



**S P CAPITAL**  
**FINANCING LIMITED**

**33rd**

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**ANNUAL REPORT**  
**2015-2016**

**Board of Directors**

Shri S.P.Jain	Managing Director
Shri D. P. Jain	Director
Shri Baldev L. Boolani	Director
Shri Bhupendra T. Shah	Director
Mrs. Meena S Jain	Director

**BOARD COMMITTEES:****Audit Committee**

Shri Bupendra T Shah	Chairman
Shri Baldev Boolani	Member
Shri S.P.Jain	Member

**Stackholders Grievance Committee**

Shri S.P.Jain	Chairman
Mrs.Meena S Jain	Member
Shri Bupendra T Shah	Member

**Nomination and Remuneration Committee**

Shri Bhupendra T Shah	Chairman
Shri Baldev L Boolani	Member

**Secretarial Consultant**

Mr. Martinho Ferrao & Associates  
Practicing Company Secretary  
Mumbai.

**33rd ANNUAL GENERAL MEETING:**

DATE :	30th September, 2016
TIME :	3.00 p.m.
VENUE :	908, Dalamal Tower, 211, Nariman Point, Mumbai - 400 021.

**WEBSITE :** [www.spcapital.in](http://www.spcapital.in)

**Registrar and Transfer Agents****Bigshare Services Pvt Ltd**

E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai – 400 072.  
Tel.No. : 022 - 40430200  
Fax No. : 022 - 28475207  
E-Mail : [bigshare@bom7.vsnl.net.in](mailto:bigshare@bom7.vsnl.net.in)

**Registered Office**

908, Dalamal Towers,  
211, Nariman Point, Mumbai – 400 021.  
CIN NO. L74140MH1983PLC029494  
Tel. 40372424/40372408  
Email Id: [spcapitalfin@gmail.com](mailto:spcapitalfin@gmail.com)

**Equity Shares are listed on**

Bombay Stock Exchange

**Auditors**

M/s. SANJAY RAJA JAIN & CO.  
Chartered Accountants

**Chief Financial Officer**

Mr. Sandeep Gopale

**Bankers**

Central Bank of India

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 33<sup>rd</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF S.P. CAPITAL FINANCING LIMITED WILL BE HELD AT 908, DALAMAL TOWERS, 211, NARIMAN POINT, MUMBAI - 400 021 ON FRIDAY, SEPTEMBER 30, 2016 AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) the Audited Balance Sheet and statement of Profit & Loss account together with cash flow statement of the company for the financial year ended March 31, 2016, the report of Directors Report and Auditors thereon: and.
  - b) the Audited Consolidated Balance Sheet and statement of Profit & Loss account together with cash flow statement of the company for the financial year ended March 31, 2016, the report of Directors Report and Auditors thereon,:
2. To appoint a Director in place of **Mrs. Meena Sureshchand Jain (DIN: 00004413)**, who retires by rotation and being eligible, offers herself for re-appointment.
3. 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.
4. **Appointment of and fixing of remuneration of Auditors**

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

**“RESOLVED THAT** pursuant to Section 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, **M/s. Sanjay Raja Jain & Co.**, Chartered Accountants, Mumbai (ICAI Registration Number- **120132W**), the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”), until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Board in addition to out of pocket expenses as may be incurred by them during the course of the Audit.

**SPECIAL BUSINESS:**

5. **Approval to Related Party Transaction:**

**To consider and if thought fit, to pass the following resolution as Special Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the Audit Committee and the Board of Directors to authorize the management of the Company to enter into agreement(s) and / or transaction(s), as may be appropriate, with the following Related Parties as defined under 2(76) of the Act and Clause 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for sell, purchase, transfer or receipt of products, goods, material, services or other arrangements and obligations, if any on such terms and conditions as may be mutually agreed between the Company and any of the Related Party, for the amount in aggregate not exceeding as mentioned against the name of each of the following Related Party during the period mentioned against the name of each Related Party.



Sr No.	Name of Related Party	Nature of Transaction(s)	Amount (Rs. in crores)		
			2015-16	2016-17	From April 03, 2012 till the date of 33 <sup>rd</sup> Annual General Meeting to be held in Calendar Year 2017
1.	<i>Pride Hotels Ltd.</i>	<i>Inter Corporate Deposits</i>	<i>4.75</i>	<i>5.05</i>	<i>5.05</i>
	<i>Pride Hotels Ltd.</i>	<i>Interest on Inter Corporate Deposits</i>	<i>0.34</i>	<i>0.43</i>	<i>0.43</i>
2.	<i>Pride Builder L.L.P</i>	<i>Inter Corporate Deposits</i>	<i>0.13</i>	<i>0.13</i>	<i>0.13</i>
3.	<i>Mr.S.P.Jain, &amp; Meena Investment Corporation (Karta Sureshchand Premchand HUF &amp; Meena S Jain partner</i>	<i>Mr.S.P.Jain, &amp; Meena Investment Corporation (Karta Sureshchand Premchand HUF &amp; Meena S Jain partner</i>	<i>Rent: 0.060 Security Deposit: 1.00</i>	<i>Rent: 0.060 Security Deposit: 1.00</i>	<i>Rent: 0.060 Security Deposit: 1.00</i>

“**RESOLVED FURTHER THAT** consent of the members be and is hereby accorded for ratification/approval of the aforesaid related party transactions already entered into by Company exceeding the threshold limits as specified in Rule 15(3) of the Companies (Meeting of Boards and its Powers) Rule, 2014 and also the proposed future transactions which are material in nature in terms of Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

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

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

**Place: Mumbai**

**Date : 30/05/2016**

**Registered Office:**

908, Dalamal Towers, 211, Nariman Point,  
Mumbai-400 021.

**NOTES:**

1. The person seeking appointment as Director under **Item No. 2** 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. 5** of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"),
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 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 **Friday 23<sup>rd</sup> September, 2016 to Friday 30<sup>th</sup> September, 2016** (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 titled 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 2016 will also be available on the Company's website **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**
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. Martino 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 Thursday, September 29, 2016 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**, Contact No.: **022-40372424**.



21. The E-voting period for all items of business contained in this Notice shall commence from **Monday 26<sup>th</sup> September, 2016 at 9.00 a.m.** and will end on **Thursday, 29<sup>th</sup> September, 2016 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 23, 2016**, 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 23, 2016**.

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 **Mr. Shivkumar Vaishy**, Practicing Company Secretary (Membership No. **ACS 45528**) or **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. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is published elsewhere in the Annual Report of the Company.

26. 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 <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> 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 <b>OR</b> 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 2016. 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 **Monday 26<sup>th</sup> September, 2016 at 9.00 a.m.** and will end on **Thursday, 29<sup>th</sup> September, 2016 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 (record date) of **September 23, 2016**, 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**

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

**Place: Mumbai**

**Date : 30/05/2016**

**Registered Office:**

908, Dalamal Towers, 211, Nariman Point, Mumbai-400 021.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.****Item 5****(Ordinary Resolution)**

Item No. 5 : Company has entered into 2 Leave and License Agreement dt. 03<sup>rd</sup> April, 2012 with Mr. S.P.Jain, & Meena Investment Corporation Partner of Sureshchand Premchand HUF & Mrs. Meena S Jain for period of 60 months starting from 01<sup>st</sup> April, 2012 and ending on 31<sup>st</sup> March, 2017 (both days inclusive for its Registered Office premises situated at 908, Dalamal Towers, 211, Nariman Point, Mumbai- 400 021 at monthly rent of Rs. 5,000/- i.e. Rs.60,000 payable to each with security deposit of Rs. 1,00,00,000/- i.e. Rs. 30,00,000/- payable to Menna Investment Corporation and Rs. 70,00,000/- payable to Mr. S.P. Jain and in continuing the same premises. All the three Agreements are available at Company's Registered Office.

While considering the suitable commercial premises for Compay's Registered office, Company also considered other similar premises. This 908, Dalamal Towers, 211, Nariman Point, Mumbai- 400 021 premises is located at prime location. Further it comprises of well built up and furnished Ninth floor and Parking in prime location Nariman Point, Mumbai- 400 021. It was found to be one of the best suitable locations for Registered Office of the Company and was offered to the Company at commercial terms and prevailing rentals in the same area.

As M/s. Sureshchand Premchand HUF and M/s. Meena Investment Corporation partner firm are owners of premises and Mr. S.P. Jain Managing Director of the Company is Karta of Sureshchand Premchand HUF and Ms. Meena Jain, Director of the Company and Mr. S.P.Jain karta of Sureshchand Premchand HUF are partner of Meena Investment Corporation, hence they are related party within the meaning of section 2(76) of the Companies Act 2013. Section 188 of the Companies Act 2013 read with Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of a related party transaction. In brief, a combined reading of all these provisions and other applicable provisions suggest that in certain conditions, approval of Audit Committee, Board approval and Shareholders' approval by way of Special Resolution required for related party transactions. Proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. This transaction with Mr. S.P. Jain Managing Director of the Company being karta of Sureshchand Premchand HUF and Ms. Meena Jain, Director of the Company being partner of M/s.Meena Investment Corporation is on prevailing market conditions hence on arm's length basis. These following contracts / arrangements / transactions which have been put up for approval are on prevailing market rates hence on arm's length basis and are in ordinary course of business by the Company with respect to premises on rent from related parties and hence require approval of unrelated shareholders of the Company by a special resolution for the Financial Year 2015-16 & Financial Year 2016-17

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder;

- 1 Name of the related party Mr. S.P. Jain Managing Director of the Company being Karta of Sureshchand Premchand Jain HUF and Ms. Meena Jain, Director of the Company being partner of Meena Investment Corporation herself
- 2 Name of the director or key managerial personnel who is related, if any and nature of relationship: Mr. S.P. Jain Managing Director of the Company, Ms. Meena Jain, Director of the Company , and Mr. D.P. Jain, Director.
- 3 Nature, material terms, monetary value and particulars of the contract or arrangement;



Nature of the Contract: Under the contract, Company has taken on rent, office premises 908, Dalamal Towers, 211, Nariman Point, Mumbai- 400 021 for Registered Office of the Company.

Mr. S.P. Jain, & Meena Investment Corporation (Partner of Sureshchand Premchand HUF & Mrs. Meena S Jain) has jointly given the premises on rent for a period of 60 months starting from 03<sup>rd</sup> April, 2012 and ending on 31<sup>st</sup> March, 2017 (both days inclusive for its Registered Office premises situated at 908, Dalamal Tower, 211, Nariman Point, Mumbai – 400 021 at monthly rent of Rs. 60,000/- i.e. Rs.,5,000 payable to each and at security deposit of Rs. 1,00,00,000/- i.e. Rs. 30,00,000/- payable to Menna Investment Corporation and Rs. 70,00,000/- payable to Mr. S.P.Jain and Company is continuing the same premises for its Registered Office.

As per section 186, and any other applicable provision of the Companies Act, 2013, the inter corporate deposit is given by the Company to M/s. Pride Hotels Limited and pride Builders L.L.P which are related Party as Mr. S. P. Jain is also Promotor and Director of M/s. Pride Hotels Limited, & partner of M/s. Pride Builders L.L.P along with Ms. Meena Jain, director of the Company & the said inter corporate deposit is in the ordinary course of business and the interest charged is on prevailing commercial terms hence at arm's length basis.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder;

- 1 Name of the related party Mr. S.P. Jain Managing Director of the Company is also Director and promotor of M/s. Pride Hotels Limited, & partner of M/s. Pride Builders L.L.P along with Ms. Meena Jain, director of the Company.
2. Name of the director or key managerial personnel who is related, if any and nature of relationship: Mr. S.P. Jain Managing Director of the Company, Ms. Meena Jain, Director of the Company, and Mr. D.P. Jain, Director.
3. Nature, material terms, monetary value and particulars of the contract or arrangement;

Nature of the Contract: Under the contract, the inter corporate deposit is given by the Company to M/s. Pride Hotels Limited and pride Builders L.L.P which are related Party as Mr. S. P. Jain is also Promotor and Director of M/s. Pride Hotels Limited, & partner of M/s. Pride Builders L.L.P along with Ms. Meena Jain, director of the Company & the said inter corporate deposit is in the ordinary course of business and the interest charged is on prevailing commercial terms hence at arm's length basis..

The monetary value of the transactions proposed is estimated on the basis of the Company's current transactions and future business

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on May 30, 2015 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval. As per Regulation 23 (7) of SEBI (Listing Obligations and Disclosure regulations) Regulations, 2015, all entities / persons falling that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought. Accordingly, all related parties of the Company, including, among others, Mr. S.P. Jain, Ms. Meena Jain and Mr. D.P. Jain Directors and Key Managerial Personnel of S.P. CAPITAL FINANCING LIMITED will not vote on this resolution. None of the Directors other than Mr. S.P. Jain, Mr. D.P. Jain & Ms. Meena Jain or any of the Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice. The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the unrelated shareholders.

**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****Item No. 2**

1. Name	Mrs. Meena Sureshchand Jain
2. Date of Birth	17 <sup>th</sup> December, 1951
3. Profession	Business
4. Qualification	B.Com.
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

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

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

**Place: Mumbai**

**Date : 30/05/2016**

**Registered Office:**

908, Dalamal Towers,  
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, 2016**.

**FINANCIAL RESULTS**

The financial performance of your Company for the year ended **March 31, 2016** is summarized below:

(Rupees in Lacs)

<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
Net Sales/ Income from Operations	276.57	327.43
Total Income	278.52	328.03
Total Expenses	264.00	316.37
Profit/(Loss) from operations before other incomes, finance cost and exceptional items	12.57	11.06
Other Incomes	1.95	0.60
Profit/(Loss) from operations after other incomes, finance cost but before exceptional items	14.52	11.66
(-) Exceptional Items	-	-
Profit/(Loss)Before Tax	14.52	11.66
Tax		
- Current Tax	4.35	2.89
- Deferred Tax	0.00	0.53
Net Profit After Tax	10.17	8.24
(-) Extraordinary Items	-	-
Net Profit	10.17	8.24

The Financial Statements for the Financial year ended 31<sup>st</sup> March, 2016 have been approved by the Audit Committee.

**FUTURE OUTLOOK**

The Company has invested substantially in financing, the profitability of which will be reflected in the Coming year.

**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, 2016 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.

**COMPANIES, JOINT VENTURES AND ASSOCIATES COMPANIES**

The Company has associate company but does not have any Subsidiary, Joint Venture.

**DEPOSITS**

During the year under review the Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance or Deposits) Rules, 2014.

**RESERVES**

Rs 10.17 lacs has been transferred to the Profit & Loss account.

**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 policy on transaction with related party is disclosed in annexure - 6 at 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.

**LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY**

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013. Particulars of Investment made/loan given under section 186 of the Companies Act, 2013 are provided in the financial statement.

**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.

**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.

**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.

**DIRECTORS**

**Mrs. Meena S Jain** (DIN **00004413**), who retires by rotation and, being eligible, offers herself 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)

#### **NUMBER OF MEETING OF BOARD OF DIRECTORS**

The Board of Directors have met 5 times and Independent Directors have met once during the year ended **31<sup>st</sup> March, 2016** in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. All the Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

#### **KEY MANAGERIAL PERSONNEL**

During the year under review **Mr. Sureshchand P Jain** was re - appointed as the Managing Director of the Company for the period **25<sup>th</sup> March, 2015 to 27<sup>th</sup> March, 2020**. Mr. Sandeep S. Gopale is the Chief Financial Officer of the Company. 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 **33<sup>rd</sup> Annual General Meeting** of the Company. However, their appointment as Statutory Auditors of the Company is subject to ratification by the members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed. Necessary resolution for ratification of appointment of the said Auditor is included in this Notice.

#### **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.

***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, 2016** 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, 2016**.
- 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 **2015-16**.

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

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***

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 **2015-16** 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.





***WHISTLE BLOWER MECHANISM***

The Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

***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, a business responsibility 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***

As information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo under provisions of 134(3)(m) of the Companies Act, 2013, the Company uses the latest technologies for improving the productivity and quality of the services. Further the Company has not earned nor spends foreign exchange during the year under review.

***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.

***SECRETARIAL AUDIT REPORT***

A Secretarial Audit Report for the year ended **31<sup>st</sup> March, 2016** in prescribed form duly audited by the Practicing Company Secretary Firm **M/s. Martinho Ferrao & Associates** is annexed herewith and forming part of the report.

***EXTRACT OF ANNUAL RETURN***

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report.(Annexure – 7)

***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, 2016** have been disclosed as per Schedule III to the Companies Act, 2013.

**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 **2015-2016** is attached to the Balance Sheet. Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, the Company has a policy on Prevention of Sexual Harassment at workplace. There was no case reported during the year under review under the said policy.

**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**

**Sureshchand P Jain**  
**Managing Director**  
**DIN: 00004402**

**Meena S Jain**  
**Director**  
**DIN: 00004413**

Place: **Mumbai**

Date: **30th May, 2016**

**ANNEXURE 1****TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2016:****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**

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**



**ANNEXURE 2**

**TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2016**

**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**

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**

**ANNEXURE 3****TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016:  
POLICY ON REMUNERATION OF KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

This policy shall be effective from the financial year 2015-16.

**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**

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**



**ANNEXURE-4**  
**TO THE DIRECTOR REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**

*FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016*

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **S.P.Capital Financing Limited** (here in after called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 has 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:
2. The Companies Act, 2013(the Act) and the rules made there under;
3. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
6. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14 May, 2015) and Regulations 2015 (effective 15<sup>th</sup> May, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- **Not Applicable to the Company during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company during the Audit Period;**



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable to the Company during the Audit Period;**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable to the Company during the Audit Period;**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable to the Company during the Audit Period;**

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

1. Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. The Listing Agreements entered into by the Company with BSE Limited;

During the period under review and as per representations and clarifications provided by the management, **I confirm that** the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned hereinabove:

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in the Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For **Martinho Ferrao & Associates**  
**Companies Secretaries**

Sd/-

Martinho P. Ferrao

Membership No. **FCS 6221**

C.P. No. **5676**

Place: **Mumbai**

Date: **29<sup>th</sup> May, 2016**



**ANNEXURE-5****TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

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 2015-2016	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
S.P.Jain	Managing Director	Nil	NIL	Nil	B.com, MBA	66 Years	More than 30	25/03/2015	Managing Director
Sandeep Gopale	CFO	2.12 Lacs	2.71	0.78	Non-Graduate			25/03/2015	Executive Co-ordinator

**Notes:**

- The median remuneration of the employees of the company during the financial year was Rs. 950823.**
- 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**

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**

**ANNEXURE-6****TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2016****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, 2016, which were not at arm's length basis.

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

<b>Name of the parties</b>	<b>Nature of Relationship</b>	<b>Silent Terms of Transactions</b>	<b>Nature of Transaction</b>	<b>During of Transactions</b>	<b>Amount (Rs. in Lacs)</b>
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	43.48
Pride Hotels Ltd	Promoter Company	NA	Inter Corporate Deposit	N.A	504.87
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
Sandeep Gopale	CFO	NA	Salary	2.12	

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

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**

**ANNEXURE "C" TO BOARD'S REPORT  
FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2016**

{Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014}

**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 40372424/40372431 Fax No. 022 – 22844052 **E-Mail** : [spcapitalfin@gmail.com](mailto:spcapitalfin@gmail.com) Website: [www.spcapital.in](http://www.spcapital.in) under [http:// www.spcapital.in/policies link](http://www.spcapital.in/policies link).

5. Whether listed Company: Yes
6. Name, Address and contact details of Registrar and Transfer Agent, if any: **Bigshare Services Pvt Ltd**, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. **Tel.No.** : 022 – 40430200 **Fax No.** : 022 – 28475207 **E-Mail** : [bigshare@bom7.vsnl.net.in](mailto: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 1st April, 2015				Number of shares held as at 1st April, 2016				% 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	1892800	0	1892800	31.48	1892800	0	1892800	31.48	0
e)	Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
f)	Any Others(Specify)	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>



	Category of Shareholders	Number of shares held as at 1st April, 2015				Number of shares held as at 1st April, 2016			% of total shares	% change during the year
		Demat	Physical	Total		Demat	Physical	Total		
<b>(2)</b>	<b>Foreign</b>									0
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	0	0	0	0	0	0	0	0	0
b)	Banks/ Financial Institutions	0	0	0	0	0	0	0	0	0
c)	Central Government	0	0	0	0	0	0	0	0	0
d)	State Government(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	Foreign Institutional investors(FII)	0	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	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	489271	3100	492371	8.19	412770	3100	415870	6.92	1.27
	ii) Overseas									
b)	Individual		0	0	0	0	0	0	0	0
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	495585	146800	642385	10.68	461201	141600	602801	10.03	0.65
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	398821	0	398821	6.63	515791	0	515791	8.58	(1.95)
c)	Others									
	i) Non-Resident Indians	3	1700	1703	0.03	3	1700	1703	0.03	0
	ii) Clearing Members	9720	0	9720	0.16	8835	0	8835	0.15	0.01
	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
	<b>Sub- Total (B)(2)</b>	<b>1393400</b>	<b>151600</b>	<b>1545000</b>	<b>25.70</b>	<b>1398600</b>	<b>146400</b>	<b>1545000</b>	<b>25.70</b>	<b>0</b>
	<b>Total shareholding of Promoters (B) = (B)(1)+(B)(2)</b>	<b>1393400</b>	<b>151600</b>	<b>1545000</b>	<b>25.70</b>	<b>1398600</b>	<b>146400</b>	<b>1545000</b>	<b>25.70</b>	<b>0</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>5860600</b>	<b>151600</b>	<b>6012200</b>	<b>100.00</b>	<b>5865800</b>	<b>146400</b>	<b>6012200</b>	<b>100.00</b>	<b>0</b>

**ii) Shareholding of Promoter:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% Change in shareholding 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 PJAIN	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 P JAIN	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)

Particulars	Shareholding at the beginning of the year 01-04-2015		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	4467200	74.30	4467200	74.30

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

Sl. No.	Top 10 shareholders	Share Holding at the beginning of the year		Increase / Decrease In shareholding comparing between 2015 and 2016	Cumulative Shareholding during the year		Reason
		31-03-15			31-03-16		
		No. of Shares	% of Total Shares of the company		No. of Shares	% change in share holding during the year	
1	Khairana Development Private Ltd	314400	5.23	0	314400	5.23	
2	Mukesh Prajapati	60362	1.00				
	10/04/2015	-100	1.00		60262	1.00	Sell
	17/04/2015	200	1.00		60462	1.01	Buy
	24/04/2015	3308	1.06		63770	1.06	Buy
	01/05/2015	9248	1.21		73018	1.06	Buy
	08/05/2015	17548	1.51		90566	1.06	Buy
	22/05/2015	-566	1.50		90000	1.06	Sell
	19/06/2015	-2058	1.46		87942	1.06	Sell
	10/07/2015	-3127	1.41		84815	1.06	Sell
	17/07/2015	-2110	1.38		82705	1.06	Sell
	07/08/2015	100	1.38		82805	1.06	Buy
	22/09/2015	62	1.38		82867	1.06	Buy
	25/09/2015	2480	1.42		85347	1.06	Buy
	30/09/2015	2805	1.47		88152	1.06	Buy
	02/10/2015	-2500	1.42		85652	1.06	Sell
	09/10/2015	-39927	0.76		45725	1.06	Sell
	16/10/2015	1344	0.78		47069	1.06	Buy
	23/10/2015	117	0.78		47186	1.06	Buy



Sl. No.	Top 10 shareholders	Share Holding at the beginning of the year 31-03-15		Increase / Decrease In shareholding comparing between 2015 and 2016	Cumulative Shareholding during the year 31-03-16		Reason
		No. of Shares	% of Total Shares of the company		No. of Shares	% change in share holding during the year	
	30/10/2015	51	0.79		47237	1.06	Buy
	20/11/2015	450	0.79		47687	1.06	Buy
	15/01/2016	2475	0.83		50162	1.06	Buy
	19/02/2016	3318	0.89		53480	1.06	Buy
	04/03/2016	-10	0.89	6892	53470	1.06	Sell
3	Om Sai Multitrade Pvt Ltd	60000	1.00	0	60000	1.00	
4	Keyur Hemant Gogri	54890	0.91	0	54890	0.91	
5	Karan Hemant Gogri	51480	0.86	0	51480	0.86	
6	Jitendra Virwani	35000	0.58	0	35000	0.58	
7	Hemali Mitesh Somani	26000	0.43	0	26000	0.43	
8	Mayura Dilip Mayekar	25008	0.42				
	24/04/15	-4	0.42	0	25004	0.42	Sell
9	Yasin A Vадnagarwala	17581	0.29				
	01/05/2015	-210	0.29	0	17371	0.29	Sell
	19/06/2015	900	0.30		18271	0.30	Buy
	17/07/2015	991	0.32		19262	0.32	Buy
	07/08/2015	500	0.33		19762	0.33	Buy
	14/08/2015	1000	0.35		20762	0.35	Buy
	09/10/2015	-687	0.33		20075	0.33	Sell
	16/10/2015	-1313	0.31		18762	0.31	Sell
	23/10/2015	3000	0.36		21762	0.36	Buy
	30/10/2015	1000	0.38	5181	22762	0.38	Buy
10	Mahindra Somani	18000	0.30		18000	0.30	

**(i) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding at the beginning of the year 01.04.2015		Date of Transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during at the end of the year 31.03.2016	
		No. of shares at the beginning (01.04.2015) / end of the year 31.03.2016	% of total Shares of the Company				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

**iv) INDEBTEDNESS:**

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

(Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<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
		<b>Shri S.P.Jain</b>	
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>	NIL	NIL
	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				
		Mrs. Meena S Jain	Mr. Dhannalal P Jain	Mr. Bhupendra T Shah	Mr. Baldev Boolani	Total Amount
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			
		(CEO - Chief Executive Officer)	Sandeep Gopale (CFO - Chief Financial Officer)	Total
1	Gross Salary	N.A.	2.12/-	2.12
	(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</b>		<b>2.12</b>	<b>2.12</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 Punishment Compounding	<b>NONE</b>				

**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 Punishment Compounding	<b>NONE</b>				

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

**Sureshchand P Jain**  
Managing Director  
DIN: 00004402

**Meena S Jain**  
Director  
DIN: 00004413

Place: **Mumbai**

Date: **30th May, 2016**

**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, 2016**.

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.

**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**

**Sureshchand P Jain**  
**Managing Director**  
**DIN: 00004402**

**Meena S Jain**  
**Director**  
**DIN: 00004413**

Place: **Mumbai**

Date: **30th May, 2016**

**REPORT ON CORPORATE GOVERNANCE**

The Company has adopted good corporate governance practices and ensures compliance with all relevant laws and regulations. It has lead to the satisfaction and transparency to the shareholders.

**1. Company's Philosophy on Code of Governance:**

Company's Philosophy always strives to achieve optimum performance at all levels by adhering to Corporate Governance practice and envisages fair and transparent business practices, effective management control by the Board, adequate representation of promoter and independent Directors on the Board, accountability for performance, compliance of laws, transparent and timely disclosure of financial and management information and voluntary best practice and disclosures.

**2. 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, 2016.**

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 Directorship		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 Bhupendra T Shah	Independent	1	1	1	2
Shri D.P.Jain	Promoter Non- Executive	3	11	1	-
Mrs. Meena S Jain	Promoter Non- Executive	1	10	1	-

**(B) Board Procedure:**

The Board of the Company met 5 times during the year ended March 31, 2016. 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, 2015, 31<sup>st</sup> July, 2015 30<sup>th</sup> September 2015, 31<sup>st</sup> October, 2015 and 27<sup>th</sup> January, 2016.

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 Meeting attended	Attendance of last AGM
Shri S. P. Jain	Promoter / Managing Director	5	Present
Shri Baldev L Boolani	Non-promoter / Independent Director	2	Present
Shri Bhupendra T Shah	Non-promoter / Independent Director	1	Present
Shri D.P. Jain	Promoter / Director	5	Present
Mrs. Meena S. Jain	Promoter / Director	5	Present

**(D) Brief Note on the Directors seeking appointment / Re-appointment at the 33<sup>rd</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.

**3. Committees of the board:**

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.

**i) 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, 1956. The Committee elected Shri Bhupendra T. Shah 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 Bhupendra T Shah	Chairman	4	4
2.	Shri Baldev Boolani	Member	4	4
3.	Shri S. P. Jain	Member	4	4

**Attendance during the year:**

The Committee met on 30<sup>th</sup> May, 2015, 31<sup>st</sup> July, 2015, 31<sup>st</sup> October, 2015 and 27<sup>th</sup> January, 2016 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, 1956 and refer the same to the Board.

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

Sr.No.	Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
1.	Shri Bhupendra T Shah	Chairman	1	1
2.	Shri Baldev Boolani	Member	1	1

**Attendance during the year:**

The Committee met on 29.01.2016 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 Bhupendra T Shah	Member	2	2

**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 31/3/2016
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.

**4. General Body Meeting**

Financial Year	Date of AGM	Venue / Location	Time
2012- 2013	30 <sup>th</sup> September, 2013	Registered Office	3 p.m.
2013- 2014	30 <sup>th</sup> September, 2014	Registered Office	3 p.m.
2014- 2015	30 <sup>th</sup> September, 2015	Registered Office	3 p.m.

Details of Ordinary and special resolutions passed in previous 3 AGMs / EGMs :

32 <sup>nd</sup> AGM	Special Resolutions were passed for appointing Mr. S.P. Jain as Managing Director and Ordinary Resolution for appointment of Mrs. Meena Jain and Mr, D.P. Jain as Director.
31 <sup>st</sup> AGM	Ordinary Resolutions were passed for appointment of Mr. Baldev L. Boolani and Mr. Bhupinder T. Shah as Independent Directors of the Company for five years liable to not retire by rotation.
30 <sup>th</sup> AGM	NIL

No Special Resolution was required to be put through postal ballot paper last year.

**5. Disclosures**

1. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the company at large. **None**
2. Details of non compliance by the company, penalties, strictures imposed on the company by SEBI, ROC, Stock Exchange, or any other statutory authorities on any matter related to capital market during the last three financial years. **None**

**6. Means of Communication**

The quarterly results are published in national daily newspaper viz Free Press Jouneral in English & Nav Shakti in Marathi. The annual reports and accounts are posted to every shareholder of the company.

**7. General Shareholder Information**

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

**b) Annual General Meeting**

Date and time : September 30, 2016 at 3.00 p.m.  
Venue : 908 Dalamal Tower, 211 Nariman Point, Mumbai – 400 021.

**c) Financial Calendar 2016 – 2017 (tentative schedule)**

First Quarter ending June 30, 2016	By the end of July, 2016
Half/Second Quarter ending September 30, 2016	By the end of October, 2016
Third Quarter/Nine Months ending December 31, 2016	By the end of January, 2017
Yearly Audited /Fourth Quarter ending March 31, 2017	By the end of May, 2017

**d) Date of Book Closure:**

The Register of Members and Transfer Register of the Company will remain closed from 23<sup>rd</sup> September, 2016 to 30<sup>th</sup> September, 2016 (both days inclusive).





e) **Listing at Stock Exchanges:** Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

f) **Stock Code:** Physical Segment  
(BSE), 530289

g) **Market Price Data: (RS.)**

Month	Bombay Stock Exchange	
	High	Low
April – 2015	42.00	25.00
May – 2015	40.00	34.30
June – 2015	32.60	20.05
July – 2015	27.45	19.95
August – 2015	24.90	17.00
September – 2015	21.45	14.00
October – 2015	27.85	22.50
November – 2015	34.30	29.00
December – 2015	34.30	25.75
January - 2016	23.15	18.00
February – 2016	29.50	22.00
March – 2016	25.30	19.00

h) **Shareholding pattern as at 31st March, 2016:**

Sr.No	Category	No. of Shares	% of paid up Capital
1.	Promoters	2478800	41.2295
2.	Mutual Fund, Institution & Bank	-	-
3.	Corporate Bodies	415870	6.9171
4.	Corporate Bodies (Promoter Co)	1892800	31.4827
5.	NRI's	1703	0.0283
6.	Clearing Member	8835	0.1470
7.	Public	1118592	18.6054
8.	Relatives of Director	95600	1.5901
	<b>Total</b>	<b>6012200</b>	<b>100.00</b>

i) **Dematerialisation of Shares:**

The Demat facility is available to all shareholders of the Company who request for such facility. ISIN No. of the Company's Equity shares in Demat form : INE 102 F 01015

Depository Connectivity: NSDL and CDSL

j) **Registrar and Transfer Agent:**

Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai -400 072.

k) **Share Transfer System:**

The Company has continued the appointment of Registrar and Transfer Agents, for accepting transferring and delivering the transferred Share Certificates. All the transfers received in order, are processed within a period of 5 to 30 days from the date of receipt.

**l) Distribution of Shareholding as on 31<sup>st</sup> March 2016:**

Range of Shares	Number of Shareholders	Percentage of Shareholders	No. of Shares	Percentage to Total
01 to 5000	598	67.1910	137630	2.2892
5001 to 10000	116	13.0337	92601	1.5402
10001 to 20000	51	5.7303	80285	1.3354
20001 to 30000	34	3.8202	84523	1.4059
30001 to 40000	11	1.2360	39720	0.6607
40001 to 50000	12	1.3483	57311	0.9532
50001 to 100000	24	2.6966	178839	2.9746
100001 to 9999999999	44	4.9439	5341291	88.8409
<b>Total ...</b>	<b>890</b>	<b>100</b>	<b>6012200</b>	<b>100.00</b>

**m) Dematerialisation of Shares and Liquidity**

As on 31st March 2016 97% of Company's Equity Share Capital has been dematerialised

**o) Investor Correspondence**

All enquiries, clarification and correspondence should be addressed to the Compliance Officer at the following address:

Compliance Officer : Mr. Sandeep S Gopale  
908,Dalamal Tower, 211, Nariman Point,  
Mumbai – 400 021.  
: Telephone No. 40372424/40372403 Fax No. 22844052  
: Email : spcapitalfin@gmail.com

**Shareholders may also correspond with the Registrar and Share Transfer Agents, at:**

Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai -400 072. Tel: 022- 40430200

**8. OTHER DISCLOSURE**

1. **The Management Discussion and Analysis Report (MDA) has been attached to the Directors' Report and forms part of this Annual Report.**

**2. CEO Certification**

We hereby certify that, to the best of our knowledge and belief.

- a) We have reviewed the financial statements and cash flow statement for the year and that to the best of our knowledge and belief :
- These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
  - These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the Company's code of conduct.



- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that :
- there are no significant changes in internal control over financial reporting during the year
  - accept F&N accounting treatment, there is no significant changes in accounting policies during the year; and
  - there are no instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's Internal Control Systems over financial reporting.

**3. Disclosure of Accounting Treatment**

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

**4. Materially Significant Related Party Transactions**

There are some materially significant related party transactions that may have potential conflict with the interests of Company.

**5. Code for Prevention of Insider Trading Practices:**

In compliance with the SEBI Regulation on Prevention of Insider Trading, the Company has instituted a comprehensive code of conduct for its designated employees. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautions them on consequences of violations. Mr.Sandeep S. Gopale , has been appointed as the Compliance Officer under this code.

**6. Whistle Blower Policy**

With a view to establish a mechanism for protecting the employees reporting unethical behavior, fraud, violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy. During the year no personnel has been denied access to the Audit Committee.

**7. Compliance:**

The Company is fully compliant with the applicable mandatory requirements. The company has not adopted other non-mandatory requirements.

For **S. P. CAPITAL FINANCING LIMITED**

Mumbai,  
30<sup>th</sup> May, 2016

**S. P. Jain**  
**Managing Director**

**DECLARATION ON CODE OF CONDUCT**

To  
The Members of  
S. P. CAPITAL FINANCING LIMITED, Mumbai

I, S.P.Jain, Managing Director of S. P. Capital Financing Limited declare that to the best of my knowledge and belief, all the members of the Board of Directors and the designated personnel in the senior management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2016.

For **S. P. CAPITAL FINANCING LIMITED**

**S. P. Jain**  
**Managing Director**

Mumbai,  
30<sup>th</sup> May, 2016

**Certificate Regarding Compliance of Corporate Governance**

To,  
The Members of  
**S.P.CAPITAL FINANCING LIMITED,**  
908, Dalamal Tower,  
211, Nariman Point,  
Mumbai – 400 021.

We have reviewed the compliance of conditions of Corporate Governance by **S.P.CAPITAL FINANCING LIMITED** for the year ended on March 31, 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of the Securities and Exchange Board of India as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us. We certify that the company has taken steps to comply with the conditions of Corporate Governance as stipulated in the above – mentioned Listing Agreement.

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

For **Martinho Ferrao & Associates**

Company Secretary in Practice

Sd/-

(Martinho Ferrao)

Proprietor

C.P.No.5676

Place: Mumbai

Dated: 30.05.2016

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF****S. P. CAPITAL FINANCING LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **S. P. CAPITAL FINANCING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, 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 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) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including 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 31.03.2016.

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

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

Place : Mumbai.

Date : 30/05/2016

**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 financial statements as of and for the year ended 31.03.2016,

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

- (i)
  - (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 title deeds 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 one party 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 not 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, 2016 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:

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

- (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 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 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 : 30/05/2016





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

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

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

Place : Mumbai.

Date : 30/05/2016

**BALANCE SHEET AS AT 31ST MARCH, 2016**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>AS AT 31ST MARCH 16 (Rs.)</b>	<b>AS AT 31ST MARCH 15 (Rs.)</b>
<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	60,134,239	59,116,651
		<b>120,256,239</b>	<b>119,238,651</b>
<b>2. Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade Payables		-	-
(c) Other current liabilities	4	259,241	229,066
(d) Short-term provisions	5	1,432,983	1,888,563
		<b>1,692,224</b>	<b>2,117,629</b>
<b>TOTAL</b>		<b>1,21,948,463</b>	<b>1,21,356,280</b>
<b>II. ASSETS</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	13,220,900	13,220,900
(d) Long-term loans and advances	9	10,027,300	10,027,300
		<b>25,759,200</b>	<b>25,759,200</b>
<b>2. Current assets</b>			
(a) Inventories	10	1,247,579	4,505,658
(b) Trade Receivables		-	-
(c) Cash and cash equivalents	11	41,795,490	41,034,530
(d) Short Term Loans & Advances	12	53,146,194	50,056,892
		<b>96,189,263</b>	<b>95,597,080</b>
<b>TOTAL</b>		<b>1,21,948,463</b>	<b>1,21,356,280</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

For & on behalf of the Board  
**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

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

**SANDEEP GOPALE**  
CFO

PLACE : MUMBAI  
DATE : 30.05.2016

**Statement of Profit and loss for the year ended 31st March 2016**

<u>PARTICULAR</u>	<u>NOTE NO.</u>	<u>FOR THE YEAR ENDED 31ST MARCH 2016 (Rs.)</u>	<u>FOR THE YEAR ENDED 31ST MARCH 2015 (Rs.)</u>
<b>I. Income</b>			
Revenue From Operations	13	27,657,289	32,743,342
Other Income	14	1,95,077	59,628
<b>Total Revenue</b>		<b>27,852,366</b>	<b>32,802,970</b>
<b>II. Expenses:</b>			
Cost of Shares Sold	15	24,438,831	29,805,110
Employee benefits expense	16	1,226,500	889,783
Depreciation and amortization expense	6	-	203,901
Other expenses	17	734,562	738,515
<b>Total expenses</b>		<b>26,399,893</b>	<b>31,637,309</b>
<b>III Profit before extraordinary items and tax (II - III)</b>		14,52,472	11,65,661
<b>IV Extraordinary items</b>		-	-
<b>Profit before tax (III - IV)</b>		14,52,472	11,65,661
<b>IV Tax expense:</b>			
(1) Current tax		434,885	289,245
(2) Deferred tax		-	52,518
(3) Tax for earlier years		-	99
		<b>434,885</b>	<b>341,862</b>
<b>V Profit (Loss) for the period (III - IV)</b>		<b>10,17,587</b>	<b>8,23,799</b>
<b>VI Earnings per equity share of face value of Rs. 10 each</b>	<b>18</b>	<b>0.17</b>	<b>0.14</b>
Basic & Diluted (in Rupees)			
<b>Significant Accounting Policies notes</b>			
<b>on Financial Statements</b>	<b>1-24</b>		

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board  
**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**SANDEEP GOPALE**  
CFO

**CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS 31ST MARCH, 2016**  
(Amount in Rupees)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	1,452,472.20	1,165,661.00
<u>Adjustments for:</u>		
Depreciation and amortisation	-	203,901.00
Profit on sale of Fixed Asset	-	-
Long Term Capital Gain on Sale of Investment	-	-
<b>Operating profit before working capital changes</b>	<u>1,452,472.20</u>	<u>1,369,562.00</u>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Short-term loans and advances	(3,089,302.00)	(27,322,548.40)
Long-term loans and advances	-	-
Trade Receivables	-	-
Inventories	3,258,079.00	3,402,775.00
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Proceeds from other short-term borrowings (Net of Repayment)	-	-
Other current liabilities & Provisions	30,175.20	48,798.00
Trade Payables	-	-
Short term Provisions	145,640.00	(1,013,232.40)
<b>Cash flow from extraordinary items</b>		
Net income tax	(434,885.00)	(289,344.00)
	<u>760,959.40</u>	<u>(23,803,989.80)</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	(601,220.00)	(601,220.00)
Tax on dividend	-	(123,098.00)
<b>Net cash flow from / (used in) financing activities (C)</b>	-	<u>(724,318.00)</u>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u>760,959.40</u>	<u>(24,528,307.80)</u>
Cash and cash equivalents at the beginning of the year	41,034,530.40	65,562,838.00
<b>Cash and cash equivalents at the end of the year</b>	<u>41,795,489.80</u>	<u>41,034,530.20</u>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>	<u>(760,959.40)</u>	<u>24,528,307.80</u>

Note: Cash and Cash Equivalent include cash in hand, balances with bank and cheques in hand as on 31st March 2016

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board

**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**SANDEEP GOPALE**  
CFO

**Notes on financial statement as on and for the year ended 31<sup>st</sup> March 2016****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. 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 Sales 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 yearend 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 Consolidated financial statement as on and for the year ended 31st March 2016****NOTE 2:- SHARE CAPITAL**

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	12,100,000	121,000,000	12,100,000	121,000,000
<b>Issued,Subscribed &amp; Paidup</b>				
Equity Shares of Rs. 10/- each	6,012,200	60,122,000	6,012,200	60,122,000
<b>Total</b>	<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, 2016 is set out below:**

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Class of Shares: Equity Shares</b>				
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
Khairana Development P Ltd	314,400	5.23	314,400	5.23

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



	As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
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**NOTE 3:- RESERVES AND SURPLUS****A) General Reserves**

Opening Balance	17,600,000	17,500,000
Add: Transferred From Surplus	100,000	100,000
<b>Total</b>	<b>17,700,000</b>	<b>17,600,000</b>

**B) Securities Premium Reserve**

Opening Balance	27,010,078	27,010,078
<b>Total</b>	<b>27,010,078</b>	<b>27,010,078</b>

**C) Other Reserves****Reserves Fund U/S.45 of RBI Act**

Opening Balance	14,200,000	14,000,000
Add: Transferred From Surplus	200,000	200,000
<b>Total</b>	<b>14,400,000</b>	<b>14,200,000</b>

**D) Surplus in Profit & loss a/c**

Surplus - Opening balance	306,573	507,092
Add: Net Profit after tax transferred	1,017,587	823,799
Amount available for appropriation	13,24,161	13,30,891
Appropriations:		
Proposed Dividends	-	601,220
Dividend Tax	-	123,098
Amount transferred to General reserves	100,000	100,000
Amount transferred to Reserves Fund U/S.45 of RBI Act	200,000	200,000
Balance	10,24,161	306,573
<b>Total (A+B+C+D)</b>	<b>6,01,34,239</b>	<b>5,91,16,651</b>

**NOTE 4:- OTHER CURRENT LIABILITIES**

Unpaid dividends	114,441	104,266
Audit Fees Payable	139,800	124,800
TDS Payable	5,000	-
<b>Total</b>	<b>259,241</b>	<b>229,066</b>

**NOTE 5:- SHORT TERM PROVISIONS**

Provision For Income Tax	434,885	289,245
Proposed Equity Dividend	-	601,220
Provision For tax on proposed Dividend	123,098	123,098
Provision For N.P.A	875,000	875,000
<b>Total</b>	<b>14,32,983</b>	<b>1,888,563</b>

**NOTES ON FINANCIAL STATEMENT AS ON AND FOR THE YEAR ENDED 31ST MARCH 2016**

FIXED ASSETS	G R O S S B L O C K			A C C U M U L A T E D D E P R E C I A T I O N				N E T B L O C K	
	Balance as at 1 April 2015 Rs.	Additions/ (Disposals) Rs.	Balance as at 31 March 2016 Rs.	Balance as at 1 April 2015 Rs.	Additions/ (Disposals) Rs.	Depreciation charge for the year Rs.	Balance as at 31 March 2016 Rs.	Balance as at 31 March 2016 Rs.	Balance as at 31 March 2015
<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>-</b>	<b>0</b>	<b>0</b>	<b>2,511,000</b>	<b>2,511,000</b>
P.Y.	2,511,000	-	2,511,000	-	-	-	-	2,511,000	



	As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
<b>NOTE 7:- DEFERRED TAX ASSET (NET)</b>		
Opening Deferred Tax Asset	-	52,518
Add(less): Related to depreciation	-	(52,518)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>NOTE 8:- NON CURRENT INVESTMENTS</b>		
<b>Unquoted-(At Cost)</b>		
Pride & Expert Properties P Ltd (125000 Equity shares of Rs. 10 each fully paid up)	<b>6,250,000</b>	6,250,000
Pride Hotels Pvt Ltd (1089300 Equity shares of Rs. 10 each fully paid up)	<b>2,470,900</b>	2,470,900
Pride Orchades Pvt Ltd (450000 Equity shares of Rs. 10 each fully paid up)	<b>45,00,000</b>	45,00,000
<b>Total</b>	<b>1,32,20,900</b>	1,32,20,900
<b>NOTE 9:- LONG TERM LOANS AND ADVANCES</b>		
<b>Un-secured considered good</b>		
<b>Security Deposits:</b>		
Electricity and Other Deposits	<b>27,300</b>	27,300
Rental Deposit	<b>10,000,000</b>	10,000,000
<b>Total</b>	<b>10,027,300</b>	<b>10,027,300</b>
<b>NOTE 10:- INVENTORIES</b>		
Stock in Trade*	<b>1,247,579</b>	4,505,658
<b>Total</b>	<b>1,247,579</b>	<b>4,505,658</b>
<b>NOTE 11:- CASH AND BANK BALANCES:</b>		
<b>Balances with banks</b>		
In Current accounts	<b>41,673,385</b>	40,925,674
Cash in hand	<b>7,664</b>	4,591
<b>Other Bank Balances</b>		
Unpaid Dividend accounts	<b>114,441</b>	104,266
<b>Total</b>	<b>41,795,490</b>	<b>41,034,530</b>
<b>NOTE 12:- SHORT TERM LOANS AND ADVANCES</b>		
<b>Un-secured considered good</b>		
Loans to employees	<b>31,000</b>	76,000
Loan & Advances to related party	<b>51,737,333</b>	48,790,368
Loans & advances to Others	<b>883,748</b>	846,156
TDS and Advance tax	<b>494,113</b>	344,368
<b>Total</b>	<b>53,146,194</b>	<b>50,056,892</b>



	For the Year Ended 31st March 2016 (Rs.)	For the Year Ended 31st March 2015 (Rs.)
<b>NOTE 13:- REVENUE FROM OPERATION</b>		
Sale of Securities	23,267,382	29,299,674
Interest Income	4,389,907	3,443,668
	<u>27,657,289</u>	<u>32,743,342</u>
<b>NOTE 14:- OTHER INCOME</b>		
Other Income		
Dividend Income	45,077	59,628
Bad debts recovers	150,000	-
<b>Total</b>	<u>195,077</u>	<u>59,628</u>
<b>NOTE 15:- COST OF SECURITIES SOLD</b>		
Opening Stock	4,505,658	7,908,432
Add: Purchases	21,180,752	26,402,336
	<u>25,686,410</u>	<u>34,310,768</u>
Less: Closing Stock	1,247,579	4,505,658
<b>Total</b>	<u>24,438,831</u>	<u>29,805,110</u>
<b>NOTE 16:- EMPLOYEES BENEFIT EXPENSES</b>		
Salaries	1,222,163	881,810
Staff Welfare expenses	4,337	7,973
<b>Total</b>	<u>1,226,500</u>	<u>889,783</u>
<b>NOTE 17:- OTHER EXPENSES</b>		
Printing & Stationery Expenses	36,885	37,044
Office Expenses	3,583	3,805
Books & Periodicals Exp	1,675	1,878
Audit Fees	50,000	50,000
Bank Charges	8,452	7,512
Conveyance & Motor Car Expenses	214,380	148,057
Directors Sitting Fees	20,000	30,000
Postage Courier & Stamp	20,238	11,933
Retainership A/c.	78,000	84,500
Listing & Other Expenses	144,236	218,045
Telephone Expenses	7,197	3,617
Rent	120,000	120,000
Sundry Expenses	23,929	14,775
Legal Expenses	5,987	7,349
<b>Total</b>	<u>734,562</u>	<u>738,515</u>
<b>Note:18 Earning Per Share (as per Accounting Standard -20)</b>		
Profit After Tax	1,017,587	8,23,799
No. of Equity Shares	6,012,200	6,012,200
EPS (basic & Diluted)	<u>0.17</u>	<u>0.14</u>
<b>Note:19 Auditor's Remuneration</b>		
For Audit fees	50,000	50,000
<b>Total</b>	<u>50,000</u>	<u>50,000</u>

**NOTES ON ACCOUNTS****Note 20**

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

**Note 21**

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

**Note 22**

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 23**

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 2016.

(Amount in Rs)

Particulars	Key Managerial Persons		Relative of Key Managerial Person		Companies/Firms Controlled by key managerial Persons/Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Transactions during the year</b>						
Loan Given	-	-	-	-	4,33,55,000	6,78,09,000
Repayment of Loan given	-	-	-	-	4,43,21,360	4,34,06,031
Loan Taken	-	1,62,000	-	-	-	-
Repayment of Loan taken	-	1,62,000	-	-	-	-
Purchase	54,000	1,23,375	-	-	-	-
Sales	9,01,779	-	9,03,821	-	-	-
Interest Received	-	-	-	-	43,89,907	34,43,668
Rent Paid	60,000	60,000	-	-	60,000	60,000
Compensation Recd(incl. of Service Tax)	-	-	-	-	-	-
<b>Outstanding Balance as on 31.03.2016</b>						
Loans Given	-	-	-	-	5,17,37,333	4,80,17,687
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

Satyen S Jain - Ashok Kumar Jain



- |                                       |                              |
|---------------------------------------|------------------------------|
| c) Companies/Firms over which the key | Pride Hotels Ltd             |
| Managerial Persons/ Relatives have    | Meena Investment Corporation |
| significant Influence or control:     | Pride Builders LLP           |

**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:

	(In Rs)	
<b>PARTICULARS</b>	<b>2015 – 2016</b>	<b>2014 – 2015</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.

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board

**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**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, 2016, 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").

However, we did not audit the financial statements of its associate which is audited by other auditor whose reports has been furnished to us by the management and opinion on the consolidated financial statements insofar as relates to the amounts and disclosures included in respect of the associate, and our report in term of sub-section (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid associate is based solely of the report of the other Auditors.

**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 and jointly controlled entities 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, 2016 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.
  - (c) 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) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 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, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including 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 31.03.2016.

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

Place : Mumbai  
Dated: 30.05.2016

**SURJEET JAIN**  
Partner  
M. No. 129531



**“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, 2016 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SANJAY RAJA JAIN & CO.**

**Chartered Accountants**

FRN No. 120132W

**SURJEET JAIN**

Partner

M. No. 129531

Place : Mumbai

Dated: 30.05.2016

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>AS AT 31ST MARCH 16 (Rs.)</b>	<b>AS AT 31ST MARCH 15 (Rs.)</b>
<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	60,193,995	59,116,651
		<b>1,20,315,995</b>	<b>1,19,238,651</b>
<b>2. Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade Payables		-	-
(c) Other current liabilities	4	259,241	229,066
(d) Short-term provisions	5	1,432,983	1,888,563
		<b>1,692,224</b>	<b>2,117,629</b>
<b>TOTAL</b>		<b>1,22,008,219</b>	<b>1,21,356,280</b>
<b>II. ASSETS</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	13,280,657	13,220,900
(d) Long-term loans and advances	9	10,027,300	10,027,300
		<b>25,818,957</b>	<b>25,759,200</b>
<b>2. Current assets</b>			
(a) Inventories	10	1,247,579	4,505,658
(b) Trade Receivables		-	-
(c) Cash and cash equivalents	11	41,795,490	41,034,530
(d) Short Term Loans & Advances	12	53,146,194	50,056,892
		<b>96,189,263</b>	<b>95,597,080</b>
<b>TOTAL</b>		<b>1,22,008,219</b>	<b>1,21,356,280</b>
<b>Significat Accounting Policies notes on Financial Statements</b>	<b>1-24</b>		

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

For & on behalf of the Board  
**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

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

**SANDEEP GOPALE**  
CFO

PLACE : MUMBAI  
DATE : 30.05.2016

**Consolidated Statement of Profit and loss for the year ended 31st March 2016**

<u>PARTICULARS</u>	<u>NOTE NO.</u>	<u>YEAR ENDED</u> <u>31ST MARCH 2016</u> <u>(Rs.)</u>	<u>YEAR ENDED</u> <u>31ST MARCH 2015</u> <u>(Rs.)</u>
<b>I. Income</b>			
Revenue From Operations	13	27,657,289	32,743,342
Other Income	14	195,077	59,628
<b>Total Revenue</b>		<b>27,852,366</b>	<b>32,802,970</b>
<b>II. Expenses:</b>			
Cost of Shares Sold	15	24,438,831	29,805,110
Employee benefits expense	16	1,226,500	889,783
Depreciation and amortization expense	6	-	203,901
Other expenses	17	734,562	738,515
<b>Total expenses</b>		<b>26,399,893</b>	<b>31,637,309</b>
<b>III Profit before extraordinary items and tax (II - III)</b>		1,452,472	1,165,661
<b>IV Extraordinary items</b>		-	-
<b>Profit before tax (III - IV)</b>		1,452,472	1,165,661
<b>IV Tax expense:</b>			
(1) Current tax		434,885	289,245
(2) Deferred tax		-	52,518
(3) Tax for earlier years		-	99
		<b>434,885</b>	<b>341,862</b>
<b>V Profit (Loss) for the period (III - IV)</b>		<b>1,017,587</b>	<b>823,799</b>
Add: Share of Associates Profit		59,757	-
<b>Profit for the year</b>		<b>1,077,344</b>	<b>823,799</b>
<b>VI Earnings per equity share of face value of Rs. 10 each</b>	<b>18</b>	<b>0.18</b>	<b>0.14</b>
Basic & Diluted (in Rupees)			
<b>Significat Accounting Policies notes on</b>			
<b>Financial Statements</b>	<b>1-24</b>		

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board  
**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**SANDEEP GOPALE**  
CFO

**CONSOLIDATED CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS 31ST MARCH, 2016**  
(Amount in Rupees)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	1,452,472	1,165,661
<u>Adjustments for:</u>		
Depreciation and amortisation	-	203,901
Profit on sale of Fixed Asset	-	-
Long Term Capital Gain on Sale of Investment	-	-
<b>Operating profit before working capital changes</b>	<u>1,452,472</u>	<u>1,369,562</u>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Short-term loans and advances	-3,089,302	-27,322,548
Long-term loans and advances	-	-
Trade Receivables	-	-
Inventories	3,258,079	3,402,775
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Proceeds from other short-term borrowings (Net of Repayment)	-	-
Other current liabilities & Provisions	30,175	48,798
Trade Payables	-	-
Short term Provisions	145,640	-1,013,232
<b>Cash flow from extraordinary items</b>		
Net income tax	-434,885	-289,344
	<u>13,62,180</u>	<u>-23,803,990</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>	<u>-</u>	<u>-</u>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	-
Dividends paid	-601,220	-601,220
Tax on dividend	-	-123,098
<b>Net cash flow from / (used in) financing activities (C)</b>	<u>-601,220</u>	<u>-724,318</u>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u>7,60,960</u>	<u>-24,528,308</u>
Cash and cash equivalents at the beginning of the year	41,034,530	65,562,838
<b>Cash and cash equivalents at the end of the year</b>	<u>41,795,490</u>	<u>41,034,530</u>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>	<u>-7,60,960</u>	<u>24,528,308</u>

**Note: Cash and Cash Equivalent include cash in hand, balances with bank and cheques in hand as on 31st March 2016**

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board

**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**SANDEEP GOPALE**  
CFO

**CONSOLIDATED NOTE: 1 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. PRINCIPLE OF CONSOLIDATION**

Investments in Associate Companies have been accounted for under the equity method whereby investments initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in company share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for investment individually.

- (a) 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 31 <sup>st</sup> March, 2016	% of voting power as at 31 <sup>st</sup> March, 2015
Pride Orchades Pvt. Ltd.	India	45%	45%

**III. 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.

**IV. 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.

**V. 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.

**VI. 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.

**VII. INVENTORIES**

Inventories are valued 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 Sales 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 yearend 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 forming part of the Consolidated financial statement as on and for the  
year ended 31st March 2016**

**NOTE 2:- SHARE CAPITAL**

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	12,100,000	121,000,000	12,100,000	121,000,000
<b>Issued,Subscribed &amp; Paidup</b>				
Equity Shares of Rs. 10/- each	6,012,200	60,122,000	6,012,200	60,122,000
<b>Total</b>	<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, 2016 is set out below:**

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Class of Shares: Equity Shares</b>				
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
Khairana Development P Ltd	314,400	5.23	314,400	5.23

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

**Notes forming part of the Consolidated financial statement  
as on and for the year ended 31st March 2016**

As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
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**NOTE 3:- RESERVES AND SURPLUS****A) General Reserves**

Opening Balance	17,600,000	17,500,000
Add: Transferred From Surplus	100,000	100,000
Total	<u>17,700,000</u>	<u>17,600,000</u>

**B) Securities Premium Reserve**

Opening Balance	27,010,078	27,010,078
Total	<u>27,010,078</u>	<u>27,010,078</u>

**C) Other Reserves****Reserves Fund U/S.45 of RBI Act**

Opening Balance	14,200,000	14,000,000
Add: Transferred From Surplus	200,000	200,000
Total	<u>14,400,000</u>	<u>14,200,000</u>

**D) Surplus in Profit & loss a/c**

Surplus - Opening balance	306,573	507,092
Add: Net Profit after tax transferred	1,077,344	823,799
Amount available for appropriation	<u>1,383,917</u>	1,330,891
Appropriations:		
Proposed Dividends	-	601,220
Dividend Tax	-	123,098
Amount transferred to General reserves	100,000	100,000
Amount transferred to Reserves Fund U/S.45 of RBI Act	200,000	200,000
Surplus - Closing Balance	<u>1,083,917</u>	<u>306,573</u>
<b>Total (A+B+C+D)</b>	<u><u>60,193,995</u></u>	<u><u>59,116,651</u></u>

**Notes forming part of the Consolidated financial statement  
as on and for the year ended 31st March 2016**

	As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
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**NOTE 4:- OTHER CURRENT LIABILITIES**

Unpaid dividends	114,441	104,266
Audit Fees Payable	139,800	124,800
TDS Payable	5,000	-
<b>Total</b>	<u>259,241</u>	<u>229,066</u>

**NOTE 5:- SHORT TERM PROVISIONS**

Provision For Income Tax	434,885	289,245
Proposed Equity Dividend	-	601,220
Provision For tax on proposed Dividend	123,098	123,098
Provision For N.P.A	875,000	875,000
<b>Total</b>	<u>1,432,983</u>	<u>1,888,563</u>

Notes forming part of the Consolidated financial statement as on and for the year ended 31st March 2016**NOTE 6 FIXED ASSETS**

FIXED ASSETS	G R O S S B L O C K			ACCUMULATED DEPRECIATION				N E T B L O C K	
	Balance as at 1 April 2015 Rs.	Additions/ (Disposals) Rs.	Balance as at 31 March 2016 Rs.	Balance as at 1 April 2015 Rs.	Additions/ (Disposals) Rs.	Depreciation charge for the year Rs.	Balance as at 31 March 2016 Rs.	Balance as at 31 March 2016 Rs.	Balance as at 31 March 2015
Tangible Assets									
Land	2,511,000	-	2,511,000	-	-	-	-	2,511,000	2,511,000
Total	2,511,000	-	2,511,000	0	-	0	-	2,511,000	2,511,000
P.Y.	2,511,000	-	2,511,000	-	-	-	-	2,511,000	

**Notes forming part of the Consolidated financial statement  
as on and for the year ended 31st March 2016**

	As At 31st March 2016 (Rs.)	As At 31st March 2015 (Rs.)
<b>NOTE 7:- DEFERRED TAX ASSET (NET)</b>		
Opening Deferred Tax Asset	-	52,518
Add(less): Related to depreciation	-	(52,518)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>NOTE 8:- NON CURRENT INVESTMENTS</b>		
<b>Unquoted-(At Cost)</b>		
Pride & Expert Properties P Ltd (125000 Equity shares of Rs. 10 each fully paid up)	<b>6,250,000</b>	6,250,000
Pride Hotels Pvt Ltd (1089300 Equity shares of Rs. 10 each fully paid up)	<b>2,470,900</b>	2,470,900
Pride Orchades Pvt Ltd (450000 Equity shares of Rs. 10 each fully paid up)	<b>4,559,757</b>	4,500,000
<b>Total</b>	<b>13,280,657</b>	<b>13,220,900</b>
<b>NOTE 9:- LONG TERM LOANS AND ADVANCES</b>		
<b>Un-secured considered good</b>		
<b>Security Deposits:</b>		
Electricity and Other Deposits	<b>27,300</b>	27,300
Rental Deposit	<b>10,000,000</b>	10,000,000
<b>Total</b>	<b>10,027,300</b>	<b>10,027,300</b>
<b>NOTE 10:- INVENTORIES</b>		
Stock in Trade*	<b>1,247,579</b>	4,505,658
<b>Total</b>	<b>1,247,579</b>	4,505,658
<b>NOTE 11:- CASH AND BANK BALANCES:</b>		
<b>Balances with banks</b>		
In Current accounts	<b>41,673,385</b>	40,925,674
Cash in hand	<b>7,664</b>	4,591
<b>Other Bank Balances</b>		
Unpaid Dividend accounts	<b>114,441</b>	104,266
<b>Total</b>	<b>41,795,490</b>	<b>41,034,530</b>

**Notes forming part of the Consolidated financial statement  
as on and for the year ended 31st March 2016****For the Year Ended  
31st March 2016  
(Rs.)****For the Year Ended  
31st March 2015  
(Rs.)****NOTE 12:- SHORT TERM LOANS AND ADVANCES****Un-secured considered good**

Loans to employees	31,000	76,000
Loan & Advances to related party	51,737,333	48,790,368
Loans & advances to Others	883,748	846,156
TDS and Advance tax	494,113	344,368
<b>Total</b>	<b>53,146,194</b>	<b>50,056,892</b>

**NOTE 13:- REVENUE FROM OPERATION**

Sale of Securities	23,267,382	29,299,674
Interest Income	4,389,907	3,443,668
	<b>27,657,289</b>	<b>32,743,342</b>

**NOTE 14:- OTHER INCOME**

Other Income		
Dividend Income	45,077	59,628
Bad debts recovers	150,000	-
<b>Total</b>	<b>195,077</b>	<b>59,628</b>

**NOTE 15:- COST OF SECURITIES SOLD**

Opening Stock	4,505,658	7,908,432
Add: Purchases	21,180,752	26,402,336
	<b>25,686,410</b>	<b>34,310,768</b>
Less: Closing Stock	1,247,579	4,505,658
<b>Total</b>	<b>24,438,831</b>	<b>29,805,110</b>

**NOTE 16:- EMPLOYEES BENEFIT EXPENSES**

Salaries	1,222,163	881,810
Staff Welfare expenses	4,337	7,973
<b>Total</b>	<b>1,226,500</b>	<b>889,783</b>

**Notes forming part of the Consolidated financial statement  
as on and for the year ended 31st March 2016****For the Year Ended  
31st March 2016  
(Rs.)****For the Year Ended  
31st March 2015  
(Rs.)****NOTE 17:- OTHER EXPENSES**

Printing & Stationery Expenses	<b>36,885</b>	37,044
Office Expenses	<b>3,583</b>	3,805
Books & Periodicals Exp	<b>1,675</b>	1,878
Audit Fees	<b>50,000</b>	50,000
Bank Charges	<b>8,452</b>	7,512
Conveyance & Motor Car Expenses	<b>214,380</b>	148,057
Directors Sitting Fees	<b>20,000</b>	30,000
Postage Courier & Stamp	<b>20,238</b>	11,933
Retainership A/c.	<b>78,000</b>	84,500
Listing & Other Expenses	<b>144,236</b>	218,045
Telephone Expenses	<b>7,197</b>	3,617
Rent	<b>120,000</b>	120,000
Sundry Expenses	<b>23,929</b>	14,775
Legal Expenses	<b>5,987</b>	7,349
<b>Total</b>	<b><u>734,562</u></b>	<b><u>738,515</u></b>

**Note:18 Earning Per Share (as per Accounting Standard -20)**

Profit After Tax	<b>1,077,344</b>	823,799
No. of Equity Shares	<b>6,012,200</b>	6,012,200
EPS (basic & Diluted)	<b><u>0.18</u></b>	<b><u>0.14</u></b>

**Note:19 Auditor's Remuneration**

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



**NOTES ON ACCOUNTS****Note 20**

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

**Note 21**

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

**Note 22**

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 23**

Information on related party transactions as required by Accounting Standard 18," issued by the Institute of Chartered Accounts of India for the year ended 31st March 2016.

(Amount in Rs.)

Particulars	Key Managerial Persons		Relative of Key Managerial Person		Companies/Firms Controlled by key managerial Persons/Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transactions during the year						
Loan Given	-	-	-	-	4,33,55,000	6,78,09,000
Repayment of Loan given	-	-	-	-	4,43,21,360	4,34,06,031
Loan Taken	-	1,62,000	-	-	-	-
Repayment of Loan taken	-	1,62,000	-	-	-	-
Purchase	54,000	1,23,375	-	-	-	-
Sales	9,01,779	-	9,03,821	-	-	-
Interest Received	-	-	-	-	43,89,907	34,43,668
Rent Paid	60,000	60,000	-	-	60,000	60,000
Compensation Recd(incl. of Service Tax)	-	-	-	-	-	-
Outstanding Balance as on 31.03.2016						
Loans Given	-	-	-	-	5,17,37,333	4,80,17,687
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  | Satyen S Jain<br>Ashok Kumar Jain                                     |
| b) Companies/Firms over which the key Managerial Persons/ Relatives have significant Influence or control: | Pride Hotels Ltd<br>Meena Invetment Corporation<br>Pride Builders LLP |

**Note 24 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:

	(In Rs.)	
PARTICLUARS	2015 - 2016	2014 - 2015
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 25**

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

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

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

PLACE : MUMBAI  
DATE : 30.05.2016

For & on behalf of the Board

**S.P. JAIN**  
Managing Director

**MRS. MEENA S JAIN**  
DIRECTOR

**SANDEEP GOPALE**  
CFO

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST MARCH 2016 (Contd.....)****Schedule to the Balance Sheet of a non-deposit taking non-banking financial company**(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in lakhs)

Particulars	Amount out-standing	Amount overdue
<u>Liabilities side :</u>		
(1) <b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>	Nil	Nil
(a) Debentures : Secured		
: Unsecured		
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (specify nature)	Nil	Nil
* Please see Note 1 below		
<u>Assets side :</u>		
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	Nil	Nil
(b) Unsecured	Rs 526.52	Nil
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :	Nil	Nil
(a) Financial lease		
(b) Operating lease		
(ii) Stock on hire including hire charges under sundry debtors:	Nil	Nil
(a) Assets on hire		
(b) Repossessed Assets		
(iii) Other loans counting towards AFC activities	Nil	Nil
(a) Loans where assets have been repossessed	Nil	Nil
(b) Loans other than (a) above	Rs 526.52	Nil
(4) Break-up of Investments:		
<u>Current Investments:</u>		
1. <u>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
<b>2 Unquoted</b>		
(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
<b>Long Term Investments:</b>		
<b>1. Quoted</b>		
(i) Shares: (a) Equity	12.47	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
<b>2 Unquoted</b>		
(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	Nil
(b) Companies in the same group	Nil	517.37	510.22
(c) Other related parties	Nil	Nil	Nil
<b>2. Other than related Parties</b>	Nil	9.15	9.15
<b>Total</b>	Nil	526.52	519.37

- (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	Book Value
	or fair value or NAV	(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	12.47	12.47
<b>Total</b>	<b>144.68</b>	<b>144.68</b>

\*\* As per Accounting Standard of ICAI  
Please see Note 3 below:

Nil Nil

(7) Other Information

Particulars	Amount	
(i) Gross Non-Performing Assets	Nil	Nil
(a) Related parties		
(b) Other than related parties		
(ii) Net Non-Performing Assets	Nil	Nil
(a) Related parties		
(b) Other than related parties		
(iii) Assets acquired in satisfaction of debt	Nil	Nil

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits(Reserve Bank) Directions.1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial(Non-Deposit Accepting or holding)Companies prudential Norms (Reserve Bank) Directions, 2007.
- 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.

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

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

PLACE : MUMBAI  
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**S.P. JAIN**  
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CFO

## S.P. CAPITAL FINANCING LIMITED

CIN: L74140MH1983PLC029494

Registered Office: 908, Dalamal Towers, 211, Nariman Point, MUMBAI – 400 021

### ATTENDANCE SLIP

Registered Folio / DP ID & Client ID	
Name	
Address of Shareholder	

*\*Applicable for investors holding shares in electronic form*

I/We hereby record my/our presence at the 33rd Annual General Meeting of the Company at its Registered Office at 908, Dalamal Towers, 211, Nariman Point, Mumbai - 400 021 Friday, September 30, 2016 at 3.00 p.m.

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Member's/ Proxy's Signature

- Notes:** 1. Please complete 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

CIN: L74140MH1983PLC029494

Registered Office: 908, Dalamal Towers, 211, Nariman Point, MUMBAI – 400 021

### 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 33rd Annual General Meeting of the Company, to be held on the Friday, September 30, 2016 at 3.00 p.m. at 908, Dalamal Towers, 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, 2016.			
2.	Re-appointment of Mrs. Meena Sureshchand Jain as director who retire by rotation			
3.	Re-appointment of Mr. Dhannalal P Jain as director who retire by rotation			
4.	Appointment and Remuneration of Auditor of the Company.			
	<b>Special Business</b>			
5.	Approval of Related Party Transactions.			

Signed this.....day of.....2016

Signature of Member : .....

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

<p><b>Affix Revenue Stamp</b></p>
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**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 LTD.**

**Regd. Office :** 908, Dalamal Towers,  
211, Nariman Point, Mumbai - 400 021.  
CIN NO. L74140MH1983PLC029494  
Tel. 40372424/22824945/22834051  
Fax No. 22844052  
Email Id: spcapitalfin@gmail.com

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