

SP CAPITAL FINANCING LTD.

ISSUE ADVISORY SERVICES

BILL DISCOUNTING

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19TH ANNUAL REPORT 2001-2002


FINANCING LTD.
19th. ANNUAL REPORT
Board Director

Shri S. P. Jain	(Chairman)
Shri Baldev L. Boolani	(Director)
Shri Hasmukh Sheth	(Director)
Shri Bhupendra T. Shah	(Director)
Mrs. Meena S. Jain	(Director)
Shri D. P. Jain	(Director)

Auditors

M/s. O. G. Soni & Co.
Chartered Accountants

Bankers

Central Bank of India
Bank of Baroda
Citi Bank
Indian Bank

Legal Adviser

Kanga & Co.
Advocate & Solicitors

Registrar and Transfer Agents

R & D Consultants (P) Ltd.,
610, Dalamal Towers,
211, Nariman Point,
Mumbai - 400 021.

Registered Office

908, Dalamal Towers,
211, Nariman Point,
Mumbai - 400 021.
Tel. : 2844051/2824945/2831571
Fax : 2844052

Branch Office

1, 2, 3, Indu-Chambers,
Vakdewadi Road,
Bombay-Pune Road, Pune.
Tel. : 9520 - 5511121 / 92

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**S P CAPITAL****FINANCING LTD.****19th ANNUAL REPORT****NOTICE**

The 19th ANNUAL GENERAL MEETING of S P CAPITAL FINANCING LIMITED will be held on 30th day of September, 2002 at 3.00 p.m. at 908, Dalamal Towers, 211, Nariman Point, Mumbai - 400 021, to transact the following business :-

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended 31st March, 2002, and the Report of Directors and Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2002
3. To appoint a director in place of Shri S. P. Jain who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Shri Bhupendra T. Shah who retires by rotation and being eligible, offers himself for re-appointment.
5. M/S. O. G. SONI & Co. Chartered Accountants, Mumbai retire at the conclusion of the 19th Annual General Meeting and are eligible for re-appointment, at a remuneration to be decided by the Board of Directors.

For and on behalf of the Board

PLACE : MUMBAI

DATE : 31/05/2002

S. P. JAIN
CHAIRMAN

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies in order to be effective, must be submitted at the Company's Registered office, not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2002 to 30th September, 2002.
4. The Dividend, if declared will be paid to members whose names appear on the Register of Members as on 30th September, 2002.
5. Members are requested to bring their copy of the Annual Report to the meeting.
6. Members are requested to notify the change in address, if any immediately to the company quoting their Folio numbers.



S P CAPITAL
FINANCING LTD.

19th ANNUAL REPORT

DIRECTOR'S REPORT

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

Your Director's have pleasure in presenting the 19th Annual Report of the company along with Audited Accounts for the year ended 31st March, 2002.

1. FINANCIAL RESULTS

The highlights of the financial Results are (Rs. in Lakhs)

PARTICULARS	Year Ended 31-03-2002	Year Ended 31-03-2001
Total Income from Operations	637.86	352.32
Profit Before Depreciation & Tax	47.39	12.26
Depreciation	7.65	7.35
Profit Before Tax	39.74	4.91
Provision for Tax	1.00	0.21
Profit After Tax	38.74	4.70
Profit b/f from previous year	10.41	9.91
Balance available for Appropriation	49.15	14.61
Proposed Dividend	30.06	-
Transfer to General Reserve	5.00	3.00
Transfer to Reserve Fund	7.80	1.20
Balance carried to Balance Sheet	6.29	10.41

2. DIVIDEND

Your Directors have recommended 5% dividend on Equity Shares for the ended year 31st March, 2002.

3. DEPOSITS

The company has not accepted any deposits from the public within the meaning of the Non-Banking Companies Acceptance of Public Deposits (Reserve Bank) Direction, 1998.

4. DIRECTORS

In accordance with the provision of the Companies Act, 1956 and the Company's Articles of Association Mr. S. P. JAIN & MR. BHUPENDRA T SHAH retires by rotation and are eligible for re-appointment.

Shri Shailesh Vaidya resigned as a Director of the Company with effect from 18th October, 2001. The Board places on record its appreciation for services rendered by Shri Shailesh Vaidya during his tenure.

5. CASH FLOW STATEMENT

Cash Flow Statement pursuant to clause 32 of the Listing Agreement is attached herewith forming a part of this Report.

6. PARTICULARS OF EMPLOYEES

The Company has not paid any remuneration attracting provisions of Section 217(2A) of Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence no information is required to be appended with this report.

7. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company being in the financial services sector, no particulars are required to be furnished under Section 217(1)(e) of the Companies Act, 1956 relating to conservation of energy or technology absorption. There was no foreign exchange earnings or out go during the year.


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8. DIRECTORS'S RESPONSIBILITY STATEMENT

Pursuant to provisions of section 217(2AA) of the companies (Amendment) Act. 2000, the Directors confirm

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures if any ;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that period
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records with the provision of the Act so to prevent and detect fraud and other irregularities ;
- iv) that the Directors had prepared the accounts on a going concern basis.

9. LISTING OF COMPANY'S EQUITY SHARES :

The Company's Equity shares are being traded at the stock Exchange, Mumbai. The Company has paid Annual listing fees to the above Stock Exchange for the current year,

10. REPORT ON CORPORATE GOVERNANCE :

The report has been mentioned below pursuant to Clause 49 of the listing Agreement. We report that the steps taken by the Company so far in this direction are as under :

(I) Mandatory Requirements :

Company's Philosophy of Corporate Governance is to ensure that the the Board and top Management of the Company are fully appraised of the affairs of the Company that is aimed at the efficient conduct of the company's business so as to meet Company's obligation to the shareholders.

The Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.

The Board has ensured that all legal provisions laid down in various enactments have been duly complied with.

The process of decision making in the organisation has been and is being reviewed periodically so as to make it transparent.

The Board has always endeavoured to disclose all relevant and material information to the shareholders.

(II) Constitution of the Board and its Meetings :

The present Board of Directors consists of Three (Promoter) Executive Directors and Three Non Executive (independent) Director who are themselves experienced industrialists heading their business empire

During the year under review, Eight Board meeting were held which were attended to by each of the Director as detailed hereunder :

Name of Directors	Category	No. of Board Meetings attended	Attendance of last AGM
Shri S. P. Jain	Chairman	8	Present
Shri Baldev L. Boolani	Director	5	Present
Shri Hasmukh Sheth	Director	5	Present
Shri Bhupendra T. Shah	Director	6	Present
Mrs. Meena S. Jain	Director	8	Present
Shri D. P.Jain	Director	7	Present