



www.spacapital.com

**SPA Capital Services Ltd.**

CIN: U65910DL1984PLC018749

25, C-Block Community Centre

Janak Puri, New Delhi-110 058

Tel. : 011-25517371, 45675500

Fax : 011-25572342

Email : info@spacapital.com

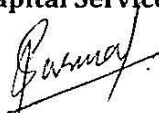
### NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of SPA Capital Services Limited will be held on Friday, the 30th day of September, 2016 at 10:00 a.m at the registered office of the Company at 25, C - Block Community Centre, Janak Puri New Delhi - 110 058 to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements comprising of Balance Sheet as at March 31, 2016, the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date, together with the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Kamal Kishore Somani, (DIN No. 00254658) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Khandelia and Sharma, Chartered Accountants, (FRN. 510525C), Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution, as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) and re-enactment(s) thereof for the time being in force, the appointment of M/s Khandelia and Sharma, Chartered Accountants, (FRN. 510525C), as the Statutory Auditors of the Company, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company on such terms and conditions and at such remuneration as may be mutually decided by the Board of Directors of the company and the Auditors."

	<p><b>For &amp; on behalf of the Board For SPA Capital Services Limited</b></p>  <p><b>Sandeep Parwal Managing Director DIN No. 00025803</b></p>
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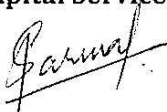
Date: September 02, 2016

Place: New Delhi

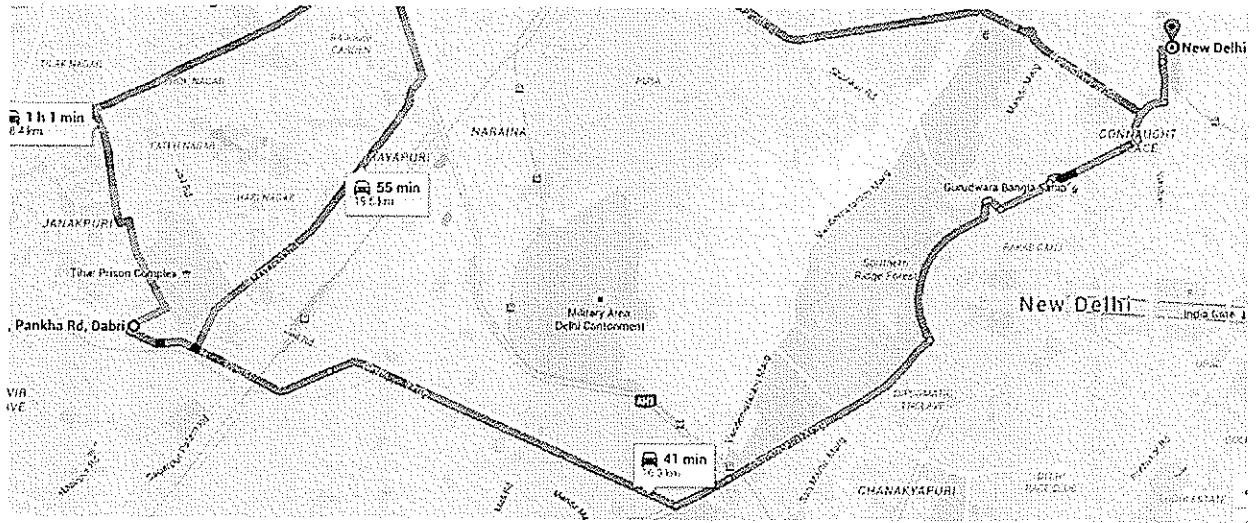
**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY(IES), IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
A person cannot act as a proxy on behalf of members not exceeding fifty(50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
2. The member / proxy should bring duly filled and signed attendance slip. Corporate Member(s) intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Meeting.
3. The Register of Directors & KMP as maintained under Section 170 of the Companies Act, 2013 would be kept open for inspection and would be made accessible to any person attending the same.
4. The Route Map of the venue of the Annual General Meeting forms part of this Notice.

**"NO GIFTS WILL BE DISTRIBUTED IN THE ANNUAL GENERAL MEETING"**

	<p><b>For &amp; on behalf of the Board For SPA Capital Services Limited</b></p>  <p><b>Sandeep Parwal Managing Director DIN No. 00025803</b></p>
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Date: September 02, 2016  
Place: New Delhi



**SPA CAPITAL SERVICES LIMITED**

Sr. No.....

**ATTENDANCE SLIP**

32<sup>nd</sup> Annual General Meeting Friday, the 30<sup>th</sup> day of September, 2016 at 10:00 A.M. at 25, C - Block Community Centre, Janak Puri, New Delhi - 110 058

NAME (IN BLOCK LETTERS)	
ADDRESS	
REGISTERED FOLIO NO. / DP ID & CLIENT ID*	
SHAREHOLDER / PROXY/ AUTHORISED REPRESENTATIVE	
MOBILE NO. E-MAIL ID	

I/We hereby record my/our presence at the 32<sup>nd</sup> Annual General Meeting of the Company at its Registered Office at 25, C - Block Community Centre, Janak puri, New Delhi - 110 058 on Friday, the 30<sup>th</sup> day of September, 2016 at 10.00 a.m.

\_\_\_\_\_  
Signature of Shareholder / Proxy / Authorised Representative

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.*

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**NOTES:**

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy or through Authorised Representative, copy of Notice and Annual report may please be brought by you/your proxy/Authorised Representative for reference at the meeting.
3. \*Applicable for Investor(s) holding share(s) in demat form.
4. Each equity share of the Company carries one vote.
5. **Due to Security Reasons Mobile Phones, Cameras and Bags shall not be allowed inside the AGM Hall.**

**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: **U65910DL1984PLC018749**  
Name of the Company: **SPA CAPITAL SERVICES LIMITED**  
Registered Office: **25, C – Block Community Centre, Janak Puri, New Delhi – 110 058**

Name of the Member (s):	
Registered Address:	
E-mail Id:	
Folio No/ Client Id:	
*DP ID:	

I/We, being the member(s) 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: ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on Friday, the 30<sup>th</sup> day of September, 2016 at 10:00 A.M at the Registered Office of the Company at 25, C – Block Community Centre, Janak Puri, New Delhi – 110 058 and at any adjournment thereof in respect of such resolutions/items of Agenda as are indicated below:

S. No.	Resolution	For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider and adopt the Audited Financial Statements comprising of Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the financial year ended on that date, together with the report of the Auditors and Directors thereon.		
2.	To appoint a Director in place of Mr. Kamal Kishore Somani, (DIN No. 00254658) who retires by rotation and, being eligible, offers himself for re-appointment.		

3.	To ratify the appointment of M/s Khandelia and Sharma, Chartered Accountants, (FRN. 510525C), Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 33 <sup>rd</sup> Annual General Meeting and to fix their remuneration		
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Signed this..... day of ....., 2016.

Affix Revenue Stamp of Re. 1 Signature
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Signature of Shareholder

Signature of Proxy holder(s)

**Notes:**

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. **The Proxy, to be effective, should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
3. **A proxy need not be a member of the Company.**
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. This is only optional.

**\*Applicable for Investors holding shares in demat form.**

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting herewith their 32<sup>nd</sup> Annual Report of SPA Capital Services Limited (the "Company") on the business and operations of the company together with the Audited Financial Statements of the Company for the year ended on 31st March, 2016.

### Financial Highlights

Key highlights of financial performance for SPA Capital Services Limited for the financial year 2015-16 are tabulated below:

Particulars	(Rs. in lakhs)	
	March 31, 2016	March 31, 2015
Sales	4,967.05	9,066.04
Brokerage Income	9,707.52	15,137.67
Income from Advisory Services / Management Fees	3.94	7.36
Interest and Dividend Income	7.54	5.35
Profit from Trading in Derivatives	(31.21)	132.60
Other Income	36	12.70
<b>Total income</b>	<b>14690.84</b>	<b>24,361.72</b>
Expenditure before Depreciation, Tax and Exceptional items	14478.07	24,067.64
Profit before Depreciation, Tax and Exceptional items	212.77	294.08
Less: Depreciation	66.19	68.19
Less: Exceptional Items	6.24	1.57
Less: Prior Period Items	-	8.07
Profit before Tax	140.34	216.25
Less: Provision for Tax	55.37	59.57
Profit After Tax	84.97	156.68
Earnings per Share (Equity Shares of face value Rs.10/- each)		
- Basic	9.67	17.84
- Diluted	9.67	17.84

### Economic Overview

The business of the company comprises majorly of Mutual Fund Distribution. As per the data released by AMFI, your company is amongst the Top 10 mutual Funds Distributor of India. During the Financial Year 2015-16, despite a volatile market, the market received continued flows from domestic institutions, particularly mutual funds, in exploiting the valuation arbitrage created from the earlier run-up in the benchmark indices and large cap stocks. During the year Mutual Fund Industry has witnessed average assets under management, moving up from Rs 1,91,318 crore to Rs 2,27,119 in 2015-16, an increase of 18.71%. However the Mutual Fund gross commissions of major the top 10 distributors for 2015-16 declined 31% to Rs 1,651 crore compared to Rs 2,399 crore in the previous year, according to AMFI data. However this decline was due to upfront commissions, which were paid on close end schemes in the previous year 2014-15 and the 1% cap on upfront commissions came into play in this financial year. The another reason behind the same was a number of three-year close-ended equity mutual fund

schemes were launched in 2014-15, where upfront commission were as high as 6%, the commissions for 2014-15 look high. The Company with its scale of business, profitability and clear competitive advantage will continue to enjoy the paramount importance it already have. In the year 2016 the company expects to see a substantial improvement in the performance of Mutual funds and Mutual Funds Distributors, which will be driven by global excess liquidity, political strength of the government at the centre and most importantly with Introduction of GST.

### **Business and Operational Highlights**

Our revenues primarily consist of revenue from sale of securities, brokerage income from distribution of financial products and income from interest and dividend. The Company is also registered with Reserve Bank of India as Non deposit accepting Non Banking Financial Company (NBFC). During the year brokerage Income has decreased from Rs. 1,513,766,615/- in the Financial Year 2014-15 to Rs. 970,752,516/- in the financial year 2015-16, Income from advisory services / management fees decreased from Rs 735,684/- in the financial year 2014-15 to Rs. 394,240/- in the financial year 2015-16.

### **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:-**

There are no significant and material orders passed by the regulators or courts or tribunals that may have an impact for the company as a going concern and/or company's operations.

### **Dividend**

In order to conserve the resources of the Company and to plough back profits in the Company and to meet the fund requirements of the Company for the purpose of capitalizing on the opportunities available, your Directors have not recommended any dividend for the year under review.

### **Transfer to General Reserve**

During the year under review the company has transferred Rs. 100.00 lakhs to the General Reserves.

The Reserves and Surplus of your company stood at Rupees 134,767,612/- as at March 31, 2016 as against Rupees 126,271,093/- as at March 31, 2015.

### **Share Capital**

The Authorised Share Capital of the Company as at March 31, 2016 is Rs. 90,00,000 divided into 9,00,000 equity shares of Rs. 10/- each. The paid up share capital of the company as at March 31, 2016 is Rs. 8,783,500/- divided into 8,78,350 equity shares of Rs. 10/- each.

During the year under review, the Company has neither issued any shares with differential voting rights under the Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 nor offered and issued any sweat equity shares under rule 8 (13) of Companies (Share Capital and Debenture) Rules, 2014, nor issued any stock option under Rule 12(9) of The Companies (Share Capital and Debenture) Rules, 2014. Hence there no disclosure to make there under.

There is no change in the Authorised share capital of the Company during the year under review.



### **Holding / Subsidiary / Associate Companies**

Your company does not have any Holding, Subsidiary and Associate Company within the meaning of Section 2(46), Section 2(87) and Section 2(6) of the Companies Act, 2013 ("Act").

### **Public Deposits**

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2015-16.

### **Extract of the annual return**

The details forming part of the extract of the Annual Return as stipulated under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 in form MGT 9 is annexed herewith as Annexure-1.

### **Statutory Auditors**

The Shareholders of the Company had at their Annual General Meeting held on September 30, 2014, approved the re-appointment of M/s Khandelia and Sharma, Chartered Accountants (Firm Registration No. 510525C), for a period of three (3) years from the conclusion of the 30<sup>th</sup> Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting subject to the ratification by the Members every year.

Your Company has received an eligibility letter from the Auditors to the effect that the ratification of their appointment, would be in accordance with Sections 139 and 141 of the Act.

The Board, therefore, recommends ratification of their appointment at the ensuing Annual General Meeting.

### **Auditors Report**

The report of the Auditors on the final accounts of the Company is being attached with the Balance Sheet. The notes to the said report are self explanatory and therefore do not require any further clarifications.

There are no qualifications, reservation or adverse remarks made by the Statutory Auditors in their audit report for the Financial Year 2015-16.

During the year under review the Statutory Auditors have not reported any incident of fraud under Section 143(12) of the Companies Act, 2013 to the Audit Committee, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Board Composition and its Meetings

Currently, the Board comprises of 5 Directors (1 Managing Director, 1 Non- Executive Promoter Director and 3 Independent Directors). The composition of the Board represents a healthy blend and optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities and provide effective leadership for long term vision and to achieve the highest level of governance. The Board critically evaluates the Company's strategic directions, management policies and their effectiveness. The Board regularly reviews inter alia, annual business plans, performance against plans, business opportunities including investments/disinvestments, related party transactions, compliance processes including material legal issues, strategy, risk management practices and approval of financial results. Frequent and detailed interaction provides the strategic roadmap for the Company's future growth.

**Table showing the Composition of the Board**

S No.	Name of the Director	Category
1	Mr. Sandeep Parwal	Managing Director (Promoter)
2	Mr. Kamal Kishore Somani	Non Executive Director (Promoter)
3	Mr. Mahavir Prasad Mundhra	Independent Director
4	Mr. Vikas Dhingra	Independent Director
5	Mr. Kamal Shankarlal Binani	Independent Director

The Board met 5 (Five) times during the year 2015-2016 on April 16, 2015, May 30, 2015, September 02, 2015, December 29, 2015 and January 11, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and rules made there under.

The details of number of meetings attended by each Director during the financial year 2015-16 are as follows:

S. No.	Name of Director	Category	Attendance in FY 2015-16
1	Mr. Sandeep Parwal	Managing Director (Promoter)	5/5
2	Mr. Kamal Kishore Somani	Non Executive Director (Promoter)	1/5
3	Mr. Mahavir Prasad Mundhra	Independent Director	5/5
4	Mr. Vikas Dhingra	Independent Director	4/5
5	Mr. Kamal Shankarlal Binani	Independent Director	1/5

None of the directors of the company is disqualified under Section 164(2) of the Companies Act, 2013 and the Rules made thereunder.

### **Change in Composition of the Board**

During the Year under review, there has been no change in the composition of the Board of the Company.

As per the provisions of Section 152 of the Companies Act, 2013, and in terms of the Articles of Association of the Company, Mr. Kamal Kishore Somani, will retire by rotation and further being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors of the Company has recommended for his re-appointment.

### **Independent Directors**

The Independent Directors of the Company are individuals of eminence & repute in their respective fields and they actively contribute to the strategic direction, operational excellence & corporate governance of the Company. In accordance with the criteria set for selection of Independent Directors and for determining their independence, the Nomination and Remuneration ('NR') Committee of the Board, inter alia, considers the qualifications, positive attributes, area(s) of expertise and Directorships/ Committee memberships held by these individuals in other companies. The Board considers the NR Committee's recommendation and takes appropriate decisions for appointment of the Independent Directors.

Accordingly the Company had appointed Mr. Vikas Dhingra, Mr. Mahavir Prasad Mundhra and Mr. Kamal Shankarlal Binani as Independent Directors of the Company.

In accordance with the provisions of Section 149(8) of the Companies Act, 2013 and provisions of Code of Independent Directors the Meeting of Independent Directors was held on March 18, 2016 to assess the quality, quantity and timeliness of flow of information between the Company, Management and the Board. They reviewed the performance of the Non-Independent directors of the Company.

### **Declaration of Independence**

The Company has received declaration from all the Independent directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Schedule IV and the Rules made thereunder. The Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfil the criteria of independence.

### **Performance Evaluation of the Board**

The Independent Directors of the Company evaluated the performance of the Non Independent Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority Shareholder's etc. The Independent Directors also assessed the quality, quantity and timelines of flow of information between the Company, Management and the Board and expressed satisfaction over the same. The performance evaluations of the Independent Directors were carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

## **COMMITTEES OF THE BOARD OF DIRECTORS**

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

The Board of Directors has, from time to time, constituted the following Committees, namely:

- 1) Audit Committee
- 2) Share Transfer Committee
- 3) Nomination and Remuneration Committee

### **Audit Committee Composition and its Meetings**

At present, the Audit Committee comprises of 3 Directors i.e. Mr. Vikas Dhingra as Chairman who is Independent and Non Executive, Mr. Mahavir Prasad Mundhra, Independent and Non Executive and Mr. Sandeep Parwal, the Managing Director. The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act 2013. During the period under review, all the recommendations of the Audit Committee were accepted by the Board of Directors of the Company.

The Audit Committee met 2 (Two) times during the year 2015-2016 on September 02, 2015 and December 29, 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and rules made there under.

### **Share Transfer Committee Composition and its Meetings**

The Share Transfer Committee comprises of Independent Director as Chairman Mr. Vikas Dhingra and Mr. Sandeep Parwal as Executive and Non Independent Director. No meeting of Share Transfer Committee was held during the year 2015-2016.

### **Nomination and Remuneration Committee Composition and its Meeting**

The composition and terms of reference of the Committee satisfy the provisions of Section 178 of the Companies Act, 2013. At present, the **Nomination and Remuneration (NR) Committee** comprises of three (3) Directors i.e. Mr. Mahavir Prasad Mundhra (Chairman), Independent Director, Mr. Kamal Shankarlal Binani, Independent Director and Mr. Vikas Dhingra, Independent Director.

Nomination and Remuneration Committee met Two (2) times during the financial year 2015-16 on April 16, 2015 and September 02, 2015.

The Committee was constituted to consider/review the managerial remuneration.

### **Remuneration Policy**

Pursuant to the provisions of the Act, the Nomination & Remuneration Committee of the Company has framed a policy for selection and appointment of Directors including determining qualifications independence of a Director, Key Managerial Personnel, Senior Management

Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

The NR Committee takes into consideration the best remuneration practices in the industry while fixing appropriate remuneration packages and for administering the long-term incentive plans. Further, compensation package of the Directors, Key Managerial Personnel, Senior Management and other employees is designed based on the set of principles enumerated in the said policy.

An extract of the policy covering these requirements is provided As **Annexure II**.

### **Vigil mechanism**

In Compliance with the provisions of Section 177(9) of the Companies Act, 2013 read with the rules made there under, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of the Audit Committee.

Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct, to management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the said investigation. No individual in the Company has been denied access to the Audit Committee.

Mechanism followed under this policy is appropriately communicated within the Company across all levels.

The Audit Committee periodically reviews the functioning of this mechanism.

### **Internal Financial Controls**

Your company has in place adequate financial controls with reference to financial statements. During the year such controls were reviewed and it did not observe any reportable material weakness in the design or operation of financial controls.

### **Internal Control Systems and Their Adequacy**

An effective internal control mechanism is imperative to good corporate governance. The Company has put in place robust internal control systems and procedures in line with the scale of operations and business to ensure timely and accurate recording of financial transactions and adherence to applicable accounting standards; optimum utilisation and safety of assets; compliance with applicable laws & regulations; and an effective management information system & reviews of other systems. The Company also has in place well-defined organisational

structures to facilitate clearly established roles and responsibilities for effective discharge of duties in a smooth manner.

### **Particulars of loans, guarantees or investments**

Details of Loans given and Investments made under the provisions of Section 186 of the Companies Act, 2013 are given under the respective heads of Financial Statements. The Company has not given any Corporate Guarantee (s) in respect of any loans as at March 31, 2016.

### **Conservation of Energy and Technology absorption**

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2015 regarding Conservation of Energy and Technology Absorption are not applicable to the Company and hence have not been provided.

### **Foreign exchange earnings and outgo**

There has been no foreign exchange earnings or outgo during the year under Report.

### **Related Party Transactions**

All Related Party Transactions that were entered into during the financial year 2015-16 were on "Arm's length" basis and were in the ordinary course of business intended to further the Company's interest.

### **Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or Associates, among others that may have potential conflict with the Company's interest at large**

During the period under review, the Company had not entered into any material transaction with any of its related party. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of member is drawn to the disclosure of transactions with related parties set out in Note No. 26 of Financial Statements.

### **Risk management policy**

Risk Management is the continuous process of systematically identifying, quantifying, prioritizing and responding to all risks and opportunities that can affect the achievement of the Company's strategic and annual objectives. Accordingly the risk Management Policy of the company elaborates the various methods in identification, assessment, monitoring and mitigation of various risks that the company may face in its business. The company's objective is to achieve a balance between acceptable levels of risk and reward in effectively managing its operational, financial, business and other risks.

### **Material changes and commitments affecting the financial position of the Company**

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

### **Directors Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

1. in the preparation of the annual accounts for financial year ended 31st March, 2016, the applicable accounting standards have been followed and there is no material departures from the same;
2. 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 true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
3. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
4. the Directors have prepared the annual accounts for the financial year ended 31st March, 2016 on a going concern basis.
5. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **Particulars of Employees**

There was no person employed by the Company whose particulars are required to be disclosed under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 for the year ended March 31, 2016.

### **Human Resources**

Employees are our vital and most valuable assets. We have created a favourable work environment that encourages innovation and meritocracy. It is important for us that organization culture and organization strategy are well aligned. Over a period we have developed a strong culture of transparency through constant employee communication and have developed strong performance management practices wherein best class rewards and recognition systems are deployed. We have also set up a scalable recruitment and human resources management process which enables us to attract and retain high caliber employees.

### **Prevention of Sexual Harassment Policy**

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual,


temporary, trainees) are covered under this policy. During the year 2015-2016, no complaints were received by the Company related to sexual harassment


### **Acknowledgment**

We take this opportunity to express our gratitude to the Shareholders & Investors of the Company for their unflinching trust and support. We would also like to thank the Central Government, State Governments, Regulatory Authorities, Financial Institutions, Banks and Ancillary Undertakings for their cooperation and assistance. We would like to place on record their sincere appreciation and acknowledgment towards the efforts and contribution made by the personnel at all levels and their continued support and faith in the Organization. We would like to reiterate our commitment to continue to build our organization into a truly world class enterprise in all respects.

**For & on behalf of the Board  
SPA Capital Services Limited**

New Delhi  
September 02, 2016

  
**Sandeep Parwal**  
**Managing Director**  
**DIN No. 00025803**

  
**Mahavir Prasad Mundhra**  
**Director**  
**DIN No. 00642941**



**Annexure - 1 to Directors' Report**

**Form No. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2016]

**I. Registration and other details:**

i) CIN:	U65910DL1984PLC018749
ii) Registration Date	July 20, 1984
iii) Name of the Company	SPA Capital Services Limited
iv) Category / Sub-Category of the Company	Public Company Limited by shares
v) Address of the Registered office and contact details	25, C - Block, Community Centre Janak Puri, New Delhi - 110 058 Tel No.: +91 11 4567 5500 Fax No.: +91 11 2553 2644
vi) Whether listed company	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

**II. Principal business activities of the company**

All the business activities contributing 10% or more of the total turnover of the company are given below:

Name and description of main products / services	NIC Code of the product / service	% to total turnover of the Company
Dealing in securities on own account	6499	33.90
Activities auxiliary to financial services	6619	66.10

\* As per National Industrial Classification - Ministry of Statistics and Programme Implementation

**III. Particulars of holding, subsidiary and associate companies**

Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
N.A.	N.A.	N.A.	N.A.	N.A.

**IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)**  
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter &amp; Promoter Group</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	2,42,200	2,42,200	27.57	0	2,42,200	2,42,200	27.57	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	3,55,000	3,55,000	40.42	0	3,55,000	3,55,000	40.42	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>0</b>	<b>5,97,200</b>	<b>5,97,200</b>	<b>67.99</b>	<b>0</b>	<b>5,97,200</b>	<b>5,97,200</b>	<b>67.99</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter &amp; Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>5,97,200</b>	<b>5,97,200</b>	<b>67.99</b>	<b>0</b>	<b>5,97,200</b>	<b>5,97,200</b>	<b>67.99</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(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) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	36,770	36,770	4.19	0	36,770	36,770	4.19	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual	0	2,05,330	2,05,330	23.38	0	2,05,330	2,05,330	23.38	0

shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	39,050	39,050	4.44	0	39,050	39,050	4.44	0
<b>C. Any Other</b>									
Office Bearers	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Non Resident Indians (Repat)	0	0	0	0	0	0	0	0	0
Non Resident Indians (Non Repat)	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Member	0	0	0	0	0	0	0	0	0
Directors/Relatives	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Company	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
Overseas Bodies Corporate	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	0	2,81,150	2,81,150	32.01	0	2,81,150	2,81,150	32.01	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>8,78,350</b>	<b>8,78,350</b>	<b>100.00</b>	<b>0</b>	<b>8,78,350</b>	<b>8,78,350</b>	<b>100.00</b>	<b>0</b>

\* 100% Shareholding is in physical form.

## ii) Shareholding of Promoters:-

Shareholder's Name	Share holding at the beginning of the year (As on 01-04-2015)			Share holding at the end of the year (As on 31-03-2016)			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
<b>Promoters</b>							
Sandeep Parwal	72,150	8.21	NA	72,150	8.21	NA	0.00
Kamal Kishore Somani	50,050	5.70	NA	50,050	5.70	NA	0.00
<b>Promoter Group</b>							
Dhruvtara Trading Private Limited	1,67,500	19.07	NA	1,67,500	19.07	NA	0.00
Defiant Enterprises	1,62,500	18.50	NA	1,62,500	18.50	NA	0.00

Private Limited							
Honey Parwal	50,000	5.69	NA	50,000	5.69	NA	0.00
Sandeep Parwal HUF	35,000	3.98	NA	35,000	3.98	NA	0.00
Vijay Shree Builders Private Limited	25,000	2.85	NA	25,000	2.85	NA	0.00
Ankit Somani	10,000	1.14	NA	10,000	1.14	NA	0.00
Kamal Kishore Somani HUF	10,000	1.14	NA	10,000	1.14	NA	0.00
Rameshwar Dass Parwal	7,500	0.85	NA	7,500	0.85	NA	0.00
Laxmi Devi Parwal	7,500	0.85	NA	7,500	0.85	NA	0.00
<b>Total</b>	<b>597,200</b>	<b>67.99</b>	<b>NA</b>	<b>597,200</b>	<b>67.99</b>	<b>NA</b>	<b>0.00</b>

### iii) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2016)	5,97,200	67.99	5,97,200	67.99
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
At the end of the year (31.03.2016)	5,97,200	67.99	5,97,200	67.99

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

S. No.	Name of shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Zealous Financial Services Private Limited	25,000	2.85%	-	-	25,000	2.85%
2.	Pawan Kumar Kohli	18,500	2.11%	-	-	18,500	2.11%
3.	Technocrat Consultants Private Limited	11,770	1.34	-	-	11,770	1.34
4.	Radha Kohli	10,500	1.20	-	-	10,500	1.20
5.	Sunil Maheshwari	10,050	1.14	-	-	10,050	1.14
6.	Krishan Kumar Kohli	9,000	1.02	-	-	9,000	1.02
7.	Vijay Kumar Tehlan	5,050	0.57	-	-	5,050	0.57
8.	S Kabra	4,000	0.46	-	-	4,000	0.46
9.	Sanjay Jain	2,550	0.29	-	-	2,550	0.29
10.	Sanjay Joon	2,500	0.28	-	-	2,500	0.28

**v) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Name of Directors and KMP	Shareholding at the beginning of the year (01.04.2015)		Changes in Shareholding (No. of Shares)		Shareholding at the end of the year (31.03.2016)	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1	Sandeep Parwal	72,150	8.21	Nil	Nil	72,150	8.21
2	Kamal Kishore Somani	50,050	5.70	Nil	Nil	50,050	5.70
3	Sanjay Kumar Jain	Nil	Nil	Nil	Nil	Nil	Nil

**V. Indebtedness**

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of year (April 01, 2015)</b>				
(i) Principal amount	10,67,97,947	-	-	10,67,97,947
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	9,43,096	-	-	9,43,096
<b>Total (i+ii+iii)</b>	<b>10,77,41,043</b>	-	-	<b>10,77,41,043</b>
<b>Changes during the year</b>				
Addition	10,59,68,040	-	-	10,59,68,040
Reduction	12,96,19,854	-	-	12,96,19,854
<b>Net Change</b>	<b>(2,36,51,814)</b>	-	-	<b>(2,36,51,814)</b>
<b>Indebtedness at the end of the financial year (March 31, 2016)</b>				
(i) Principal amount	8,40,89,229	-	-	8,40,89,229
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>8,40,89,229</b>	-	-	<b>8,40,89,229</b>

**VI. Remuneration of directors and Key Managerial Personnel**

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

Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (Rs.)
Name of MD/WTD/Manager	Mr. Sandeep Parwal, Managing Director	
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961		29,90,640
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0
Stock Option		0
Sweat Equity		0
Commission - as % of profit -others, specify		0
Others, please specify (Company's contribution to PF + Pension fund)	Employer contribution of PF	21,600
Total (A)		30,12,240
Ceiling as per the Managerial Remuneration under Section 197 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 (excluding contribution to gratuity fund and provision for leave encashment on retirement) paid / payable to Directors.	Rs. 42,00,000, being higher of the limit as specified under Clause (i) to the second Proviso to Section 197(1) and the limit specified under Schedule V read with Section 197(3) of the Companies Act, 2013.	

**B. Remuneration to other directors: Not Applicable**

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

Particulars of Remuneration	Key Managerial Personnel		
	Mr. Sanjay Kumar Jain	Mrs. Garima Saxena*	Total
Name of KMP			
Gross salary			
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	6,03,400	2,03,245	8,06,645
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961			
Stock Option			

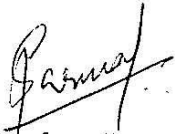
Sweat Equity			
Commission as % of profit			
Others, please specify			
- Employer contribution of PF	21,600	15,569	2,34,753
- Reimbursement of expenses	197584		
<b>Total</b>	<b>8,22,584</b>	<b>2,18,814</b>	<b>10,41,398</b>


\* Mrs. Garima Saxena ceased to be Company Secretary of the Company w.e.f. 25.04.2016.

**VII. Penalties / Punishment/ Compounding of offences: Nil**

**For & on behalf of the Board  
SPA Capital Services Limited**

New Delhi  
September 02, 2016

  
**Sandeep Parwal**  
**Managing Director**  
**DIN No. 00025803**

  
**Mahavir Prasad Muthra**  
**Director**  
**DIN No. 00642941**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF M/S SPA CAPITAL SERVICES LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of M/s SPA Capital Services Limited ("the company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Director's is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 Standard specified under Section 133 of the Act, read with Rule 7 of 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 gives 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 thereunder.

We conducted our audit in accordance with the Standards on 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

#### **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 March 31, 2016, its profit / loss and its cash flows for the year ended on that date.

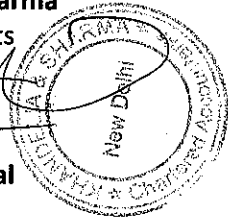
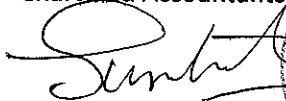
#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, 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 Companies Act, 2013 we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, 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 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 March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - 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"; and



- g. With respect to the other matters to be included in the Auditor's Report in accordance to 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 has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the investor education and protection fund by the company.

**For Khandelia and Sharma**  
Chartered Accountants



**CA. Sunil Kumar Mittal**  
Partner  
Membership No. : 515608  
ICAI FRN: 510525C

Date: September 02, 2016  
Place: New Delhi

## Annexure A to the Independent Auditor's Report

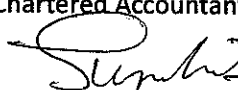
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

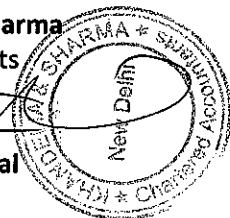
- (i) In respect of fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- (ii) In respect of Inventories of the Company:
  - a) The Company holds securities in physical form as well as in dematerialized form. The securities held in physical form have been physically verified by the management during the year. Securities in the form of dematerialized held as stock in trade by the custodian is verified with the confirmation statement received from them on a regular basis. In our opinion, the frequency of such verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statement from custodian with book records.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register to be maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and the Rules framed there under. Therefore, the provision of the clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Act.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.



- b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- (viii) Based upon the audit procedures and according to the information and explanations provided to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks governments or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer during the financial year. Company has obtained term loan from the banks and the same were applied for the purposes for which those were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the company or any fraud on the Company, by any person including its officers or employees, has been noticed or reported during the course of our audit.
- (xi) Based on our audit procedures and as per information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the explanations given to us, the Company is not a nidhi company.
- (xiii) In our opinion and according to the explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Act and have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the explanations given to us, the Company has not raised any capital by way of preferential allotment / private placement or fully / partly convertible debentures during the year under review and therefore the Clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore the Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the explanations given to us, company is registered as Non Banking Financial Company under section 45-IA of the Reserve Bank of India Act, 1934.

**For Khandelia and Sharma**  
Chartered Accountants

  
**CA. Sunil Kumar Mittal**  
Partner  
Membership No. : 515608  
ICAI FRN. : 510525C  
September 02, 2016, New Delhi



## **Annexure B to the Independent Auditor's Report**

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

#### **Report on the Internal Financial Controls**

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

#### **Management's Responsibility for Internal Financial Controls**

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

#### **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 Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone



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

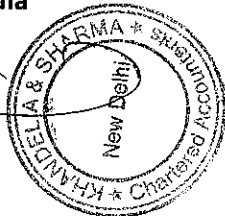
**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For Khandelia and Sharma**  
Chartered Accountants



**CA. Sunil Kumar Mittal**  
Partner  
Membership No. : 515608  
ICAI FRN: 510525C

Date: September 02, 2016  
Place: New Delhi

# SPA Capital Services Limited

Balance Sheet as at March 31, 2016

Particulars	Notes	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	8,783,500	8,783,500
Reserves and Surplus	4	134,767,612	126,271,093
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	5,628,639	97,783,500
Deferred Tax Liability (Net)		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions	6	6,349,493	5,629,291
<b>Current Liabilities</b>			
Short-Term Borrowings	7	76,407,527	-
Trade Payables	8	100,833,318	51,815,939
Other Current Liabilities	9	9,330,321	16,345,701
Short-Term Provisions	10	6,179,201	8,113,815
<b>Total =&gt;</b>		<b>348,279,611</b>	<b>314,742,839</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
- Tangible Assets	11	25,332,503	23,544,836
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
- Intangible Assets under Development		-	-
Non-Current Investments	12	54,600,000	51,500,000
Deferred Tax Asset		3,036,917	2,134,885
Long-Term Loans and Advances	13	15,416,765	21,738,565
Other Non-Current Assets		-	-
<b>Current assets</b>			
Current Investments		-	-
Inventories	14	945,366	20,899,479
Trade Receivables	15	42,279,369	75,494,166
Cash and Cash Equivalents	16	13,810,267	8,670,921
Short-Term Loans and Advances	17	192,858,424	110,759,987
Other Current Assets		-	-
<b>Total =&gt;</b>		<b>348,279,611</b>	<b>314,742,839</b>

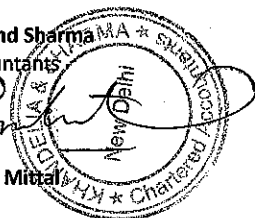
Overview, Significant Accounting Policies & Notes to the Accounts 1, 2 & 26

Accompanying notes form an integral part of the Financial Statements

As per our audit report of even date Annexed

For Khandelia and Sharma  
Chartered Accountants

**CA. Sunil Kumar Mittal**  
Partner  
Membership No.515608  
ICAI FRN No. : 510525C  
New Delhi, September 02, 2016



For and Behalf of the Board of Directors

*Parvati*  
Director  
*Linky*  
Company Secretary

*Day*  
Director  
*Sanyal*  
Chief Financial Officer



## SPA Capital Services Limited

Statement of Profit and Loss for the financial year ended March 31, 2016

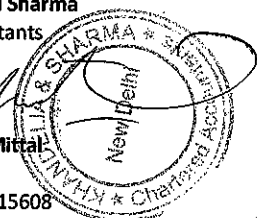
Particulars	Notes	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>INCOME</b>			
Revenue from Operations	18	1,465,292,854	2,434,707,548
Other income	19	3,791,614	1,464,769
<b>Total Revenue</b>		<b><u>1,469,084,468</u></b>	<b><u>2,436,172,317</u></b>
<b>EXPENDITURE</b>			
Purchases of Stock		475,640,246	924,280,346
Change in Stock During the Year	20	19,954,113	(20,035,145)
Employee Benefit Expense	21	63,603,749	55,052,953
Financial Costs	22	12,683,738	13,649,006
Depreciation and Amortization Expense	11	6,619,375	6,819,248
Other Expenses	23	875,924,949	1,433,816,637
<b>Total expenses</b>		<b><u>1,454,426,170</u></b>	<b><u>2,413,583,045</u></b>
Profit before Exceptional and Extraordinary Items and Tax		14,658,299	22,589,272
Exceptional Items	24	624,089	156,712
Prior Period Items	25	-	807,352
Profit before Extraordinary Items and Tax		14,034,210	21,625,208
Extraordinary Items		-	-
Profit before Tax		14,034,210	21,625,208
<b>Tax Expense</b>			
- Current Tax		6,000,000	7,900,000
- Deferred Tax		(902,032)	(2,247,632)
- Wealth Tax		-	81,178
Profit/(Loss) for the period from Continuing Operations		8,936,242	15,891,662
Profit/(Loss) for the period from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
Profit/(Loss) from Discontinuing Operations after Tax		-	-
Add : Excess Provision for Earlier Years		62	-
Less : Income Tax paid for Earlier Years		439,784	223,488
<b>Profit/(Loss) for the period</b>		<b><u>8,496,519</u></b>	<b><u>15,668,174</u></b>
<b>Earning per Equity Share</b>			
- Basic		9.67	17.84
- Diluted		9.67	17.84
Overview, Significant Accounting Policies & Notes to the Accounts	1, 2 & 26		

Accompanying notes form an integral part of the Financial Statements

As per our audit report of even date Annexed

For Khandelvia and Sharma  
Chartered Accountants

CA. Sunil Kumar Mittal  
Partner  
Membership No.515608  
ICAI FRN No. : 510525C  
New Delhi, September 02, 2016

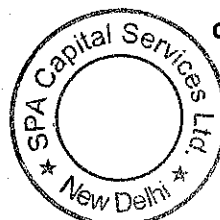


For and Behalf of the Board of Directors

*Parvati*  
Director  
*Rinky*  
Company Secretary

*Arjun*  
Director

*Sangeeta*  
Chief Financial Officer





**SPA Capital Services Limited**  
Cash Flow Statement for the year Ended 31st March, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>A. Cash flow from Operating Activities</b>		
Net Profit before Tax and Extraordinary Items	14,034,210	21,625,208
Adjustment for		
- Loss on sale of Fixed Assets	624,089	163,013
- Depreciation	6,619,375	6,819,248
- Interest Paid	12,683,738	13,649,006
	<u>19,927,202</u>	<u>20,631,267</u>
Operating profit before Working Capital Changes	33,961,412	42,256,475
Adjustment for		
- Inventories	19,954,113	(20,035,145)
- Trade Receivables	33,214,796	26,996,301
- Loans and Advances	(82,098,437)	(11,979,313)
- Trade Payables	48,963,383	(18,760,925)
	<u>20,033,855</u>	<u>(23,779,082)</u>
Cash Generated from Operations	53,995,267	18,477,393
Tax Paid for Earlier Year	439,722	223,488
Income Tax	7,981,178	5,069,254
Provision for Gratuity	766,766	437,652
<b>Cash Flow from Operating Activities</b>	<u>46,341,133</u>	<u>13,622,303</u>
<b>B. Cash flow from Investing Activities</b>		
- Purchase of Fixed Assets	(9,591,031)	(5,311,580)
- Purchase of Investments	(3,100,000)	
- Sale of Fixed Assets	559,900	301,199
- Long term Loans and Advances	6,321,800	2,730,790
<b>Cash Flow from Investing Activities</b>	<u>(5,809,331)</u>	<u>(2,279,591)</u>
<b>C. Cash flow from Financial Activities</b>		
- Secured Loan	(99,116,245)	6,418,689
- Bank Overdraft	76,407,527	
- Interest Paid	(12,683,738)	(13,649,006)
<b>Cash Flow from Financing Activities</b>	<u>(35,392,456)</u>	<u>(7,230,317)</u>
Net increase/(decrease) in Cash and Cash Equivalents	5,139,346	4,112,395
<b>Opening Balance of Cash and Cash Equivalents</b>		
- Cash and Cash Equivalents	8,670,921	4,558,526
<b>Closing Balance of Cash and Cash Equivalents</b>	<u>13,810,267</u>	<u>8,670,921</u>

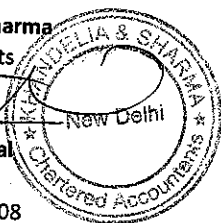
Note : Cash and Cash equivalents consists of cash and Balance with banks.

As per our audit report of even date Annexed

For Khandelia and Sharma  
Chartered Accountants

CA. Sunil Kumar Mittal  
Partner  
Membership No.515608  
ICAI FRN No. : 510525C

New Delhi, September 02, 2016



*[Signature]*  
Director

*[Signature]*  
Company Secretary

For and Behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Chief Financial Officer

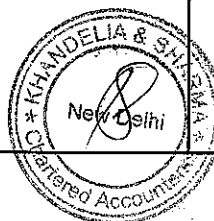


**Schedule to the Balance Sheet  
of SPA Capital Services Limited  
For Financial Year 2015-16**

(as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

(Rs. In lakhs)

Particulars			
<b>Liabilities side:</b>			
(1)	<b>Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid:</b>	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than that falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-Corporate Loans and Borrowings	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans (Loan on hypothecation of vehicles, Loan against property owned by group company and Bank Overdraft)	840.89	-
<b>Assets side:</b>			
		<b>Amount outstanding</b>	
(2)	<b>Break up of loans and Advances including bills receivables [other than those included in (4) below]:</b>		
	(a) Secured		-
	(b) Unsecured		-
(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
(4)	<b>Break up of Investments:</b>		
	<b>Current Investments:</b>		
	1. <b>Quoted:</b>		
	(i) Shares: (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. <b>Unquoted:</b>		
	(i) Shares: (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	<b>Long Term investments</b>		
	1. <b>Quoted:</b>		
	(i) Shares: (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. <b>Unquoted:</b>		
	(i) Shares: (a) Equity		131.00
	(b) Preference		415.00
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-



<b>(5) Borrower group-wise classification of assets financed as in (2) and (3) above:</b>			
Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1. Related Parties</b>			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
<b>2. Other than related parties</b>	-	-	-
<b>Total</b>	-	-	-
<b>(6) Investor group-wise classification all investments (current and long term) in shares and securities (both quoted and unquoted):</b>			
Category	Market Value/Break up or fair value/NAV	Book Value (Net of Provisions)	
<b>1. Related Parties</b>			
(a) Subsidiaries	-	-	
(b) Companies in the same group	415.00	415.00	
(c) Other related parties	-	-	
<b>2. Other than related parties</b>	131.00	100.00	
<b>Total</b>	<b>546.00</b>	<b>515.00</b>	
<b>(7) Other information</b>			
Particulars	Amount (Rs.)		
(i) Gross Non-Performing Assets			
(a) Related parties			-
(b) other than related parties			-
(ii) Net Non-Performing Assets			
(a) Related parties			-
(b) other than related parties			-
(iii) Assets acquired in satisfaction of debt			-



## SPA Capital Services Limited

### Note 1: Company Overview

SPA Capital Services Limited ("the Company") is a public limited company incorporated on July 20, 1984 under the provisions of the Companies Act, 1956. The Company is engaged in providing Wealth Management and Financial Advisory services to institutions, corporate and individuals. The Company is also registered with Reserve Bank of India as a Non-Deposit Accepting Non Banking Financial Institution.

### Note 2: Significant Accounting Policies

#### I. Basis of preparation of Financial Statements:

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provision of the companies' act 2013.

#### II. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Adjustments as a result of differences between actual and estimates are prospectively made.

#### III. Stock in Trade:

Securities acquired with the intention to trade are considered as stock in trade under current assets. Stock in Trade is valued in accordance with Accounting Standard-2 at cost (inclusive of brokerage and other costs) or market / fair value, whichever is lower.

#### IV. Cash flow statement:

Cash flows are reported in accordance with Accounting Standard-3 using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

#### V. Significant Events occurring after the Balance Sheet date:

Contingencies and significant events are accounted in accordance with Accounting Standard-4.

#### VI. Prior period and Extraordinary Items:

Prior period & extraordinary transactions are accounted in accordance with Accounting Standard-5.



**VII. Depreciation and Amortization:**

In conformity with Accounting Standard - 6, depreciation is provided on straight line over the useful life prescribed in Schedule II to the Companies Act, 2013.

- a) Depreciation on Fixed assets added/disposed during the year is provided on a pro-rata basis with reference to the date of addition/disposal.
- b) On incremental / decremented cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets, depreciation has been provided as aforesaid over the residual life of the respective assets.

**VIII. Revenue Recognition:**

In accordance with Accounting Standard-9:

- a) Revenue from Sale of shares, bonds, debenture, mutual fund and other securities are recorded upon transfer of title by the company or value date.
- b) Profit on sale of investments is recorded upon transfer of title by the Company. It is determined as the difference between the sales price and then carrying amount of the investment.
- c) Brokerage on distribution of Mutual Fund units is considered on Accrual Basis.
- d) Revenue from all Non-Performing Assets are accounted for, on receipt basis as per prudential norms promulgated by Reserve Bank of India.
- e) Interest is recognized using the time-proportion method, based on rates implicit in the transaction.
- f) Dividend income is recognized where the Company's right to receive dividend is established or received by the company.

**IX. Fixed Assets:**

**Tangible Assets**

In accordance with Accounting Standard-10, Fixed assets are carried at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses related to acquisition, installation and commissioning.

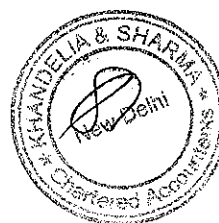
- a) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance
- b) Expenses incurred on assets are carried forward as capital work in progress at cost till the same are ready for use

**Intangible Assets**

- c) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**X. Foreign Currency Transactions:**

- a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are recognized in the Profit and Loss Account. Premium in respect of forward contracts is accounted over the period of the contract.



- b) Non-Monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.
- c) In respect of derivative transactions, gains/losses are recognized in the Profit and Loss Account on settlement. On a reporting date, open derivative contracts are revalued at fair values and resulting losses, if any, is recognized in the Profit and Loss Account.

XI. **Investments:**

- a) Investments are classified into long term investments and current investments based on intent of management at the time of making the investment. Investments, intended to be held for more than one year, are classified as long-term investments.
- b) Long-term investments are stated at cost. Provision for diminution is being made if necessary to recognize a decline, other than temporary in the value thereof.
- c) Current Investments are stated at the lower of cost and market / fair value.

XII. **Retirement Benefits:**

In compliance with Accounting Standard 15 - "Employee Benefits"

- a) **Provident fund:** Employees receive benefits from a provident fund. The employee and employer each make monthly contributions as per the applicable law. Company contribution to provident fund is charged to statement of profit & loss account
- b) **Leave Encashment:** The employees of the Company are entitled for the leave encashment on yearly basis. Leave encashment liability is provided on the basis of number of day's unutilized leave at each balance sheet date which is subsequently paid in the next year.
- c) **Gratuity:** In accordance with applicable Indian laws, the company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the company. Provision for gratuity have been made on the basis of projected Unit Credit Actuarial Method as per the respective laws

XIII. **Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

XIV. **Operating leases:**

Operating lease payments recognised as an expense in the statement of profit and loss account on a straight line basis over the period of the lease or as and when payments are made over the lease term.

XV. **Earnings per Share:**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by weighted average number of shares outstanding during the year. Diluted earning per share is calculated by dividing net profit attributable to equity share holder after adjustment of diluted earnings by weighted average number of shares outstanding during the year.



XVI. **Taxes on Income:**

- a) **Income Tax:** Taxes on Income for the current period are determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of the assessment.
- b) **Deferred Tax:** Deferred tax on timing differences between book profit and tax profit for the year is accounted on the basis of the rates and laws that have been enacted as on the date of the Balance Sheet. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be utilized in the future.

XVII. **Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

XVIII. **Provisions, Contingent Liabilities and Contingent Assets:**

- a) Provision is recognised in the accounts when there is a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- b) Contingent liabilities are not recognised but are disclosed to the notes to the financial statements.
- c) Contingent assets are neither recognised nor disclosed in the financial statements.



## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>3 SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>	9,000,000	9,000,000
9,00,000 (Previous year 9,00,000) Equity Shares of Rs. 10/- each	<u>9,000,000</u>	<u>9,000,000</u>
<b>Issued, Subscribed and Paid Up Share Capital :</b>		
8,78,350 (Previous year 8,78,350) Equity Shares having face value of Rs.10/- each fully paid up	8,783,500	8,783,500
	<u>8,783,500</u>	<u>8,783,500</u>

Shareholders holding more than 5% of Equity Shares along with the number of Equity Shares held is as given below :

Name of the Shareholders	As at March 31, 2016		As at March 31, 2015	
	%	Qty	%	Qty
Dhruvtara Trading Private Limited	19.07%	167,500	19.07%	167,500
Defiant Enterprises Private Limited	18.50%	162,500	18.50%	162,500
Sandeep Parwal	8.21%	72,150	8.21%	72,150
Kamal Kishore Somani	5.70%	50,050	5.70%	50,050
Honey Parwal	5.69%	50,000	5.69%	50,000

#### The Reconciliation of Number of Shares Outstanding

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	Amount	Number of Shares	Amount
Outstanding as at the beginning of the year	878,350	8,783,500	878,350	8,783,500
Issued during the year	-	-	-	-
Outstanding as at the end of the year	878,350	8,783,500	878,350	8,783,500

#### Rights, Preferences, Restrictions & Repayments regarding Share Capital

Particulars	Equity Shares
Voting Rights	1 share = 1 vote
Dividend Rights	Not fixed
Repayment of capital	Entitled to proportionate distribution of the assets of the Company in the event of liquidation

The Company has not issued any Equity Shares for Consideration other than cash or as Bonus Shares in the last five years.

#### 4 Reserves and Surplus

Securities Premium Reserve	2,500,000	2,500,000
General Reserve		
- As per Last Financial Statements	105,111,247	95,111,247
- Add : Amount Transferred from P&L A/c	<u>10,000,000</u>	<u>10,000,000</u>
	115,111,247	105,111,247
<b>Surplus In the Statement of Profit and Loss Account</b>		
- As per Last Financial Statements	18,659,846	16,637,568
- Less : Adjusted in terms of transitional provision of schedule-II of Companies Act 2013		3,645,896
- Add : During the period	<u>8,496,519</u>	<u>15,668,174</u>
- Net Surplus in the Statement of Profit and Loss Account	27,156,365	28,659,846
- Less: Amount Transferred to General Reserve	<u>10,000,000</u>	<u>10,000,000</u>
	<u>17,156,365</u>	<u>18,659,846</u>
	<u>134,767,612</u>	<u>126,271,093</u>

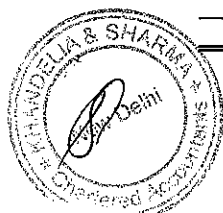




## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>5 Long-Term Borrowings</b>		
Secured Loans		
Term Loan from Bank	-	101,850,342
(Secured by way of mortgage of property owned by Simplex Construction Private Limited, Bhoopati Trading Pvt. Ltd. and Pinkcity Skyliner Developers Private Limited) repayable in monthly equated installments		
Less: Current maturities of Long-Term Debt	-	6,137,651
	-	95,712,691
Vehicle Loan from Bank	6,044,162	2,774,279
(Secured by hypothecation of vehicles financed) repayable by monthly equated installments		
Less: Current maturities of Long-Term Debt	1,575,438	2,341,009
	-	433,270
Vehicle Loan from Other Financial Institutions/NBFC's	1,637,540	2,173,326
(Secured by hypothecation of vehicles financed) repayable by monthly equated installments		
Less: Current maturities of Long-Term Debt	477,625	535,787
	-	1,637,539
	<b>5,628,639</b>	<b>97,783,500</b>
<b>6 Long-Term Provisions</b>		
Provision for Employee Benefits		
- Provision for Gratuity	6,528,694	5,761,928
Less: Current Liability	179,201	132,637
	-	5,629,291
	<b>6,349,493</b>	<b>5,629,291</b>
<b>7 Short Term Borrowings</b>		
Bank Overdraft	76,407,527	-
(Secured by way of mortgage of property owned by Simplex Construction Private Limited, Bhoopati Trading Pvt. Ltd. and Pinkcity Skyliner Developers Private Limited)		
	<b>76,407,527</b>	<b>-</b>
<b>8 Trade Payables</b>		
- Due to Micro Small and Medium Enterprises	-	-
- Due to Related Parties ((Refer Note No.26 XII)	-	450,000
- Due to Others	100,833,318	51,365,939
	<b>100,833,318</b>	<b>51,815,939</b>
<b>9 Other Current Liabilities</b>		
Current maturities of Long-Term Debt	2,053,063	9,014,447
Interest accrued but not due on Borrowings	-	943,096
Other Payables	7,277,258	6,388,158
(Includes Provision for Expenses and Statutory Payments)		
	<b>9,330,321</b>	<b>16,345,701</b>
<b>10 Short-Term Provisions</b>		
Provision for Employee Benefits		
- Provision for Gratuity ((refer note 26 IX(b))	179,201	132,637
Others		
- Provision for Income Tax	6,000,000	7,900,000
- Provision for Wealth Tax	-	81,178
	<b>6,179,201</b>	<b>8,113,815</b>

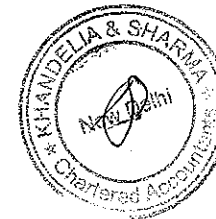


## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

### 11. Fixed Assets

Particulars	Gross Block				Depreciation						Net Block	
	As on 01-04-2015	Addition during the year	Deletions	As on 31-03-2016	As on 01-04-2015	Adjustmen t in terms of Sch II of companies act 2013	Accumulated Depreciation after Adjustment	for the year	Dep. Written off against sold assets	Total	As on 31-03-2016	As on 31-03-2015
<b>Tangible Assets</b>												
Computers	13,528,015	1,517,439	87,579	14,957,875	11,571,081	-	-	944,113	87,579	12,427,615	2,530,260	1,956,934
Motor Vehicles	26,533,779	7,605,714	2,411,408	31,728,085	10,182,990	-	-	3,914,155	1,228,443	12,868,702	18,859,383	16,350,789
Furniture and Fixtures	8,236,839	-	-	8,236,839	4,415,234	-	-	1,200,511	-	5,615,745	2,621,094	3,821,605
Plant and Machinery	7,399,568	467,878	20,485	7,846,961	5,984,060	-	-	560,596	19,461	6,525,195	1,321,766	1,415,508
<b>Total</b>	<b>55,698,201</b>	<b>9,591,031</b>	<b>2,519,472</b>	<b>62,769,760</b>	<b>32,153,365</b>	<b>-</b>	<b>-</b>	<b>6,619,375</b>	<b>1,335,483</b>	<b>37,437,257</b>	<b>25,332,503</b>	<b>23,544,836</b>
Previous Year Details	51,345,904	5,311,580	959,283	55,698,201	22,183,292	3,645,896	25,829,188	6,819,248	495,071	32,153,365	23,544,836	-



## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>12 Non-Current Investments</b>		
Non-Trade, Unquoted investments		
<u>In Equity Shares</u>		
Impetus Analytic e-solutions Private Limited 13,10,000 (Previous year 10,00,000) Shares of Rs.10/- each fully paid-up	13,10,000	10,00,000
<u>In 8% non cumulative Preference Shares</u>		
SPA ComTrade Private Limited 135,000 (Previous year 135,000) Shares of Rs. 10 each fully paid-up	5,40,000	5,40,000
<u>In 3% non cumulative, redeemable Preference Shares</u>		
SPA Securities Limited 361,000 (Previous year 361,000) Shares of Rs. 10 each fully paid-up	36,10,000	36,10,000
	<b>54,60,000</b>	<b>51,50,000</b>
<b>Aggregate value of Unquoted Investments</b>	<b>54,60,000</b>	<b>51,50,000</b>
<b>13 Long-Term Loans and Advances</b>		
(Unsecured, Considered Good unless Otherwise Stated)		
Security Deposits		
- Related Parties ((Refer Note No.26 XII)	8,792,500	8,792,500
- Others	6,624,265	796,065
Share Application Money		
- Related Parties ((Refer Note No.26 XII)	-	3,250,000
- Others	-	8,900,000
	<b>15,416,765</b>	<b>21,738,565</b>
<b>14 Inventories</b>		
Stock-in-Trade (As taken, Value and Certified by the Management) at Cost or Market value, whichever is Lower		
Bonds	25,000	25,000
Mutual Funds	734,053	20,665,473
Equity Shares	122,144	132,644
PAN Coupons	64,169	76,362
	<b>945,366</b>	<b>20,899,479</b>
<b>15 Trade Receivables</b>		
Outstanding for a period of More than Six Months (Unsecured, Considered Good)		
- Others	1,109,396	2,242,075
(Unsecured, Considered Doubtful)		
- Others	1,858,821	-
Outstanding for a period of Less than Six Months (Unsecured, Considered Good)		
- Related Parties ((Refer Note No.26 XII)	34,350	-
- Others	39,276,802	73,252,091
	<b>42,279,369</b>	<b>75,494,166</b>
<b>16 Cash and Cash Equivalents</b>		
Cash in Hand (as certified by the management)	919,114	1,089,780
<u>Balance With Scheduled Banks :</u>		
- In Current Accounts	12,891,153	7,581,141
	<b>13,810,267</b>	<b>8,670,921</b>
<b>17 Short-Term Loans and Advances</b>		
Advance Tax, TDS	9,547,803	8,295,846
Advances recoverable in Cash or in kind or for value to be received and/or adjusted		
- Unsecured, Considered Good	181,307,834	99,595,088
Other Short term Loans and Advances Unsecured, Considered Good		
Staff Advance	2,002,787	2,869,053
	<b>192,858,424</b>	<b>110,759,987</b>



## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>18 Revenue from Operations</b>		
Sales of Securities	496,705,189	906,603,935
Income from Brokerage	970,752,516	1,513,766,615
Income from Advisory Services / Management Fees	394,240	735,684
Interest Income	562,115	341,026
Profit from Trading in Derivatives/F&O	(3,121,206)	13,260,288
	<u>1,465,292,854</u>	<u>2,434,707,548</u>
<b>19 Other Income</b>		
Earlier Year Income	14,017	74,250
Rent Income	90,000	60,000
Other Income	3,495,717	1,135,981
Dividend Income	191,880	194,538
	<u>3,791,614</u>	<u>1,464,769</u>
<b>20 Increase/(Decrease) in Stock</b>		
Opening Stock of Stock in Trade	20,899,479	864,334
Closing Stock of Stock in Trade	945,366	20,899,479
	<u>(19,954,113)</u>	<u>20,035,145</u>
<b>21 Employees Benefit Expenses</b>		
Salaries, Wages and Other Benefits	57,379,885	49,640,118
Contribution to Provident Fund and Other Fund	1,552,038	1,145,405
Director Remuneration	2,990,640	2,990,640
Staff Welfare	914,420	839,138
Gratuity	766,766	437,652
	<u>63,603,749</u>	<u>55,052,953</u>
<b>22 Financial Costs</b>		
Interest paid - Loans		
- Loans from Bank	12,461,444	13,495,076
- Loans from Others	202,545	122,058
Interest paid - Others	3,742	1,192
Bank Charges	16,007	30,680
	<u>12,683,738</u>	<u>13,649,006</u>



## SPA Capital Services Limited

Notes to the Financial Statements as at and for the financial year ended March 31, 2016

Particulars	As at March 31, 2016 (Amount in Rs.)	As at March 31, 2015 (Amount in Rs.)
<b>23 Other Expenses</b>		
Travelling and Conveyance	5,278,116	5,331,758
Telephone Expenses	3,007,362	2,959,196
Brokerage paid	842,732,605	1,396,474,884
Books and Periodicals	431,854	393,670
Printing and Stationary	1,994,264	1,504,786
Postage and Couriers Expenses	1,060,225	875,870
Advertisement Expenses	890,859	203,000
Rent, Rates and Taxes	4,127,726	4,410,816
Software Expenses	425,155	210,745
Service Charges	164,426	109,804
Service Tax credit Reversal	784,973	-
Festival Expenses	1,299,958	1,021,651
Fees and Subscription	414,389	459,861
Secretarial Audit Fees	30,000	-
Internal Audit Fees	30,000	-
Professional Tax	5,000	2,500
Listing Fees	-	16,854
Miscellaneous Expenses	88,250	81,002
Office Expenses	221,515	244,861
<b>Repair and Maintenance</b>		
-Plant & Machinery	481,376	529,781
-Others	1,212,729	869,300
Donation	207,000	2,181,075
Insurance Charges	828,817	771,424
Business Promotion Expenses	4,693,411	5,300,293
Bad Debts	202,432	140,091
Electricity Expenses	2,708,822	2,532,588
Legal and Professional Expenses	872,830	1,505,181
<b>Payment to Auditors</b>		
- Statutory Audit Fees	188,438	210,675
- Tax Audit Fees	62,813	70,225
<b>Tour &amp; Travels</b>		
- Local	1,479,604	3,832,136
- Foreign	-	1,572,610
	<b>875,924,949</b>	<b>1,433,816,637</b>
<b>24 Exceptional Items</b>		
Loss on Sale of Fixed Assets	624,965	163,013
Less: Profit on sale of Fixed Assets	876	6,301
	<b>624,089</b>	<b>156,712</b>
<b>25 Prior Period Items</b>		
Earlier Year Expenses	-	807,352
	-	<b>807,352</b>



**Note 26: Notes to the Accounts**

- I. The company is registered as Non-Banking Financial Company with the Reserve Bank of India. The schedule as prescribed under Para 13 of the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 is appended.
- II. Contingent Liability - Nil (Prev. Year - Nil)
- III. Details of Remuneration to Auditors (excluding Service Tax):

(Amount in Rs.)		
Remuneration	2015-2016	2014-2015
Statutory Audit Fees	187,500	187,500
Tax Audit Fees	62,500	62,500
<b>Total</b>	<b>250,000</b>	<b>250,000</b>

- IV. Managerial remuneration (excluding contribution to gratuity fund and provision for leave encashment on retirement) paid/payable to directors:

(Amount in Rs.)		
Particulars	2015-2016	2014-2015
Director Remuneration	2,990,640	2,990,640
<b>Total =&gt;</b>	<b>2,990,640</b>	<b>2,990,640</b>

- a. Computation of Managerial Remuneration under Section 197 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (excluding contribution to gratuity fund and provision for leave encashment on retirement) paid / payable to Directors:

(Amount in Rs.)		
Particulars	2015-2016	2014-2015
Profit Before Taxation and Adjustments	14,034,210	21,625,208
Add : Managerial Remuneration	2,990,640	2,990,640
Add : Loss on sale of Fixed assets	624,965	163,013
Less : Profit on sale of Fixed assets	876	6,301
Profit u/s 198 of the Companies Act, 2013	17,648,939	24,772,560
<b>Maximum Permissible Limit @ 5%</b>	<b>882,447</b>	<b>1,238,628</b>

The Company has passed a resolution in the Annual General Meeting held on September 30, 2015 for approval of managerial remuneration in accordance with the provisions of Companies Act.

- V. Additional information in pursuant to the Companies Act, 2013

CIF Value of Import	: Nil
Earnings in Foreign Currency	: Nil
Value of Imports	: Nil
Value of Indigenous materials consumed	: Nil
Percentage of each material so consumed	: Nil
Dividend remitted in Foreign Currencies	: Nil
Earnings in Foreign Exchange	: Nil
Expenditure in Foreign Currency	: Nil
FOB value of Export	: Nil



VI. Particulars in respect of Opening Stock, Purchase, Sales and Closing Stock

Particulars	Opening Stock		Purchase		Sale		Closing Stock	
	Qty. (Nos)	Amount (Rs.)	Qty. (Nos)	Amount (Rs.)	Qty. (Nos)	Amount (Rs.)	Qty. (Nos)	Amount (Rs.)
Shares	28,433	132,644	-	-	-	-	28,433	122,144
Prev. Year	28,433	132,644	-	-	-	-	28,433	132,644
Mutual Fund	51,622	20,665,473	103,070	316,968,580	111,398	337,345,233	43,294	734,053
Prev. Year	38,119	609,235	277,239	865,606,238	263,736	847,559,287	51,622	20,665,473
Bonds / Govt. Securities	5	25,000	1,370,020	158,671,666	1,370,020	159,347,660	5	25,000
Prev. Year	5	25,000	601,000	58,674,108	601,000	59,021,896	5	25,000
Pan Coupons	858	76,362	-	-	137	12,297	721	64,169
Prev. Year	1,095	97,455	-	-	237	22,752	858	76,362

VII. To the extent of information available the Company has not received any intimation from creditors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year ended March 31, 2016 together with interest paid / payable as required under the Act has not been given.

VIII. Trade payable, receivables and other short term and long term loan and advances are subject to the confirmations and balances have been taken as per the records of the Company. In the opinion of the management, the value of realisation of short term, long term loan and other current assets, loans and advances in the ordinary course of business would be at least equal to the amount at which they are stated in the Balance Sheet.

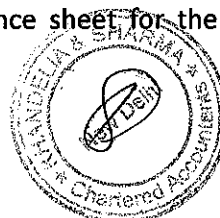
IX. Disclosure as required by Accounting Standard 15 - Employee Benefits

a) **Provident fund and Employee State Insurance (ESI):** - The eligible employees of the company are entitled to receive benefits under Provident Fund and ESI, a defined contribution plan in which both employees and the company makes monthly contributions at a specified percentage of the covered employees salary, the contributions as specified under the Law are paid to the Provident fund and pension fund of the provident fund authorities and ESI authorities.

		(Amount in Rs.)	
Sr. No.	Particulars	2015-2016	2014-2015
i	Employer's Contribution to Provident Fund	1,450,960	1,145,405
ii	Contribution to Employee State Insurance	54,884	126,164

b) **Leave Encashment:** The eligible Leave encashment liability payable to the employees has been paid to the employees and hence no Provision is required for Leave Encashment.

c) **Provision for Gratuity:** Provision for gratuity is being made on the basis of actuarial valuation payable on March 31, 2016. The following tables summarize the components of the net employee benefit expenses recognized in the statement of profit and loss account, the fund status and amount recognized in the balance sheet for the gratuity and leave encashment for the year ended March 31, 2016.



Method: Projected Unit Credit Method:

Table Showing Changes in Present Value of Obligations:

(Amount in Rs.)

Period	From: 01/4/2015 To: 31/03/2016	From: 01/4/2014 To: 31/03/2015
Present value of the obligation at the beginning of the period	5,761,918	5,324,276
Interest Cost	460,954	425,942
Current Service Cost	736,802	738,348
Benefit paid (if any)	-	-
Actuarial (gain)/loss	(430,990)	(726,638)
Present value of the obligation at the end of the period	6,528,694	5,761,928

Key Results (The amount to be recognized in the Balance sheet);

Period	As on: 31/03/2016	As on: 31/03/2015
Present value of the obligation at the end of the period	6,528,694	5,761,928
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	6,528,694	5,761,928
Funded Status	(6,528,694)	(5,761,928)

Expenses recognized in the statement of Profit and Loss

Period	From: 01/04/2015 To: 31/03/2016	From: 01/04/2014 To: 31/03/2015
Interest Cost	460,954	425,942
Current service cost	736,802	738,348
Expected return on plan asset	-	-
Net actuarial (gain)/loss recognized in the period	(430,990)	(726,638)
Expenses to be recognized in the statement of profit and loss accounts	766,766	437,652

Experience adjustment

Period	From: 01/04/2015 To: 31/03/2016	From: 01/04/2014 To: 31/03/2015
Experience adjustment (Gain)/ loss for plan liabilities	(430,990)	(1,380,389)
Experience adjustment (Gain)/ loss for plan assets	-	-





The assumptions employed for the calculation are tabulated:

Discount rate	8.00 % per annum	8.00 % per annum
Salary growth rate	5.50 % per annum	5.50 % per annum
Mortality	IALM 2006-08 ultimate	IALM 2006-08 ultimate
Expected rate of return	-	-
Withdrawal rate (Per Annum)	3.00 % p.a. (18 to 30 Years)	3.00 % p.a. (18 to 30 Years)
Withdrawal rate (Per Annum)	2.00 % p.a. (31 to 44 Years)	2.00 % p.a. (31 to 44 Years)
Withdrawal rate (Per Annum)	1.00 % p.a. (44 to 58 Years)	1.00 % p.a. (44 to 58 Years)

Benefits Valued:

Normal Retirement Age	58 years	58 years
Salary	Terminal Basic Salary (Excluding all other Allowances and Perquisites)	Terminal Basic Salary (Excluding all other Allowances and Perquisites)
Vesting period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Number of completed years of service	15/26 * Salary * Number of completed years of service
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	1,000,000	1,000,000

Current liability:

Period	As on: 31/03/2016	As on: 31/03/2015
Current liability	179,201	132,637
Non Current liability	6,349,493	5,629,291
<b>Total liability</b>	<b>6,528,694</b>	<b>5,761,928</b>

d) **Other Employee Benefits:** The eligible Leave encashment liability payable to the employees has been paid to the employees and hence no Provision is required for Leave Encashment.

X. **Transfer Pricing:**

The Company has a system of maintenance of information and documents as required by transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The management is in the opinion that it will not have any material impact on financial statement, particularly on the amount of tax expense and that provision of taxation, if any

XI. **Disclosure as required by Accounting Standard 17 Segment Reporting:**

The business activities of the Company is engaged in one segment (i.e. Financial Services) only, hence segment wise reporting is not required to be given.

XII. **Disclosure as required by Accounting Standard 18 Related Party Disclosures:**

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

**(a) Key Management Personnel**

- |                             |                   |
|-----------------------------|-------------------|
| 1. Mr. Sandeep Parwal       | Managing Director |
| 2. Mr. Kamal Kishore Somani | Director          |



3. Mr. Sanjay Kumar Jain Chief Financial Officer  
4. Ms. Garima Saxena Company Secretary

**(b) Individual owing significant control and are able to exercise significant influence over the company and their relatives**

1. Mr. Rachit Somani

**(c) Enterprise over which Key Managerial Personnel and Individuals owing significant control and are able to exercise significant influence;**

1. Bhoopati Trading Private Limited
2. Parth Infracon Private Limited
3. R P Computer Forms Private Limited
4. Simplex Constructions Private Limited
5. SPA Insurance Broking Services Limited
6. SPA Securities Limited
7. Structmast Realtors (Mumbai) Private Limited
8. Vijay Shree Builders Private Limited
9. Wintech Marketing Private Limited
10. SPA Capital Advisors Limited
11. Niveshak MPowered Private Limited
12. Sandeep Parwal HUF

**B. Transactions with Related Parties**

**(a) Transactions with Key Management Personnel & their relatives**

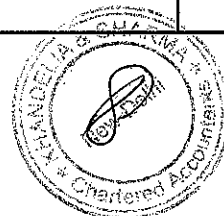
(Amount in Rs.)

Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2015-2016	2014-2015	31-Mar-16	31-Mar-15
1	Sandeep Parwal	Directors Remuneration	2,990,640	2,990,640	182,420	197,420
2	Rachit Somani	Salary Paid	787,200	1,184,520	61,200	96,200
3	Sanjay Kumar Jain	Salary Paid	603,400	609,320	71,400	67,400
		Others	197,584	72,410	-	-
4	Garima Saxena	Salary Paid	203,245	293,167	12,362	22,161

**(b) Transaction with Enterprises over which Key Management Personnel and their relatives exercise significant influence**

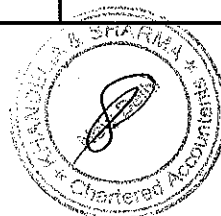
(Amount in Rs.)

Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2015-2016	2014-2015	31-Mar-16	31-Mar-15
1	Bhoopati Trading Private Limited	Rent Paid#	123,006	121,356	-	-
		Reimbursement of expenses	137,904	120,916	-	-
2	Parth Infracon Private Limited	Advance Taken & Repaid	5,750	-	5,750	-



Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2015-2016	2014-2015	31-Mar-16	31-Mar-15
3	R P Computer Forms Private Limited	Rent Paid#	270,000	270,000	-	-
		Security Deposit for Office	-	-	2,000,000	2,000,000
4	Simplex Construction Private Limited	Rent Paid#	451,018	444,948	-	-
		Security Deposit for Office	-	-	1,035,000	1,035,000
		Advance Taken & Repaid	5,750	-	5,750	-
5	SPA Insurance Broking Services Limited	Rent Received#	102,686	67,416	34,350	-
		Advance Taken & Repaid	175,928	-	-	-
6	SPA Securities Limited	Demat Expenses	2,508	2,901	172	-
		Brokerage paid on trading of securities	17,710	51,178	-	-
		Advance Taken & Repaid	147,780	-	-	-
7	Structmast Realtors (Mumbai) Private Limited	Rent Paid#	921,156	900,003	-	-
8	Vijay Shree Builders Private Limited	Rent Paid#	1,808,172	1,783,835	-	-
		Security Deposit for Office	-	-	3,757,500	3,757,500
9	Wintech Marketing Private Limited	Rent Paid#	300,000	300,000	-	-
		Security Deposit for Office	-	-	2,000,000	2,000,000
10	SPA Capital Advisors Limited	Advance Taken & Repaid	191,106	-	-	-
		Received on Behalf	450,000	450,000	-	450,000
11	Niveshak MPowered Private Limited	Advance Taken & Repaid	1,250,000	800,000	-	800,000
		Brokerage Paid	6,493,516	2,060,455	-	60,455
		Share Application Money Refund	3,250,000	2,500,000	-	3,250,000
12	Sandeep Parwal HUF	Rent Paid#	180,000	180,000	180,000	180,000

# Rent paid/received including Service Tax.



XIII. Disclosure as required by Accounting Standard 20 Earning per Share

Particulars	2015-2016	2014-2015
Profit after Tax and Adjustments	8,496,519	15,668,174
Profit available for distribution to Equity Share Holders	8,496,519	15,668,174
Weighted average number of Equity Shares Used as Denominator for calculating EPS	878,350	878,350
Earning per Share (Rs.) (Equity Shares of face value of Rs. 10/- each)		
- Basic	9.67	17.84
- Diluted	9.67	17.84

XIV. Disclosure as required by Accounting Standard 22 Accounting for Taxes on Income (Deferred Tax Assets / Liabilities):

The company has recognized deferred tax arising on account of timing difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in compliance with the Accounting Standard 22- Accounting for Taxes on Income.

Particulars	March 31, 2016	March 31, 2015
<b>Deferred Tax Assets</b>		
Gratuity	(2,158,582)	(1,869,458)
<b>Total</b>	<b>(2,158,582)</b>	<b>(1,869,458)</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	(878,335)	(265,427)
<b>Total</b>	<b>(878,335)</b>	<b>(265,427)</b>
<b>Net Deferred Tax (Asset) / Liabilities</b>	<b>(3,036,917)</b>	<b>(2,134,885)</b>

XV. Disclosure as required by Accounting Standard 28 Impairment of Assets:

As per the Accounting Standard 28 Impairment of Assets, the company has reviewed potential generation of economics benefits from fixed assets. Accordingly, impairment loss amounts to Rs. Nil (Previous year Rs. Nil).

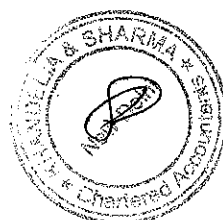
XVI. The company has not made any donation to (whether in cash or kind) to any political party during the year.

XVII. Details of Loan Given, Investment made and Guarantee given under Section 186(4) of the Companies Act, 2013

Loans given and Investments made are given under the respective heads. No Corporate Guarantee (s) has been given by the Company in respect of any loans as at March 31, 2016.

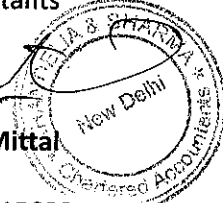

XVIII. Current year's figures have been rounded off to the nearest rupee.

XIX. The figures of the previous year have been regrouped / reclassified to compare with the figures of the current year.



XX. Notes '1' to '26' form an integral part of the Balance Sheet and the Statement of Profit and Loss.

**For Khandelia and Sharma**  
Chartered Accountants



**CA. Sunil Kumar Mittal**  
Partner  
Membership No.515608  
ICAI FRN: 510525C  
New Delhi, September 02, 2016

**For and on behalf of the Board**



**Director**



**Director**



**Company Secretary**



**Chief Financial Officer**

