



S P CAPITAL
FINANCING LIMITED

26th

ANNUAL REPORT
2008-2009



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. P.M.PANDAY & ASSOCIATES.
Chartered Accountants

Bankers

Central Bank of India
Citi Bank
HDFC Bank
Kotak Mahindra Bank

Legal Adviser

M/s. Kanga & Co.
Advocate & Solicitors

Registrar and Transfer Agents
Bigshare Services Pvt Ltd

E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E),
Mumbai – 400 072.
Tel.: 28470652/28470653
Fax : 28475207

Registered Office

908, Dalamal Towers,
211, Nariman Point,
Mumbai – 400 021.
Tel.: 22844051/63 / 22824945
Fax : 22844052

Branch Office

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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the members of S P CAPITAL FINANCING LIMITED will be held at 908, Dalamal Towers, 211 Nariman Point, Mumbai 400 021 on Wednesday, September 30, 2009 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 and Profit & Loss Account for the year ended on that date together with the Auditors' and Directors' Report.
2. To appoint a Director in place of Mrs. Meena S. Jain who retires by rotation and being eligible to offer himself for reappointment.
3. To appoint a Director in place of Mr. Baldev L. Bhoonani who retires by rotation and being eligible to offer himself for reappointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Sanjay Raja Jain & Co., Chartered Accountants Mumbai be and hereby appointed as Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. P.M. Pandey & Associates, Chartered Accountants Mumbai, until the conclusion of the next Annual General Meeting of the Company on a remuneration to be decided by the Board of Directors of the Company.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy in order to be effective, should be duly completed, stamped and signed, and must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. Members are requested to bring their copies of the Annual Report to the Meeting. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
4. Members are requested to advise immediately change in their address, if any, quoting their Folio number(s) to the company.
5. Information as required under Clause 49 of the Listing Agreement with respect to Directors seeking re-appointment in this Annual General Meeting. In respect of item No. 2 & 3 of the notice convening the Meeting is annexed hereto.
6. The Register of Members and Shares Transfer Books of the Company will remain closed from Monday, September 21, 2009 to Wednesday, September 30, 2009 (both days inclusive)

For and on behalf of the Board

S. P. Jain
Chairman

Registered Office:

908, Dalamal Towers,
211, Nariman Point,
Mumbai-400 021.
May 30, 2009

ANNEXURE TO THE NOTICE

Explanatory statement pursuant to sec.173(2) of the Companies Act,1956 in respect of special business

Item 4

The present Auditors of the Company, M/s. P.M. Pandey & Associates, Chartered Accountants, Mumbai, have expressed their inability to seek reappointment as Auditors of the Company. Members are required to appoint Auditors and fix their remuneration.

One of the members have recommended appointment of M/s. Sanjay Raja Jain & Co, Chartered Accountants, Mumbai as the Auditors of the Company in place of M/s. P.M. Pandey & Associates, Chartered Accountants, retiring auditors. The Directors recommend the appointment of M/s. Sanjay Raja Jain & Co, Chartered Accountants, Mumbai as Auditors of the Company in the vacancy caused by resignation of M/s. P.M. Pandey & Associates, Chartered Accountants, Mumbai.

No Director shall be deemed to be concerned or interested in the resolution



ANNEXURE TO NOTICE

Information under Clause 49 of the Listing Agreement with respect to Directors seeking re-appointment in this Annual General Meeting.

Item No. 2

1. Name	Mrs. Meena S Jain
2. Date of Birth	17 th December, 1951
3. Profession	Business
4. Qualification	B. Com.
5. List of other Directorship held excluding private Companies	2 (Two)
6. Chairman/Member of the Committee of Board of Director of the Company	1 (one)
7. Chairman/Member of the Committee of Board of Director of the other Company	Nil
8. Expertise in specific functional area	In the field of Finance & Investment Business.

Item No. 3

1. Name	Shri Baldev Boolani
2. Date of Birth	19.02.1929
3. Profession	Business
4. Qualification	M.Sc(Tech)
5. List of other Directorship held excluding private Companies	Nil
6. Chairman/Member of the Committee of Board of Director of the Company	2(Two)
7. Chairman/Member of the Committee of Board of Director of the other Company	Nil
8. Expertise in specific functional area	In the field of Mfg Plastic Processing machines & packaging Material Industries.

For and on behalf of the Board

S. P. Jain
Chairman

Registered Office:
908, Dalamal Towers,
211, Nariman Point,
Mumbai-400 021.
May 30, 2009

**DIRECTORS REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 26th Annual Report of the Company along with the audited statements of accounts for the year ended March 31, 2009.

Particulars	(Amount in LacsRs.)	
	Year ended March 31, 2009	Year ended March 31, 2008
Total Income from Operations	949.96	974.59
Profit Before Depreciation & Tax	22.16	46.79
Depreciation	6.36	6.69
Profit before Tax	15.80	40.10
Provision for Tax	2.50	6.50
Profit after Tax	13.30	33.60
Profit b/f from previous year	48.59	24.99
Balance available for Appropriation	61.89	58.59
Transfer to Reserve Fund	4.00	10.00
Balance Carried to Balance Sheet	57.89	48.59

DIVIDEND

The Board of Directors of the Company have not recommended any dividend for the year 2008-09.

FIXED DEPOSITS

The Company has not accepted any deposit from the public during the year under review, to which the provisions of Section 58A of the Companies Act, 1956 and the rules made thereunder would apply.

OPERATIONS

During the year under review the sales turnover registered a slight fall from Rs 974.59 Lakhs to Rs. 949.96 Lakhs due to various reasons including recession in markets. The existing business has also been effected badly due to the overall performance of the financial industry globally. Pride Orchid Pvt. Ltd. is no longer subsidiary of the Company. All these factors resulted in the Company posting a lower Profit after tax of Rs.13.30 Lakhs in comparison to 33.60 Lakhs during last year.

The Management Discussion and Analysis Report deals with the operations of your Company in detail and forms part of this Annual Report.

Your directors are hopeful of better results for the company in the current year.

LISTING OF EQUITY SHARES

The Company's equity shares are listed on the Bombay Stock Exchange and the listing fee for the year 2009-10 has been paid.

PUBLIC DEPOSITS

The Company has not invited and / or accepted any deposits, during the year.

CASH FLOW STATEMENT

Cash flow statement pursuant to Clause 32 of the listing agreement is attached herewith

DIRECTORS

Mrs. Meena Jain and Mr. Baldev L. Boolani, Director of the Company retire at the ensuing Annual General meeting and being eligible offers themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representations received from the Operating Management and after due enquiry, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) they have, in the selection of the accounting policies, consulted the statutory auditors and these have been applied



consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;

- iii) proper and sufficient care has been taken for the 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) the annual accounts have been prepared on a going concern basis.

SUBSIDIARIES

M/s Pride Orchades Pvt. Ltd. Cease to be subsidiary of the Company during the year.

CORPORATE GOVERNANCE

Your Company being a professionally run company, has always believed in transparency and accountability. Your Company is fully compliant with the revised Clause 49 of the Listing Agreement. A report on Corporate Governance is attached to this report.

AUDITORS AND THEIR OBSERVATIONS

The present Auditors of the Company, M/s. P.M. Pandey & Associates, Chartered Accountants, Mumbai, have expressed their inability to seek reappointment as Auditors of the Company. Members are required to appoint Auditors and fix their remuneration.

One of the members have recommended appointment of M/s. Sanjay Raja Jain & Co, Chartered Accountants, Mumbai as the Auditors of the Company in place of M/s. P.M. Pandey & Associates, Chartered Accountants, retiring auditors. The Directors recommend the appointment of M/s. Sanjay Raja Jain & Co, Chartered Accountants, Mumbai as Auditors of the Company in the vacancy caused by resignation of M/s. P.M. Pandey & Associates, Chartered Accountants, Mumbai.

As required under the provisions of section 224 of the Companies Act, 1956, the Company has obtained written certificate from the above Auditors proposed to be appointed to the effect that their appointment, if made, would be in conformity with the limits specified in the said section.

With regard to the Auditors observations, the same have been duly explained in the notes, hence does not require any further clarifications.

PARTICULARS ON CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

This information is required as per Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2009.

Since the Company's operations involve low consumption of energy, the Company has no comments to offer as far as (a) conservation of energy and (b) Technology absorptions are concerned.

FOREIGN EXCHANGE

Foreign exchange earned during the period under consideration was Rs. NIL

Foreign exchange expenditure incurred during year amounted to Rs.NIL

PARTICULARS OF EMPLOYEES

Particulars of the employees under the provision of section 217 (2A) of the Companies Act, 1956 are not given as no employees was in receipt of remuneration exceeding Rs. 24,00,000/- p.a. if employed for the full year or Rs.2,00,000/—p.m. if employed for part of the year.

ACKNOWLEDGEMENTS

The Directors would like to thank all clients, Bankers and Government of Andhra Pradesh for the un-stinted support received from them during the year.

The Directors would also like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company.

For and on behalf of the Board

S. P. Jain
Chairman

Dated: May 30, 2009

Place : Mumbai

**MANAGEMENT'S DISCUSSION AND ANALYSIS****A. INDUSTRY OVERVIEW****1. India - Today**

India today, is a fast emerging economic super power. With a population of a strong 300 million and the world's largest middle class population, it unleashes the latent strength of popular consumerism while reshaping both business & the way of life. With the surging trend in all sectors, International Trade Journals have rightly billed India as one of the fastest growing economies in the world.

2. Indian Finance Industry - An overview

As our country requires new cities new townships where our population can reside & work. Investors have identified India potent body of 300 million middle class. The world's largest waiting to unleash its nascent strength of popular consumerism. Where 54% of the population is below 25 years of age.

The Finance industry is one of the key industries in the Indian economy and India is today one of the leading countries in the world as far as trade is concerned. Though new opportunities are rapidly emerging India's future position will largely depend on how effectively the Industry and Government are able to resolve core issues and take advantage of an increasingly fragmented industry structure. The Industry, which is one of the oldest in existence, has promoted economic development even in far-flung areas of the country, both urban and rural. One of the highly developed metropolises of Modern India Mumbai has grown over the years and has the main business base of Finance Industry.

B. INDUSTRY STRUCTURE AND DEVELOPMENT:

Great changes are taking place in the global industry, and as the company is establishing its position in the Indian Economy and also restructuring itself to fit in the competitive market. Despite the market conditions, the company performance during the year is satisfactory.

C. FUTURE PROSPECT / BUSINESS PLANS OF THE COMPANY

The opportunities ahead are immense and Company is fully geared to make the most of them. Company is planning to get into other segment of finance during the current year. The company has concentrated on its goals of consolidating and strengthening its marketing network, delivering quality products and cutting cost wherever possible.

Various organization development initiatives were undertaken during the year. These are expected to help create a robust organization based on strong values, uniform and systematic business processes and people empowerment.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company's internal control systems are periodically reviewed by the management together with the Audit Committee of the Board. The emphasis of internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, distribution, marketing etc.

F. HUMAN RESOURCES DEVELOPMENT/INDUSTRIAL RELATIONS:

The Company recognizes the need for continuous growth and development of its employees in order to provide greater job satisfaction and also to equip them to meet growing organizational challenges. Industrial relations have continued to be harmonious at all units throughout the year. Measures for safety of employees, Welfare and development continue to receive top priorities.

G. CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied.

Important factors that could make a difference to the company's operation include demand and supply conditions, finished good prices, raw materials cost and availability, changes in Government regulation and tax structure, economic developments within India and the countries with which the company has business contacts and other factors such as litigations and Industrial relations of India.

The Company assumes no responsibility in respect of forwarded looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events of the Company.

For and on behalf of the Board

**S. P. Jain
Chairman**

Dated: May 30, 2009
Place : Mumbai

**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:

1. Company's Philosophy

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

2. Constitution of the Board and its meeting

The present Boards of Directors consists of three (Promoter) Directors and three Non Executive (independent) Directors who are themselves experienced industrialists heading their business empire.

During the year under review, Five Board meetings were held which were attended to by each of the Directors as detailed herewith:

Name of Directors	Category	No. of Board Meeting attended	Attendance of last AGM
Shri S. P. Jain	Promoters / Chairman	5	Present
Shri Baldev L Boolani	Non-promoter / Independent Director	3	Present
Shri Hasumukh Sheth	Non-promoter / Independent Director	4	Present
Shri Bhupendra T Shah	Non-promoter / Independent Director	1	Present
Mrs. Meena S Jain	Promoter / Director	5	Present
Shri D. P. Jain	Promoter / Director	5	Present

The Board meeting were held on the following dates: 31st May, 2008, 25th June 2008, 31st July, 2008, 31st October, 2008 and 31st January, 2009.

Pursuant to provisions of the Companies Act, 1956, Mrs. Meena S Jain and Mr. Baldev L Boolani, retire by rotation and being eligible, offer themselves for re-appointment.

3. Audit Committee

During the year an Audit Committee of Directors comprising of Shri S. P. Jain, Shri Hasumukh Sheth, and Shri Bhupendra T Shah was constituted in line with the amendments in the Companies Act, 1956. The Committee elected Shri Bhupendra T. Shah as the Chairman. The Audit Committee acted as interface between the management and statutory Auditor and the terms of reference were specified as per the requirement of the Act.

Apart from various responsibility stipulated by the Board to the Audit Committee, the responsibility areas are as follows:

Review of the Company's financial reporting process and disclosures to ensure that the financial statements are correct, sufficient and credible.

Recommending the appointment/removal of external Auditors, fixing of Audit fee and payment for other services.

Reviewing annual financial statement before submission to the Board with focus on change in accounting policies and practice. Major accounting entries, qualification in draft audit report, significant adjustments arising out of audit, accounting standards compliance, compliance with Stock Exchange and other legal requirements.

Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit functions.

Discussions with auditors, any significant findings and follow-up thereon. Reviewing any suspected fraud, irregularity or failure of internal Control system of material nature and reporting the matter to the Board.

Discussion with external auditor in respect of pre and post audit matters.

Reviewing Company's financial and risk management policies.

Look into reasons for substantial defaults in payment to shareholders and creditors.

**4. Remuneration Committee****Terms of Reference**

The Board terms of reference of the Remuneration Committee is to fix remuneration payable to the Directors in terms of provisions of the Companies Act, 1956 and refer the same to the Board.

Composition, name of members and Chairperson:

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

Attendance during the year:

The Committee met on 31.01.2009 and was attended by all the members.

Remuneration Policy:

Non-executive Directors are remunerated by way of sitting fees only. The Company pays remuneration by way of Salary, Perquisites and Allowances to the Director Salary is paid as prescribed under provisions of the Companies Act, 1956.

The minutes of the Remuneration Committee Meeting were circulated to the Board, discussed and taken note of.

5. Shareholders Grievances

Mr. S. P. Jain, the Director of your Company has always remained very cautious conscious and concerned about the shareholders' grievances. This resulted in quick attendance and settlement of any grievance leaving no complaint unattended to for a longer time. The Board of Directors are pleased to announce that there were one complaints received during the year under review.

6. General Body Meeting

Financial Year	Date of AGM	Venue / Location	Time
2005 - 2006	30 th September, 2006	Registered Office	3 p.m.
2006 - 2007	29 th September, 2007	Registered Office	3 p.m.
2007 - 2008	30 th September, 2008	Registered Office	3 p.m.

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

7. Share Holder Committee

During the year under review of the following Directors were the Members of the Shareholders' / Investors' Grievance Committee.

Sr.No.	Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
1.	Shri S.P.Jain	Chairman	2	2
2.	Shri D.P.Jain	Member	2	2
3.	Shri Bhupendra T Shah	Member	2	2

The Particulars of Investors, grievances received and redressed during the year are furnished below:

Sr.No.	Nature of Complaints	No. Of Complaints		
		Received	Resolved	Pending as on 31/3/2009
1.	Non receipt of Annual Report	Nil	Nil	Nil
2.	Complaints relating to dematerialization of Shares	Nil	Nil	Nil
3.	Non-receipt of Share Certificates after transfer / duplicate / name correction	1	1	Nil
4.	Others	Nil	Nil	Nil
	TOTAL	1	1	Nil

**8. Code of Insider Trading**

The Company has adopted a code of conduct for prevention of insider trading in the shares of the Company. The code inter-alia prohibits purchase/ sale, dealing of shares of the Company by the insiders while in possession of unpublished price sensitive information in relation to the Company.

9. General Shareholder Information**Forthcoming Annual General Meeting**

Date and venue : 30th September, 2009 at 908, Dalamal Tower, 211, Nariman, Point, Mumbai – 400 021
 Financial Year : 2008 - 2009
 Book Closure dates : 21st September, 2009 to 30th September, 2009
 Listing of equity Shares : Mumbai Stock Exchange

Financial Calendar 2009 – 2010 (tentative schedule)

Financial Reporting for the quarter ending June, 2009	By the end of July, 2009
Financial Reporting for the quarter ending September, 2009	By the end of October, 2009
Financial Reporting for the quarter ending December, 2009	By the end of January, 2010
Financial Reporting for the year ending March, 2010	By the end of July, 2010

Book Closure

The Register of Members and Transfer Register of the Company will remain close from 21st September, 2009 to 30th September, 2009 (both days inclusive).

Listing on Stock Exchanges Equity Shares

Bombay Stock Exchange Limited (BSE),
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumabi 400 001.

Code/Trading Symbol

530289

Market Price Data

Month	Mumbai Stock Exchange	
	High	Low
April – 2008	49.45	42.50
May – 2008	40.40	40.40
June – 2008	41.50	41.50
July – 2008	41.50	41.50
August – 2008	NIL	NIL
September – 2008	39.45	37.50
October – 2008	NIL	NIL
November – 2008	NIL	NIL
December – 2008	35.65	35.65
January - 2009	NIL	NIL
February – 2009	NIL	NIL
March – 2009	33.90	33.90

10. Disclosures

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

11. Means of Communication

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

**12. Dematerialisation of Shares**

The equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all shareholders of the Company who request for such facility.

ISIN No. of the Company's Equity shares in Demat form : INE 102 F 01015

Depository Connectivity: NSDL and CDSL

13. Registrar and Transfer Agent

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

14. Share Transfer System

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

Shareholding pattern as at 31st March, 2009:

Sr.No	Category	No. of Shares	% of paid up Capital
1.	Promoters	4456900	74.13
2.	Mutual Fund, Institution & Bank	49800	0.83
3.	Corporate Bodies	987900	16.43
4.	NRI's	37600	0.63
5.	Public	480000	7.98
	Total	6012200	100.00

Distribution of Shareholding as on 31st March 2009.

Range of Shares	Number of Shareholders	Percentage of Shareholders	No. of Shares	Amt. Percentage
01 to 5000	687	94.37	362700.00	6.03
5001 to 10000	13	1.79	109100.00	1.81
10001 to 20000	3	0.41	50900.00	0.85
20001 to 30000	6	0.82	147000.00	2.45
30001 to 40000	1	0.14	33700.00	0.56
40001 to 50000	4	0.55	195200.00	3.25
50001 to 100000	2	0.27	154000.00	2.56
100001 to 99999999	12	1.65	4959600.00	82.49
Total ...	728	100	6012200	100.00

15. Dematerialisation of Shares and Liquidity

As on 31st March, 2009, 84 % of Company's Equity Share Capital has been dematerialised.

15. Investor Correspondence

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

Compliance Officer : Mr. Sandeep S Gopale
 908, Dalamal Tower, 211, Nariman Point, Mumbai – 400 021.
 : Telephone No. 22844051/63 Fax No. 22844052
 : Email - Pridemumbai @ reddifmail.com

**OTHER DISCLOSURE**

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

2. **CEO Certification**

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

- a) We have reviewed the financial statements and cash flow statement for the year and that to the best of our knowledge and belief :
- i. These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that :
- i. there are no significant changes in internal control over financial reporting during the year
 - ii. there are no significant changes in accounting policies during the year; and
 - iii. there are no instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's Internal Control Systems over financial reporting.

For S. P. CAPITAL FINANCING LIMITED

S. P. Jain
Chairman

Mumbai, 30th May, 2009

3. **Disclosure of Accounting Treatment**

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

4. **Materially Significant Related Party Transactions**

There are no materially significant related party transactions that may have potential conflict with the interests of Company.

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

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

6. **Compliance:**

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49. The company has not adopted other non-mandatory requirements.

For S. P. CAPITAL FINANCING LIMITED

S. P. Jain
Chairman

Mumbai, 30th May, 2009

**DECLARATION ON CODE OF CONDUCT**

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

I, S.P.Jain, Chairman of S. P. Capital Financing Limited declare that to the best of my knowledge and belief, all the members of the Board of Directors and the designated personnel in the senior management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2009.

For S. P. CAPITAL FINANCING LIMITED

S. P. Jain
Chairman

Mumbai, 30th May, 2009

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To The Members of S. P. Capital Financing Limited

We have examined the compliance of conditions of Corporate Governance by S. P. Capital Financing Limited, for the year ended on 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

For P.M.PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS,

P.M.PANDAY
(PROPRIETOR)

Mumbai
Dated : 30.05.2009

**AUDITORS' REPORTS**

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

We have audited the attached Balance Sheet of **S.P. CAPITAL FINANCING LIMITED** Mumbai as at 31st March 2009 and Profit & Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An *audit* includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:

1. As required by the other companies (Auditor's Reports) order 2003 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act 1956. We enclose in Annexure hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, the Company has kept proper books of accounts as required by law, so far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - (e) In our opinion, and to the best of our information and explanations given to us none of the directors of the company are disqualified as on 31st March, 2009 from being appointed as directors in terms of clause "g" of sub-section (1) of section 274 of the companies Act 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act 1956 in the manner so required and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the State of Affairs of the Company as at 31st March, 2009;
 - (ii) In so as it relates to the Profit and Loss Account, of the Profit of Company for the year ended on that date and;
 - (iii) In the case of Cash Flow Statement, of cash flow for the year ended on that date.

**For P.M.PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS,**

Mumbai
Dated : 30.05.2009

**P.M.PANDAY
(PROPRIETOR)**



ANNEXURE TO THE AUDITORS REPORT
(Referred to in Paragraph 2 of our report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year.
2. a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
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) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured taken or granted by the Company from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company had taken loans from the company covered in the register maintained U/s. 301 of the companies Act, 1956. The year-end balance of loan taken from the such parties was Rs. 46.10 Lacs.
The Company has granted loans to the parties and the year end the balance of the loan given to such parties was Rs. 364.83 Lacs.
 - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other Terms and Conditions are not prima facie prejudicial to the interest of the company.
 - c) In respect of loans taken by the Company, the company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest, wherever applicable.
 - d) There is no overdue amount in respect of loans taken / given by the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. a) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 5,00,000/- (Rupees Five Lacs only) in respect of any party during the year have been made at price, which are reasonable having regards to prevailing market price at the relevant time.
6. As explain to us the Company has not accepted any deposits from the public within the meaning of Section 58 A and 58 AA of the Companies Act, 1956 and the Rules framed there under.



7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. The Company is not required to maintain cost record U/s. 209(1)(d) of the Companies Act, 1956.
9. According to the information and explanation given to us, and records being made available to us, the undisputed statutory dues including, Income-tax, Sales Tax, Wealth Tax, and other statutory dues wherever applicable have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respects of the aforesaid dues were outstanding as at 31st March 2009 for a period of more than six months from the date of becoming payable.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore clause 4(xiii) of the Companies (Auditor' Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transaction and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
15. According to information and explanation given to us and to the best of knowledge, the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to information and explanation given to us, a company has not received any terms loan during the year.
17. According to information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not raised funds from Shorts Term sources and utilized the same towards long Term investments and vice-versa.
18. During the year, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act, 1956.
19. According to information and explanation given to us, the Company has not issued any secured debentures during the year.
20. The company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

**For P.M.PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS,**

Mumbai
Dated : 30.05.2009

**P.M.PANDAY
(PROPRIETOR)**

**BALANCE SHEET AS ON 31ST MARCH, 2009**

<u>PARTICULARS</u>	<u>SCHEDULE</u>	<u>AS AT 31ST MAR' 09</u>	<u>AS AT 31ST MAR' 08</u>
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS FUND</u>			
Share Capital	1	59,832,027	59,832,027
Reserve & Surplus	2	61,037,982	59,707,587
<u>LOANS FUNDS</u>			
Unsecured Loans	3	4,610,000	4,610,000
		<u>125,480,009</u>	<u>124,149,614</u>
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	4	13,475,447	13,906,315
Less : Depreciation		12,361,157	11,725,350
Net Block		1,114,291	2,180,964
<u>INVESTMENTS</u>			
<u>CURRENT ASSETS, LOANS AND ADVANCE</u>			
Less : Current Liabilities & Provision	6	1,132,500	1,540,000
Net Current Assets	5	122,386,296	120,396,728
<u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off)		3,111,922	3,111,922
Significant Accounting Policies and noted on Accounting	9		
		<u>125,480,009</u>	<u>124,149,614</u>

As per our report of even date
For P.M. PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS

P.M. PANDAY
(PROPRIETOR)

MUMBAI
DATE : 30/05/2009

For & on behalf of the Board
S.P. JAIN
CHAIRMAN

D.P. JAIN
DIRECTOR

BALDEV L. BOOLANI
DIRECTOR

BHUPENDRA T. SHAH
DIRECTOR

HASMUKH SHETH
DIRECTOR

MEENA JAIN
DIRECTOR

**PROFIT & LOSS A/C. AS ON 31ST MARCH, 2009**

<u>PARTICULARS</u>	<u>SCHEDULE</u>	<u>AS AT 31ST MAR' 09</u>	<u>AS AT 31ST MAR' 08</u>
<u>INCOME</u>			
Sale of Security		83,510,015	91,425,741
Bad Debts Recovers		9,262,628	1,408,000
Sales of Vashi Office		1,025,133	-
Interest & Discount Received		956,741	2,523,938
Dividend		241,896	2,101,002
		<u>94,996,412</u>	<u>97,458,681</u>
<u>EXPENDITURE</u>			
Operating Expenses	7	810,471	1,375,350
Employees Remuneration	8	1,175,465	800,237
Cost of Security		<u>90,794,275</u>	<u>90,604,542</u>
		92,780,211	92,780,129
Profit before Depreciation & Tax		2,216,201	4,678,553
Depreciation		635,806	668,992
Profit before Tax		1,580,395	4,009,561
Less : Provision for taxation		250,000	650,000
Profit after Tax		1,330,395	3,359,561
Add : balance Brought Forward		4,858,560	2,499,000
BALANCE AVAILABLE FOR APPROPRIATION		6,188,955	5,858,560
<u>APPROPRIATION</u>			
Transfer to Reserve Fund (RBI)		400,000	1,000,000
Transfer to General Reserve		-	-
Balance carried to Balance Sheet		<u>5,788,955</u>	<u>4,858,560</u>

As per our report of even date
For P.M. PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS

For & on behalf of the Board
S.P. JAIN
CHAIRMAN

BALDEV L. BOOLANI
DIRECTOR

HASMUKH SHETH
DIRECTOR

P.M. PANDAY
(PROPRIETOR)

D.P. JAIN
DIRECTOR

BHUPENDRA T. SHAH
DIRECTOR

MEENA JAIN
DIRECTOR

MUMBAI
DATE : 30/05/2009

**SCHEDULES FORMING PART OF ACCOUNTS****AS AT 31ST MAR' 09** **AS AT 31ST MAR' 08****SCHEDULE - 1.****SHARE CAPITAL****AUTHORISED SHARE CAPITAL**

61,00,000 Equity Share of Rs.10/- each	61,000,000.00	61,000,000.00
6,00,000 Preference Share of Rs. 100/- each	60,000,000.00	60,000,000.00
	<u>121,000,000.00</u>	<u>121,000,000.00</u>

ISSUED AND SUBSCRIBED SHARE CAPITAL

60,12,200 Equity Share of Rs.10/- each	60,122,000.00	60,122,000.00
	<u>60,122,000.00</u>	<u>60,122,000.00</u>

PAID UP CAPITAL

Issued and Subscribed equity Share Capital	60,122,000.00	60,122,000.00
Less : Call in Arrears	289,973.13	289,973.13
	<u>59,832,026.87</u>	<u>59,832,026.87</u>

SCHEDULE - 2.**RESERVE & SURPLUS**

Share Premium Account	30,122,000.00	30,122,000.00
Less : Share premium receivable on allotment Money unpaid	272,973.13	272,973.13
	<u>29,849,026.87</u>	<u>29,849,026.87</u>

GENERAL RESERVE

As per Last balance Sheet	14,500,000.00	14,500,000.00
	<u>14,500,000.00</u>	<u>14,500,000.00</u>

RESERVE FUND (U/S. 45 OF RBI ACT)

As per Last balance Sheet	10,500,000.00	9,500,000.00
Add : Transferred from P & L A/C.	400,000.00	1,000,000.00
	<u>10,900,000.00</u>	<u>10,500,000.00</u>

SURPLUS IN PROFIT & LOSS A/C.

TOTAL A+B+C+D	5,788,954.85	4,858,560.25
	<u>61,037,981.72</u>	<u>59,707,587.12</u>

SCHEDULE - 3**ANNEXURE "A"****UNSECURED LOANS**

From Companies	4,610,000.00	4,610,000.00
	<u>4,610,000.00</u>	<u>4,610,000.00</u>



SCHEDULE - 4.

STATEMENT OF FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 31/03/08	ADDITION (DEDUCTION)	TOTAL	AS ON 31/03/08	FOR THE YEAR	TOTAL	AS ON 31/03/09	AS ON 31/03/08
PREMISES	816,000.00	(430,867.50)	385,132.50	154,642.67	4,564.00	159,206.67	225,925.83	661,357.33
OFFICE FURNITURE	2,157,003.16	-	2,157,003.16	1,580,858.67	136,538.32	1,717,396.99	439,606.17	576,144.49
OFFICE EQUIPMENTS	1,030,987.69	-	1,030,987.69	533,257.12	48,971.92	582,229.04	448,758.65	497,730.57
PLANT & MACHINERY	9,902,324.00	-	9,902,324.00	9,456,591.94	445,732.06	9,902,324.00	-	445,732.06
	13,906,314.85	(430,867.50)	13,475,447.35	11,725,350.40	635,806.30	12,361,156.70	1,114,290.65	2,180,964.45



ACCOUNTING YEAR - 2008 - 2009

AS AT 31ST MAR' 09 AS AT 31ST MAR' 08

SCHEDULE - 5

CURRENT ASSETS, LOANS & ADVANCES

Loans & Advances	ANNEXURE "C"	67,321,188.58	36,049,459.58
Stock In Trade (Quoted)	ANNEXURE "D"	18,720,900.00	23,470,900.00
Stock In Trade (Un Quoted)	ANNEXURE "D"	18,077,491.81	21,376,189.59
Deposits	ANNEXURE "E"	10,027,300.00	10,027,300.00
Cash Balance	ANNEXURE "F"	256,756.00	9,614.25
Bank Balance	ANNEXURE "F"	7,982,659.77	29,463,264.34
		122,386,296.16	120,396,727.76

SCHEDULE - 6

CURRENT LIABILITIES & PROVISIONS

Sundry Creditors		-	-
PROVISION			
Provision For Taxation		250,000.00	650,000.00
Provision For N.P.A		875,000.00	875,000.00
Provision For Audit Fees		7,500.00	15,000.00
		1,132,500.00	1,540,000.00

**ACCOUNTING YEAR - 2008 - 2009****AS AT 31ST MAR' 09** **AS AT 31ST MAR' 08****SCHEDULE - 7****OPERATING EXPENSES**

Printing & Stationary	32,385.00	140,667.75
Office Expenses	35,128.50	40,931.50
Books & Periodicals	3,259.00	9,563.00
Advertisement Expenses	38,428.15	97,485.00
Audit Fees	7,500.00	7,500.00
Bank Charge	15,790.58	10,125.53
Interest Paid	-	381,789.96
Brokerage	95,263.24	59,670.01
Conveyance & Motor Car Expenses	105,043.00	124,814.50
Postage Courier & Stamp	46,996.00	53,040.50
Retainership A/C.	101,780.00	90,118.00
Listing & Membership Expenses	99,653.75	84,701.00
Repair & Maintance Exp	2,965.00	10,464.00
Telephone Expenses	48,669.00	85,914.00
Rent	120,000.00	120,000.00
Sundry Expenses	31,961.00	25,564.50
Legal Expenses	18,149.00	26,801.00
Director Sitting Fees	7,500.00	6,200.00
	<u>810,471.22</u>	<u>1,375,350.25</u>

SCHEDULE - 8**EMPLOYEES REMUNERATION & BENEFITS**

Salary	1,125,428.25	749,958.00
Staff Welfare	50,036.50	50,278.50
	<u>1,175,464.75</u>	<u>800,236.50</u>

**SCHEDULE - 9****NOTES TO THE ACCOUNTS****Auditors Reports to the Members of S.P.Capital Financing Ltd.****A) Significant Accounting Policies:****1) General:**

- a) The Financial statements have been prepared as per the historical cost convention on accrual basis of accounting and on the Accounting principal of going concern.
- b) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.
- c) Figures in respect of the previous year have been re-grouped and rearranged wherever necessary.

2) Fixed Assets:

Fixed Assets both owned and leased are stated at cost of acquisition.

3) Depreciation:

Depreciation has been provided on Straight Line Method as specified in Schedule XIV of the Companies Act, 1956.

4) Investments / Stock in Trade:

Securities are classified into long-term investments or stock-in-trade as considered appropriate by the management.

5) Provision in Respect of Non Performing Assets:

The assets have been classified as non performing on the basis of periodical review of receivables, legal, status and opinion of the management regarding recoverability, adequate provision have been made in accordance with the prudential norms and guidelines prescribed by Reserve Bank of India vide their notification dated 12th May 1998.

B) NOTES TO THE ACCOUNTS:**6) Revenue Recognition:**

- a) Sale of securities is recognized as sale on the basis of the date on the broker's note.
- b) All other items of income are accrued to the extent there is reasonable certainty of realization.
- c) Preliminary Expenses is not written off by the Company.

7) Loans & advances:

In the opinion of the board and to the best of their knowledge and belief the value of realization of loans, advances & current assets in the ordinary course of business will not be less than the amount at which they are state in the balance sheet.

As per our report of even date
For P.M. PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS

For & on behalf of the Board
S.P. JAIN
CHAIRMAN

BALDEV L. BOOLANI
DIRECTOR

HASMUKH SHETH
DIRECTOR

P.M. PANDAY
(PROPRIETOR)

D.P. JAIN
DIRECTOR

BHUPENDRA T. SHAH
DIRECTOR

MEENA JAIN
DIRECTOR

MUMBAI
DATE : 30/05/2009

**Additional Information pursuant to part VI to the Companies ACT, 1956.**

I. Registration Details		
Registration No.	29494	
State Code	11	
Balance Sheet Date	AS AT 31ST MAR' 09	AS AT 31ST MAR' 08
II. Capital Raised During the year		
Public Issue (Issue through prospect)	-	-
Right Issue	-	-
Bonus Issue	-	-
Private Placement	-	-
III. Position of Mobilisation and Deployment of fund		
Total Liabilities	125,480,009	124,149,614
Total Assets	125,480,009	124,149,614
Sources of Fund		
Paid - up Capital	59,832,027	59,832,027
Reserve & Surplus	61,037,982	59,707,587
Secured Loans	-	-
Unsecured Loans	4,610,000	4,610,000
Application Money		
Application of Funds		
Net Fixed Assets	1,114,291	2,180,964
Investments	-	-
Net Current Assets	121,253,796	118,856,728
Misc. Expenditure	3,111,922	3,111,922
Accumulated Losses	-	-
Performance of Company		
Turnover / Receipt	94,996,412	97,458,681
Total Expenditure	93,416,017	93,449,120
Profit / Before Tax	1,580,395	4,009,561
Profit / After Tax	1,330,395	3,359,561
Earning per Share in Rs.	0.22	0.56
Dividend	0%	0%
IV. Generic Name of Principal Products of Company (As per Monetary Terms)		
Item Code No.	-	-
Product Description	-	-

As per our report of even date
For **P.M. PANDAY & ASSOCIATES**
CHARTERED ACCOUNTANTS

For & on behalf of the Board
S.P. JAIN
CHAIRMAN

BALDEV L. BOOLANI
DIRECTOR

HASMUKH SHETH
DIRECTOR

P.M. PANDAY
(PROPRIETOR)

D.P. JAIN
DIRECTOR

BHUPENDRA T. SHAH
DIRECTOR

MEENA JAIN
DIRECTOR

MUMBAI
DATE : 30/05/2009

**CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS****31ST MARCH, 2009****(Rs. In Lacs)**

A. CASH FLOW FROM OPERATING ACTIVITIES :	AS AT 31ST MAR' 09	AS AT 31ST MAR' 08
Net Profit before tax and extraordinary items	15.80	40.10
Adjustment for :	6.36	6.68
Add : Depreciation	22.16	46.78
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	44.32	93.56
Adjustment for :		
1. Trade and other receivables	(312.72)	260.44
2. Trade Payables and other Liabilities	(4.08)	(110.92)
3. Decrease in Stock in Trade	80.49	104.27
CASH GENERATED FROM OPERATION	(192.00)	146.95
1. Direct Tax	(2.50)	(6.50)
2. Preliminary and share Issue expenses in	-	-
NET CASH USED IN OPERATING ACTIVITIES	(194.50)	140.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sales of Fixed Assets	4.31	-
Increase in Investments	-	-
NET CASH FROM INVESTING ACTIVITIES	4.31	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of share cap.(include.Pre)	-	0.17
Increase in borrowings	-	-
Dividend paid	-	-
Redemption of Preference Share Capital	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES	-	0.17
NET INCREASE/ (DECREASE) IN CASH OR CASH EQUIVA	212.34	(294.24)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	294.73	0.49
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	82.39	294.73

As per our report of even date

**For P.M. PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS**

For & on behalf of the Board

**S.P. JAIN
CHAIRMAN****BALDEV L. BOOLANI
DIRECTOR****HASMUKH SHETH
DIRECTOR****P.M. PANDAY
(PROPRIETOR)****D.P. JAIN
DIRECTOR****BHUPENDRA T. SHAH
DIRECTOR****MEENA JAIN
DIRECTOR**

MUMBAI

DATE : 30/05/2009

To,
The Board of Directors
S.P.Capital Financing Ltd,
908, Dalamal Tower, 211, Nariman Point,
Mumbai – 400 021.

We have examined the attached cash flow statement of S.P.Capital Financing Ltd for the year ended 31st March 2009. The statement has been prepared by the company in accordance with the requirements of listing agreement Clause 32 with the Stock Exchange, Mumbai and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30th May 2009 to the members of the company.

**P.M. PANDAY & ASSOCIATES
CHARTERED ACCOUNTANTS****MUMBAI
DATE: 30.05.2009****P.M. PANDAY
(PROPRIETOR)**



SP CAPITAL
FINANCING LTD.

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

ATTENDANCE SLIP

Regd. Folio No. _____ No. of Shares held _____

I hereby record my presence at 26th Annual General Meeting of the Company to be held of 30th day of Sept. 2009 at 3.00 p.m. at 908, Dalamal Tower, 211, Nariman Point, Mumbai - 400 021.

Member's/Proxy's Name

Member's/Proxy's Signature

SP CAPITAL
FINANCING LTD.

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

Regd. Folio No. _____ No. of Shares held _____

I/We _____

of _____

being a member/members of S P Capital Financing Limited hereby appoint _____

_____ of failing him/her, Shri/Smt. of _____

as my/our proxy to attend and vote for my/us on my/our behalf at the 26th Annual General Meeting of the Company to be held on 30th Sept. 2009 at 3.00 p.m. at 908, Dalamal Tower, 211, Nariman Point, Mumbai - 400 021, and any adjournment thereof.

Signed this _____ day of 2009.



Signature

NOTE : The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the meeting.

BOOK-POST

To,

If undelivered please return to :-



SP CAPITAL

FINANCING LTD.

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

DAS PRINTING : 40026615/16