000
Compensation Recd (incl. of GST)	8,100	-	-	-	8,100	-
<b>Outstanding Balance as on 31.03.2018</b>						
Loans Given	-	-	-	-	5,67,57,935	3,93,27,477
Loan Taken	-	-	-	-	-	-
Security Deposit Recd	3,000,000	3,000,000	-	-	7,000,000	7,000,000
Trade payables for expenses	-	-	-	-	-	-
a) Key Managerial Persons:	Sureshchand P Jain					
b) Relative Key Managerial Person						
b) Companies/Firms over which the key	Pride Hotels Ltd ASP Enterprises P Ltd Executive Hsg Finance Co Ltd Khairana Development P Ltd Kopra Estate P Ltd Pride Centre & Dev P Ltd Pride Orchades P Ltd Pride Paradise & Dev P Ltd Rohan Hotels P Ltd S.P. Capital Consultants P Ltd S.P. Realtors Pvt Ltd Meena Investment Corporation Pride Builders LLP					
Managerial Persons/ Relatives have significant Influence or control:						



**Note 23 Information (to the extent applicable) pursuant to AS 19:**

The Company's significant leasing arrangements are in respect of operating leases for Office premises. These leasing arrangements which are not non-cancelable range between 8 months, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under schedule E.

The particulars of these leases are as follows:

(Rs.)

PARTICULARS	2017- 2018	2016 - 2017
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	--	--
Later than one year and not later than five years.	--	--
Later than five years	--	--
Lease payments recognized in Profit & Loss Account	1,20,000	1,20,000

**Note 24**

Statement of Net assets and profit or loss attributable to owners and minority interest;

Name of the Company	Net Asset (Total Assets less total)		Share in Profit & Loss	
	As % of consolidated net assets	Amount in Rs.	As % of consolidated net assets	Amount in Rs.
Parent				
S.P. CAPITAL FINANCING LIMITED	78.21%	12,54,14,960	100%	31,24,021
Subsidiary	0.00%	-	0.00%	-
Associates (As per equity method)		-		-
Pride Orchades Pvt. Ltd.	21.79%	3,49,50,919	0.00%	(10,048)
a) Adjustment arising out of consolidation	21.79%	3,49,50,919	0.00%	(10,048)
b) Minority Interest	0.00%	-	0.00%	-
Consolidated Net assets/Profit after Tax	100.00%	16,03,65,879	100.00%	31,13,973

**Note 25**

Figures of previous year are regrouped and reclassified as and when necessary.

For SANJAY RAJA JAIN & CO.  
CHARTERED ACCOUNTANTS  
FRN : 120132W

For S P CAPITAL FINANCING LTD  
CIN NO: CIN NO. L74140MH1983PLC029494

SURJEET JAIN  
(PARTNER)  
Membership No. 129531

SURESHCHAND. P. JAIN  
MANAGING DIRECTOR  
DIN NO: 00004402

MEENA S JAIN  
DIRECTOR  
DIN NO:00004413

Place : Mumbai  
Date : 30/05/2018

SANDEEP GOPALE  
CFO





	<u>1.Quoted</u>		
	(i)Shares: (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii)Debentures and Bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v)Others (please specify)	Nil	Nil
	<u>2 Unquoted</u>		
	(i)Shares: (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii)Debentures and Bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v)Others (please specify)	Nil	Nil
	Long Term Investments:		
	<u>1.Quoted</u>		
	(i)Shares: (a) Equity	1.61	Nil
	(b) Preference	Nil	Nil
	(ii)Debentures and Bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v)Others (please specify)	Nil	Nil
	<u>2 Unquoted</u>		
	(i)Shares: (a) Equity	132.21	Nil
	(b) Preference	Nil	Nil
	(ii)Debentures and Bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v)Others (please specify)	Nil	Nil
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see Note 2 below:		
	Category	Amount net of provisions	
		Secured	Unsecured
			Total
	<b>1.Related Parties**</b>		
	(a)Subsidiaries	Nil	Nil
	(b)Companies in the same group	Nil	567.58
	(c ) Other related parties	Nil	Nil
	2. Other than related Parties	Nil	33.61
	<b>Total</b>	<b>Nil</b>	<b>601.19</b>
(6)	Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below:		
	Category	Market Value Break up or fair value or NAV	Book Value(Net of Provisions)
	<b>1.Related Parties**</b>		
	(a)Subsidiaries	Nil	Nil
	(b)Companies in the same group	132.21	132.21



	(c) Other related parties	Nil	Nil
	2. Other than related Parties	1.61	1.61
	Total	133.82	133.82
	** As per Accounting Standard of ICAI	Nil	Nil
	Please see Note 3 below:		
(7)	Other Information		
	Particulars	Amount	
	(i)Gross Non-Performing Assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	Nil	Nil
	(ii)Net Non-Performing Assets		
	(a) Related parties	Nil	Nil
	(b) Other than related parties	Nil	Nil
	(iii) Assets acquired in satisfaction of debt	Nil	Nil

**Notes:**

1.As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits(Reserve Bank) Directions.1998.

2.Provisioning norms shall be applicable as prescribed in Non-Banking Financial(Non-Deposit Accepting or holding)Companies prudential Norms (Reserve Bank) Directions, 2007.

3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

**For SANJAY RAJA JAIN & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN : 120132W**

**For S P CAPITAL FINANCING LTD**  
**CIN NO: CIN NO. L74140MH1983PLC029494**

**SURJEET JAIN**  
**(PARTNER)**  
**Membership No. 129531**

**SURESHCHAND. P. JAIN**  
**MANAGING DIRECTOR**  
**DIN NO: 00004402**

**MEENA S JAIN**  
**DIRECTOR**  
**DIN NO:00004413**

**Place : Mumbai**  
**Date : 30/05/2018**

**SANDEEP GOPALE**  
**CFO**



**S.P. CAPITAL FINANCING LIMITED**

CIN: L74140MH1983PLC029494

Registered Office: 908, Dalamal Tower, 211, Nariman Point, Mumbai – 400 021.

**ATTENDANCE SLIP**

<b>Registered Folio / DP ID &amp; Client ID</b>	
<b>Name</b>	
<b>Address of Shareholder</b>	

\*Applicable for investors holding shares in electronic form

I/We hereby record my/our presence at the 35<sup>th</sup> Annual General Meeting of the Company at its Registered Office at 908, Dalamal Tower, 211 Nariman Point, Mumbai – 400 021 Saturday, September 29, 2018 at 3.00 p.m.

-----  
Member's / Proxy's Signature

- Notes:** 1. Please completes this attendance slip and hand it over at the entrance of the meeting hall.  
2. Joint shareholders may obtain attendance slip at the venue of the meeting.

**S.P. CAPITAL FINANCING LIMITED**

**Form No. MGT-11**  
**Proxy form**

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

CIN:	<b>L74140MH1983PLC029494</b>
Name of the company:	<b>S P CAPITAL FINANCING LTD</b>
Registered office:	<b>908, Dalamal Tower, 211, Nariman Point, Mumbai - 400021.</b>
Name of the Member :	
Registered Address :	
Email ID :	
Folio No. / Client ID:	
DP ID	





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

1. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

3. Name: .....  
Address:  
E-mail Id:  
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company, to be held on the Saturday, September 29, 2018 at 3.00 p.m. at 908, Dalamal Tower, 211, Nariman Point, Mumbai - 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Please mention no. of shares)		
		For	Against	Abstain
1.	Adoption of audited standalone and consolidated financial statements, Report of Board of Directors and Auditors for the year ended March 31, 2018.			
2.	Re-appointment of Mr. D. P. Jain as director who retire by rotation			
3.	Re-appointment of Mr.Sureshchand Jain as director who retire by rotation			
4.	Appointment and Remuneration of Auditor of the Company.			

Signed this.....day of.....2018

Signature of Member : .....

Signature of Proxy holder(s) : .....

**Affix  
Revenue  
Stamp**

**Notes:**

1. This form of proxy in order to be effective, should be duly stamped, signed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting;
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.

**BOOK - POST**

**To,**

*If undelivered please return to :-*



**S P CAPITAL**

**FINANCING LIMITED**

**Regd. Office :** 908, Dalamal Towers,  
211, Nariman Point, Mumbai - 400 021.  
CIN NO. L74140MH1983PLC029494  
Tel. 40372424 / 40372403  
Email Id: [spcapitalfin@gmail.com](mailto:spcapitalfin@gmail.com)