



MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	NA		DPY	NA
RO	<input checked="" type="checkbox"/>		DIV	NA
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	NA		SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>

1997-98

*no notes*

Report  5th  
Annual Report

*SPS*

**International Limited**



<b>SPS International Ltd.</b>
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**SPS INTERNATIONAL LIMITED**

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*BOARD OF DIRECTORS* : **MR. S.K. JAIN**  
**MR. SUDHIR JAIN**  
**MRS. SARLA JAIN**

*STATUTORY AUDITORS* : **M/S GUPTA VIJAY KUMAR & CO.**  
**CHARTERED ACCOUNTANTS**  
**C-17, 1st FLOOR, NEHRU GROUND**  
**FARIDABAD**

*BANKERS* : **SYNDICATE BANK, FARIDABAD**  
**CORPORATION BANK, NEW DELHI**

*REGISTERED OFFICE* : **103, BHAGYA BHAWAN, 5R/8 B.P**  
**NEELAM CHOWK, FARIDABAD-121001**

*CORPORATE OFFICE* : **3-B, BHARAT NAGAR, NEW FRIENDS**  
**COLONY, NEW DELHI-110 065**

*SHARE TRANSFER AGENTS* : **BEETAL FINANCIAL AND COMPUTER**  
**SERVICES PRIVATE LIMITED**  
**321-S, CHIRAGH DELHI,**  
**NEAR SHAHEED BHAGAT SINGH**  
**COLLEGE, NEW DELHI - 110 017**

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## SPS International Ltd.

## SPS INTERNATIONAL LIMITED

## DIRECTORS' REPORT

Your Directors are pleased to present their Fifth Annual Report alongwith the Audited Accounts of the company for the year ended 31st March, 1998.

## FINANCIAL PERFORMANCE :

S.No	Particulars	For the Year Ended 31.3.98 (Rs. in Lac)	Previous Year Ended 31.3.97 (Rs. in Lac)
1.	Net income from sale / operations	199.17	250.69
2.	Other Income	16.30	3.98
3.	Total Expenditure	182.70	230.06
4.	Interest	7.79	2.87
5.	Gross Profit after Interest but before tax and Depreciation	24.98	21.74
6.	Depreciation	12.55	12.77
7.	Provision for taxation	1.35	-
8.	Net Profit / Loss	11.08	8.97
9.	Dividend	-	-
10	EPS (Rs)	0.34	0.28

During the year under review your company has achieved a turnover of Rs. 199.17 lacs as compared to Rs. 250.69 lacs in previous accounting year. Showing a decline of about 20.55%. The net profit of the company is Rs. 11.08 lacs as compared to Rs. 8.97 lacs for the previous accounting year, showing an increase of about 23.5%. It is clear from above that inspite of decline in the turnover, there is sharp increase in profits due to better management of funds, control over expenditure. This is also despite the interest of Rs. 7.79 lac paid on account of 'bonds' issue by the company in the previous year. The Bonds have been prematured redeemed by the company in December, 97 and accordingly in the next year the company shall have no interest liability upon these bonds and the net profits shall further improve.

**DIVIDEND**

Due to insufficient profits and requirement of funds in the working capital, no dividend is being recommended.

**WORKING AND BUSINESS PROSPECTS :**

The year under review has been a mixed year for the company. Although turnover has declined, the net profit has increased. Presently the company is concentrating its activities in OMR Division, which continues to be a profitable area of business for the company. After recent nuclear blasts by India the

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economy has slowed down. The business relations between U.S.A. and India are under constrain. This may also effect the agreement between your company and NCS, USA which is the supplier of OMR Sheets and OPSCAN. However, your directors are confident that the business links with NCS, USA will remain as warm and cordial as earlier.

The company had filed a petition U/S 111A of The Companies Act, 1956 against M/s Vijay Remedies Ltd. before the Hon'ble Company Law Board. The matter has since then been decided in favour of the company. The case by M/s Admirable and SKJ Securities against company are being contested and your directors are sure that decision will be favourable. Also cases by these companies against Mr. S.K. Jain, CMD are making no headway for lack of proof by complainant. Your directors hope that lean period for the company is over and the company will march from strength to strength in coming period.

### **DELISTING OF SHARES :**

As the shares of the company are not traded very actively on Calcutta and Ahmedabad Stock Exchanges, your Directors have applied to these Stock Exchanges for delisting of shares. However, the company is continuing with listing of its shares at Delhi Stock Exchange (regional Stock Exchange) and Mumbai Stock Exchange. SEBI has made it mandatory for every company seeking delistment of its shares to pass a specific special resolution in the general meeting by the members in this regard. Your directors recommend the passing of the resolution contained in the accompanying notice by the members.

### **INVESTORS' SERVICES:**

Communications regarding transfer, transmission etc. should be addressed to M/s Beetal Financial and Computer Services Pvt Ltd, the share transfer agents of the company at 321-S, Chirag Delhi, Near Shaheed Bhagat Singh College, New Delhi-110 017. Any other query or correspondence may be sent to the company at its Regd. office at 103, Bhagya Bhawan, 5R/8 B.P Neelam Chowk, Faridabad-121 001.

### **DIRECTORS :**

Mrs. Sarla Jain is retiring at the ensuing Annual General Meeting and has offered herself for reappointment. Your directors recommend her reappointment by the members at the Annual General Meeting.

### **AUDITORS AND AUDITOR'S REPORT :**

M/s Gupta Vijay Kumar and Co., Chartered Accountants, Auditors of the company hold office until the conclusion of the ensuing Annual General Meeting. The company has received from them a letter to the effect that they are willing to act as the auditors of the company and their appointment, if made, would be within the limits prescribed under section 224 (1-B) of the Companies Act, 1956. Accordingly, your directors recommend the appointment of the said Auditors at the ensuing Annual General Meeting.

There are no comments in the Auditors' Report requiring an explanation by the Directors' in their Report.

### **FIXED DEPOSITS :**

During the year under review your company has not accepted any deposits from public within the meaning of section 58-A of the Companies Act, 1956.

<b>SPS International Ltd.</b>
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**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The report required to be made pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 is annexed and forms part of this report.

**PARTICULARS OF EMPLOYEES :**

There are no employees within the meaning of section 217 (2-A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, the particulars of which may be given.

**INFORMATION PURSUANT TO CLAUSE 43 OF THE LISTING AGREEMENTS :**

The information required to be given about Actual Vs. Projected profitability as per clause 43 of the listing agreement is given here under :

Particulars	Projected Profitability Statement (Rs. in lac)	Actual Profitability Statement (Rs in lac)	Variations	
			Rs.	%Age
Total Income	399.60	208.86	(-) 190.74	(-) 47.73
Profit before tax	140.42	12.43	(-) 127.99	(-) 91.14
Profit after tax	84.39	11.08	(-) 73.71	(-) 86.87
E.P.S (Rs.)	2.65	0.34	(-) 2.31	(-) 87.17
Dividend (%)	20%	NIL	N.A	(-)100.00

**ACKNOWLEDGEMENTS :**

Your Directors express their deep sense of appreciation for the assistance and co-operation received from the Banks, Auditors and other authorities during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the devoted services of all the executives, staff, workers and vendors of the company.

For and on behalf of the Board.

Place : Faridabad  
Dated : 22/07/1998

S.K. JAIN  
(ChairmanCum Managing Director)

## SPS International Ltd.

## ANNEXURES TO THE DIRECTORS REPORT

Disclosures under section 217 (1)(E) of the Companies Act, 1956 read with companies (Disclosure of particular in the report of Board of Directors) Rules, 1988

<b>1. CONSERVATION OF ENERGY :</b>	
A. Energy conservation measures taken	: Nil
B. Additional investment and proposals, if any, being implemented for reduction of consumption of energy	: Nil
C. Impact of above measures	: Nil

**FORM - A**

Form for disclosure of particulars with respect to conservation of energy

<b>A. Power and Fuel consumption</b>	<b>1997-98</b>	<b>1996-97</b>
1. Electricity		
a) Purchased unit	36708	64703
Total amount	110124	194109
Rate / Unit (Rs.)	3.00	3.00
b) Own generation through DG sets/Turbine	Nil	Nil
2. Coal	Nil	Nil
3. Furnace Oils	Nil	Nil
<b>B. Consumption per unit of Production :</b>		
Production	N.A	N.A
Electricity	N.A	N.A
Furnace Oil	N.A	N.A
Coal	N.A	N.A

**FORM - B**

Form of disclosure of particulars with respect to technology absorption :

<b>A. Research and Development (R &amp; D)</b>		
1. Specific areas in which research and development were carried out by the company	Nil	Nil
2. Benefits derived	Nil	Nil
3. Future plan of action	Nil	Nil
4. Expenditure on R & D	Nil	Nil
<b>B. Technology absorption, adaptation &amp; Innovation (R &amp; D)</b>		
1. Efforts made towards technology Absorption, adaptation & Innovation	N.A	N.A
2. Benefits derived	N.A	N.A
3. Particulars of imported Technologies	N.A	N.A
<b>C. Foreign Exchange earnings and outgo (Rs. in lac)</b>		
1. Earned	10.75	32.59
2. Outgo	18.54	19.60

For and on behalf of the Board

Place : Faridabad  
Date : 22nd July, 1998

S.K. JAIN  
(Chairman Cum Managing Director)