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NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the members of SPS Finquest Ltd. will be held at 11.00 a.m. on Wednesday, the 18th day of September, 2013 at R-514 5th Floor Of Rotunda Building, B.S.Marg, Fort, Mumbai:- 400 001 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as on 31st March, 2013 and the Statement of Profit & Loss Account for the year ended on that date together with Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Mr. Sandeep P. Shah, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution
“RESOLVED THAT Mr. Hitesh S. Shah be and is hereby appointed as Director of the Company, whose office shall be liable to retirement by rotation.”
- 5) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution
“RESOLVED THAT Mr. Priyesh Jhaveri be and is hereby appointed as Director of the Company, whose office shall be liable to retirement by rotation.”
- 6) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution
“RESOLVED THAT Ms. Ankita M. Shah be and is hereby appointed as Director of the Company, whose office shall be liable to retirement by rotation.”

For and on behalf of the Board of Directors

(PRAMOD P. SHAH)
CHAIRMAN

Place: MUMBAI
Date: 28/06/2013

NOTE: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER.

- 1) An explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to items 3 to 5 of the notice is annexed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF
THE COMPANIES ACT,1956**

The Board of Directors in its meeting held on 5th April, 2013 had appointed Mr. Hitesh S. Shah, Mr. Priyesh Jhaveri and Ms. Ankita M. Shah as Additional Directors. Pursuant to the provisions of Section 260 of the Companies Act,1956 they would be vacating their offices at the ensuing Annual General Meeting. The Company has received notices from some of its members under Section 257 of the Act alongwith refundable deposit, conveying intention of proposing their appointment of Directors.

Mr.Hitesh Shah , B.com 20 years of experience in Capital Market and Ms. Ankita M Shah M.Com. LLB, 1 year Law Practice And Mr. Priyesh Jhaveri B.Com 15 years of experience in Capital Market

Mr. Hitesh S. Shah, Mr. Priyesh Jhaveri and Ms. Ankita M. Shah may be deemed to be interested in their respective resolutions relating to their respective appointments as Directors. None of the other Directors are interested or concerned in the proposed resolution.

For and on behalf of the Board of Directors

(PRAMOD P. SHAH)
CHAIRMAN

Place: MUMBAI

Date: 28/06/2013

DIRECTORS' REPORT

To:
The Members
SPS Finquest Private Limited

Your Directors have pleasure in presenting their Seventeenth Annual Report together with the audited statements of Accounts for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS:

	Year ended 31.03.2013	Year ended 31.03.2012
Profit before Depreciation & Tax	45,85,327	1,58,59,422
Less: Depreciation	27,235	17,361
Profit before Tax	43,85,327	1,58,42,061
Less: Provision for Tax	8,15,000	52,00,000
Deferred Tax	(35,016)	(4,364)
Profit after Tax	36,10,619	1,06,46,425

DIVIDEND

To conserve the financial resources, your Directors have not recommended dividend.

OPERATION

The total income for the year under review was marginally higher at Rs.787.39 lacs as against Rs.757.48 lacs in the previous year. However, due to steep increase in financial cost as also loss on account of derivatives, the profitability was adversely effected. The pre-tax profit for the year was Rs.43.85 lacs as against Rs.158.42 lacs a year ago.

Sentiments in primary market remained sub-due as also secondary market remained highly volatile through out the year. Economic slow down further effected sentiments and volume of transaction remained poor. world over and subdue sentiments may affect the financing activity of the Company. With revival of economy, your Directors are hopeful that the sentiments shall improve.

CONVERSION OF COMPANY

As decided by the members in their Extra-Ordinary General Meeting held on 15/02/2013 the Company was converted to 'Public Limited'. The Registrar of Companies was approached, who issued a fresh Certificate of Incorporation on 5th April, 2013. Accordingly, the name of the Company stands changed to SPS Finquest Limited w.e.f. 05th April,2013.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that :

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure have been made from the same;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;

(iii) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis.

AUDIT COMMITTEE

The Board of Directors has constituted the Audit Committee, comprising of Mrs. Rina Shah, Mr. Sandeep Shah and Mr. Girish Jaoo. The terms of reference of the Committee are in accordance with the provisions of the requirement of RBI guidelines, which inter alia includes –

- Compliance status of all NBFC regulation
- Accounting Standards compliance
- Internal Audit reports relating to operations
- Review of budget Vs. Actuals
- Outstanding receivables and payables

EMPLOYEES

During the year, relations between the management and employees were cordial. Since none of the employees of the Company was in receipt of a remuneration exceeding Rs.5,00,000/- per month or Rs.60,00,000/- per annum, particulars pursuant to the provisions of Section 217 (2A) of the Companies Act,1956 read with the Companies (Particulars of Employees) Rule,1975 are not furnished.

CONSERVATION OF ENERGY, ETC.

Since your Company was not engaged in any manufacturing activity, information pursuant to the provisions of Section 217(1)(e) of the Act is not given. During the year, the Company did not earn nor spend any foreign exchange during the year.

DIRECTORS:

The Board of Directors in its meeting held on 05th April, 2013 had appointed Mr. Hitesh S. Shah, Mr. Priyesh Jhaveri and Ms. Ankita M. Shah as Additional Directors. They would be vacating their respective office in the ensuing Annual General Meeting under the provisions of Section 260 of the Companies Act, 1956. The Company has received notices from some of its members in pursuance to the provisions of Section 257 of the Act alongiwith refundable deposits, conveying the intention of proposing the appointments of Mr. Hitesh S. Shah, Mr. Priyesh Jhaveri and Ms. Ankita M. Shah as Directors.

Ms. Rina Shah resigned as Director from the Board on 05th April, 2013. Your Directors wishes to place on record their appreciation for dedicated services rendered by Ms. Rina Shah during her association with the Company.

AUDITORS' REPORT:

Notes to the accounts provide suitable explanations to the remarks made by auditors in their report. Hence, no separate explanation is given.

AUDITORS

M/s. Bhavna Pandya & Co., Chartered Accountants, Auditors of your Company, shall retire at the forthcoming annual general meeting. Members are requested to appoint auditors and fix their remuneration.

COMPLIANCE REPORT

The Company has obtained a Compliance Report from Mr. Upendra Shukla, Practising Company Secretary, under the provisions of Section 383A of the Companies Act, 1956 and the same is annexed.

For and on behalf of the Board of Directors

(PRAMOD P. SHAH)
CHAIRMAN

Place: MUMBAI
Date: 26/06/2013

AUDITORS REPORT

TO THE MEMBERS OF M/s SPS Finquest Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s SPS Finquest Limited (the Company)**, which comprise the Balance Sheet as at March 31 2013, and the Statement of Profit and Loss for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Bhavna Pandya & Co.
Chartered Accountants

CA. Bhavna Pandya
Proprietor
M. No. 37225
Place: Mumbai
Date 28/6/2013