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SPA Capital Services Ltd.

CIN: L65910DL1984PLC018749

25, C-Block Community Centre

Janak Puri, New Delhi-110 058

Tel. : 011-25517371, 45675500

Fax : 011-25572342

Email : info@spacapital.com

September 05, 2020

The BSE Ltd.

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Phones: 022 - 2272 1233
Fax: 91-22-22721919

Security Code No.: 542376

Dear Sir,

Subject: Submission of Annual Report for the financial year 2019-2020

Pursuant to the provisions of the Regulation 30 read with Para A of Part A of Schedule III and Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith a copy of the Annual Report of the Company for the financial year 2019-20, including the Notice convening the Annual General Meeting ("AGM") of the members of SPA Capital Services Limited on Wednesday, the 30th day of September, 2020 at 25, C - Block, Community Centre, Janakpuri New Delhi - 110 058 at 11:30 A.M.

A copy of the Annual Report is also available on the website of the Company at <http://www.spacapital.com/CapitalServices/>.

Further, the Annual Report including the Notice convening the AGM is being dispatched to the members whose name appear in the Company's Register of Members / Beneficial Owners maintained by the Depositories, as on Friday, August 28, 2020.

Please take the above information on record and disseminate the same on your website.

Thanking You.

Yours faithfully,
For SPA Capital Services Limited

Sandeep Parwal
Chairman Cum Managing Director
DIN: 00025803
Address: C-1/8, Janak Puri,
New Delhi - 110 058





**SPA CAPITAL SERVICES
LIMITED**

36th Annual Report

2019-2020

BOARD OF DIRECTORS	Mr. Sandeep Parwal - Chairman Cum Managing Director (Promoter) Mrs. Honey Parwal - Non Executive Director (Promoter) Mr. Ramesh Menon - Independent Director Ms. Sugeeta Upadhyay - Independent Director
STATUTORY AUDITORS	M/s. SNMG & Co, Chartered Accountants Delhi
CHIEF FINANCIAL OFFICER (CFO)	Mr. Sanjay Kumar Jain
COMPANY SECRETARY	Ms. Kajal Gupta
BANKERS	Axis Bank Limited Lakshmi Vilas Bank Limited RBL Bank Limited State Bank of India Syndicate Bank IndusInd Bank Limited
REGISTERED OFFICE	25, C - Block, Community Centre, Janakpuri New Delhi - 110 058
REGISTRAR AND SHARE TRANSFER AGENT (RTA)	MAS Services Limited T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Tel.: +91-11-26387281-83 Fax: +91-11-26387384 E-mail: info@masserv.com Website: www.masserv.com Contact Person: Mr. Sharwan Mangla
LISTING	Bombay Stock Exchange
WEBSITE	http://www.spacapital.com/CapitalServices/

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the members of SPA Capital Services Limited will be held on Wednesday, the 30th day of September, 2020, at 11:30 AM at the Registered office of the Company at 25, C - Block, Community Centre, Janakpuri, New Delhi - 110 058 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement (both on standalone and consolidated basis) comprising of Balance Sheet as at March 31, 2020, 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 Ms. Honey Parwal, (DIN No. 00025835) who retires by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **APPOINTMENT OF MS. SUGEETA UPADHYAY (DIN: 08807969) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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 Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), and pursuant to applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Ms. Sugeeta Upadhyay (DIN: 08807969), who was appointed as an Additional Director categorized as an Independent Director of the Company with effect from July 27, 2020 by the Board of Directors on the recommendations of the Nomination and Remuneration Committee pursuant to Section 161(1) of the Companies Act, 2013 and who holds office up to the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013 and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to her

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appointment as an Independent Director of the Company for a term of five consecutive years from July 27, 2020 to July 26, 2025 and the term shall not be subject to retirement by rotation."

Date: September 02, 2020
Place: New Delhi

By the Order of the Board of
SPA Capital Services Limited



A handwritten signature in black ink, appearing to read "Kajal Gupta".

Kajal Gupta
Company Secretary & Compliance Officer
ACS: 51617
Address: 8/301, Old Post Office Street,
Chotta Bazaar, Shahdara, Delhi - 110 032

Registered Office Address: 25, C - Block, Community Centre,
Janak Puri, New Delhi - 110 058
CIN: L65910DL1984PLC018749
Website: <http://www.spacapital.com/CapitalServices/>
E-mail: listing@spacapital.com
Tel: 011 - 4567 5500

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which set outs details relating to Special Business at the meeting, is annexed hereto.
2. **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.
3. A blank proxy form is being sent herewith. Members /Proxy holder must bring the attendance slip (attached herewith) duly signed, to the meeting hall and handover it at the entrance of the meeting hall. 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.
4. The instrument appointing proxy, duly stamped, completed and signed, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Corporate Shareholders must be supported by appropriate resolution issued on behalf of the nominating companies.
5. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are sent herewith in the e-voting communication.

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Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

6. In terms of the provisions of Section 152 of the Act, Ms. Honey Parwal, Director, retire by rotation at the Meeting. The Board of Directors of the Company recommended her re-appointment. Ms. Honey Parwal and Mr. Sandeep Parwal are interested in the Ordinary Business set out at Item No. 2 of the Notice with regard to his re-appointment. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the business set out under Item Nos. 1 to 3 of the Notice.
7. Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
8. The Company has not declared any dividend in the past Seven (7) financial years, accordingly the disclosure requirements as set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, in relation to the transfer of unpaid or unclaimed dividend to the Investor Education and Protection Fund, are not applicable on the Company.
9. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
10. The Register of Directors & KMP and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 would be kept open for inspection and would be made accessible to any person attending the same.
11. The Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company duly certified copy of the relevant Board resolution authorizing such representatives to attend and vote on their behalf at the meeting.
13. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days up to the date of Annual General Meeting i.e. September 30, 2020 between 11:00 A.M. and 1:00 P.M.
14. Members are requested to write their folio number in the attendance slip for attending meeting.
15. Pursuant to provisions of Section 101 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Notice of General Meeting and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participants. Members who have not registered their e-mail address with the Company can now register the same by sending a communication to the Company at listing@spacapital.com or to the RTA, M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II New Delhi - 110 020 at sm@masserv.com. Members holding Shares in demat form are requested to register their e-mail address with their Depository Participants only. Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.
16. In support of the Green initiative by Ministry of Corporate Affairs and pursuant to section 101 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Notice of Annual General Meeting and Attendance Slip are being sent in electronic mode to members whose e-mail address are registered with the Company or the Depository Participants, unless the members have registered their request for the hard copy of the same. Physical copy of the Notice of Annual General Meeting and

Attendance Slip are being sent to those members who have not registered their e-mail address with the Company or the Depository Participants. Further the Notice of Annual General Meeting and Attendance Slip are also being sent to all the Directors and the Auditors of the Company. The said Notice of the Meeting is also posted on the website of the Company at <http://www.spacapital.com/CapitalServices/>.

17. Members are requested to note that MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II New Delhi – 110 020, is the Registrar and Transfer Agent (RTA) to look after the work related to shares held in physical and dematerialized form.
18. Members are requested to immediately notify to the Company or the RTA any change in their address and/or bank mandate in respect of shares held in physical form and to their Depository Participants (DPs) in respect of shares held in the dematerialized form.
19. Any member proposing to seek any clarification on the accounts is requested to send the queries to the Company at its registered office or through E-mail at listing@spacapital.com at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
21. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website at <http://www.spacapital.com/CapitalServices/> under the section investors.
22. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.
23. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 23, 2020.
24. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 23, 2020, can obtain the login ID and password by sending a request at info@masserv.com RTA MAS Services Limited. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
25. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
26. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 23, 2020 only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
27. Mr Karan Singh , M/s. KARAN S & ASSOCIATES, Company Secretary in Practice (COP No - 22970), having its office at 1459, First Floor, Punjabi Mohalla, Shora Kothi, Subzi Mandi, Delhi-110007, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
28. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

29. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 24 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
30. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. <http://www.spacapital.com/CapitalServices/> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Ltd., where the shares of the Company are listed.
31. In case of any grievances related to the E-voting the following officials can be contacted:
Name: Mr. Rakesh Dalvi
Designation: Manager
Address: Central Depository Services (India) Limited (CDSL)
Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai – 400 013
E-mail Id: helpdesk.evoting@cdslindia.com
Phone No.: 022-23058542
32. The Route Map of the venue of the Annual General Meeting forms part of this Notice.

INSTRUCTIONS FOR REMOTE E-VOTING

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as may be amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional. A member can opt for a single mode of voting i.e. through remote e - voting or voting at the Annual General Meeting. In case members cast their vote both via physical ballot paper and e-voting, then voting through e-voting shall prevail and voting done by ballot paper shall be treated as invalid.

The e-voting period shall commence on September 25, 2020 at 09:00 A.M. and will end at 05:00 p.m. on September 29, 2020. The remote e-voting module shall be disabled by CDSL at 05:00 P.M. on the end date of the voting period.

The stepwise procedure and instructions for e-voting is given hereunder for easy reference:

- (i) The shareholders need to visit the e-voting website <http://www.evotingindia.com/>.
- (ii) Click on "Shareholders" module.
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is mentioned in email..
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution on which you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES :

1. **For Physical shareholders**- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, and copy of PAN card to info@masserv.com
2. **For Demat shareholders** - Kindly update your email id with your depository participant and send copy of client master to info@masserv.com

"NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING"

Date: September 02, 2020
Place: New Delhi



**By the Order of the Board of
SPA Capital Services Limited**

Kajal Gupta
Company Secretary & Compliance Officer
ACS: 51617
**Address: 8/301, Old Post Office Street,
Chotta Bazaar, Shahdara, Delhi - 110 032**

**Registered Office Address: 25, C - Block, Community Centre,
Janak Puri, New Delhi - 110 058**
CIN: L65910DL1984PLC018749
Website: <http://www.spacapital.com/CapitalServices/>
E-mail: listing@spacapital.com
Tel: 011 - 4567 5500

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
("THE ACT")**

ITEM No. 03:

**APPOINTMENT OF MS. SUGEETA UPADHYAY (DIN: 08807969) AS INDEPENDENT DIRECTOR
OF THE COMPANY:**

Ms. Sugeeta Upadhyay (DIN: 08807969) was appointed as an Additional Director categorized as an Independent Director by the Board of Directors by passing resolution by circulation on July 27, 2020, based upon the recommendations of the Nomination and Remuneration Committee of the Company. In terms of sub-section (1) of Section 161 of the Companies Act, 2013, she holds office as an Additional Director, upto the date of this Annual General Meeting of the Company.

The Company has received a notice from a member in writing proposing her candidature for the office of Independent Directors of the Company. The Nomination and Remuneration Committee of the Board ("NRC") and the Board has considered her candidature and recommended her appointment as a Non-Executive Independent Director of the Company, for a term of five consecutive years from July 27, 2020 to July 26, 2025 and the term shall not be subject to retirement by rotation.

In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 for his appointment as an Independent Director.

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

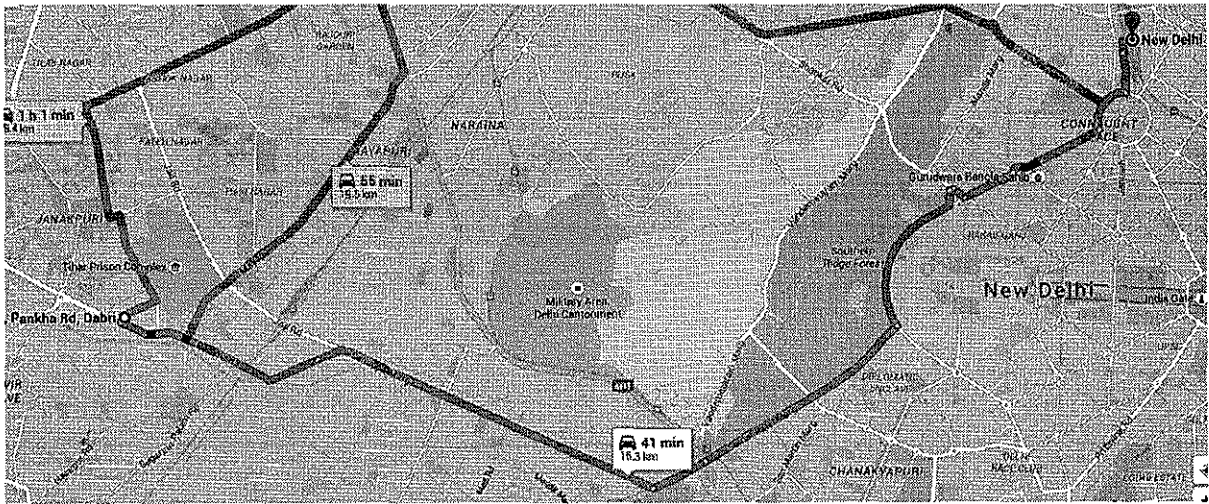
Accordingly, the resolution set out at Item No. 3 of the Notice for the appointment of Ms. Sugeeta Upadhyay (DIN: 08807969) as Director (Non- Executive Independent Director), not liable to retire by rotation is placed before the members for approval by way of an Ordinary Resolution.

**Details of the Directors retiring by rotation/seeking appointment/re-appointment at the
36th Annual General Meeting**

{In pursuance of Secretarial Standard on General Meetings (SS-2) & Regulation 36 (3) of SEBI
(Listing Obligations & Disclosure Requirements) Regulations, 2015}

Name of Director	Ms. Honey Parwal (DIN: 00025835)	Ms. Sugeeta Upadhyay (DIN: 08807969)
i) Date of Birth/Age	18/06/1970 (50 years)	26/06/1966 (54 years)
ii) Qualifications	B. Sc (Hons)	Ph. D, Economics
iii) Experience (including expertise in specific functional area) / Brief Resume	22 Years (Ms. Honey Parwal is having rich experience of over two decades, in the field of Human resource, Administration and Management) http://www.spacapital.com/CapitalServices/BoardOfDirectors.aspx	30 years, having rich experience in the domain of Banking, Finance & Economic Affairs and preparing representations on emerging issues http://www.spacapital.com/CapitalServices/BoardOfDirectors.aspx
iv) Terms and Conditions of Re-appointment	Non - Executive Women Director	Independent Director
v) Details of Remuneration sought to be paid	Nil	Nil
vi) Last Remuneration drawn	Nil	Nil
vii) Date of first appointment on the Board	25/09/2017	27/07/2020
viii) No. of shares held in the Company	1,75,000	Nil
ix) Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Wife of Mr. Sandeep Parwal, Chairman Cum Managing Director of the Company	NA
x) No. of Board Meetings attended/held during Financial Year 2019-20	5/5	NA
xi) Directorships held in other companies	<ul style="list-style-type: none"> • Bhoopati Trading Private Limited • Bluemoon Financial Services Private Limited • Parth Infracon Private Limited • Simplex Construction Private 	NA

	Limited <ul style="list-style-type: none"> • Vijay Shree Builders Private Limited • Wintech Marketing Private Limited • SPA Capital Advisors Limited 	
xii) Chairman/Member of the Committee of the Board of Directors as on March 31, 2020 - Committee position held in other companies		
a. Audit Committee	-	-
b. Stakeholders' Relationship Committee	-	-
c. Other Committees	-	-



SPA CAPITAL SERVICES LIMITED

Sr. No.....

ATTENDANCE SLIP

36th Annual General Meeting of SPA Capital Services Limited held on Wednesday, the 30th day of September, 2020 at 25, C – Block, Community Centre, Janakpuri New Delhi - 110 058 at 11:30 AM

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

I/We hereby record my/our presence at the 36th Annual General Meeting of the Company held on Wednesday, the 30th day of September, 2020 at 25, C – Block, Community Centre, Janakpuri New Delhi - 110 058 at 11:30 AM.

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.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN	NO.OF SHARE(S)
«EVEN»	«USER»	«PASS»	«HOL»

NOTES:

1. You are requested to sign and hand over the Attendance Slip at the entrance.
2. *Applicable for Investor(s) holding share(s) in demat form.
3. Each equity share of the Company carries one vote.

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: **L65910DL1984PLC018749**
Name of the Company: **SPA CAPITAL SERVICES LIMITED**
Registered Office: **25, C - Block, Second floor, 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 36th Annual General Meeting of the Company, to be held on Wednesday, the 30th day of September, 2020 at 25, C - Block, Community Centre, Janakpuri New Delhi - 110 058 at 11:30 AM and at any adjournment thereof in respect of such resolutions/items of Agenda as are indicated below:

S. No.	Resolution	For	Against
	ORDINARY BUSINESS		
1.	To receive, consider and adopt the Audited Financial Statement comprising of Balance Sheet as at March 31, 2020, 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 Ms. Honey Parwal, (DIN No. 00025835) who retires by rotation and, being eligible, offers herself for re-appointment.		
	SPECIAL BUSINESS		

3.	Appointment of Ms. Sugeeta Upadhyay (DIN: 08807969) as independent director of the company		
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Signed this..... day of, 2020.

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.

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

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting herewith their 36th 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, 2020.

FINANCIAL HIGHLIGHTS

Key highlights of financial performance for SPA Capital Services Limited for the financial year 2019-20 are tabulated below:

Particulars	Standalone		Consolidated
	March 31, 2020	March 31, 2019	March 31, 2020
Sales	-	5036.39	-
Brokerage Income	3207.67	3989.90	3207.67
Income from Advisory Services / Management Fees	-	554.27	-
Interest and Dividend Income	59.52	269.95	59.52
Profit from Trading in Derivatives	-	-	-
Other Income	3.47	3.74	3.47
Total income	3270.66	9854.25	3270.66
Total Expenditure	3200.91	9737.81	3200.91
Profit before Exceptional and Extraordinary Items and Tax	69.75	116.44	69.75
Less: Exceptional Items	(0.81)	(6.92)	(0.81)
Less: Prior Period Items	-	-	-
Profit before Tax	68.94	109.52	68.94
Less: Total Tax expenses	53.16	52.19	53.16
Profit/(Loss) for the period	15.78	57.33	15.78
Profit/Loss Share in Associate	-	-	(0.41)
Profit for the year	-	-	15.37
Other Comprehensive Income net of tax	(93.87)	-	(93.87)
Total Comprehensive Income for the Year	(78.09)	57.33	(78.50)
Earnings per Share (Equity Shares of face value Rs.10/- each)			
- Basic	(2.54)	1.86	(2.55)
- Diluted	(2.54)	1.86	(2.55)

ECONOMIC OVERVIEW

India's mutual fund (MF) industry is currently experiencing a state of flux; while ample opportunities are knocking at the door, its equally concerned with the numerous challenges.

However, as Albert Einstein states, 'in the middle of difficulty lies opportunity', the dictum is equally applicable to India's mutual fund industry.

The Indian capital markets have witnessed a marked shift in the last few years, largely owing to the mutual fund industry which has been instrumental in channelizing retail savings into the capital markets in a big way.

The steady shift in savings pattern in favour of equities through SIP (systematic investment plan) in mutual funds has resulted not only in a significant rise in the Indian equity ownership, but also contributing as a strong counterbalance to foreign institutional investors.

With only 2 crore investors investing in mutual funds, the industry body pointed out the significant untapped potential for growth in the Indian mutual fund space.

FY 19-20 was an eventful year for the global economy. During the first nine months, trade tensions between US and China, subsequent Phase-I agreement, geopolitical tensions between US & Iran, growth slowdown in China, uncertainty around BREXIT, among others were the key developments. Events took an unfortunate turn with the outbreak of Covid-19 in the last quarter of FY 19-20. Till February 2020, cases were largely concentrated in Hubei province of China but by March 2020, all major countries were impacted and it was declared a Global Pandemic by the World Health Organisation (WHO). To contain the outbreak, many economies implemented partial or full shutdown which, in turn, significantly disrupted the economic activity and resulted in large job losses. Most asset classes including equities and commodities fell sharply, and there was a substantial increase in volatility in the financial markets. Oil prices, in particular, fell to unprecedented levels (brent crude price fell below US\$ 20/ barrel) due to severe demand destruction because of lockdown and breakdown of alliance between OPEC and Russia following disagreement regarding cut in oil production.

In view of the above developments, International Monetary Fund (IMF) revised down its Global GDP growth forecast for Calendar Year (CY) 2020 to -3% from +3.3%. However, it expects the growth rate to bounce back to 5.8% in CY 2021 owing to a low base and normalisation of economic activity.

With a view to cushion the economic impact, most global central banks reduced the policy rates significantly. US Fed reduced the target fed fund rate by 150 bps (in addition to 75 bps rate cut in 9MFY20) and brought it down to near zero in March 2020. US Fed and ECB also restarted their Quantitative Easing (QE) programme to support liquidity. US Fed also took steps like providing US\$ swap lines to major central banks, launching facilities to purchase corporate bonds & commercial papers, among others to ease liquidity. This was supplemented by fiscal stimulus measures by many countries, notable being US and Japan who announced fiscal stimulus to the tune of ~10% and ~20% of their GDP respectively. Major fiscal measures included cash transfers, interest free loans, supporting exports, reduction in taxes and so on.

Future outlook

The AUM of the mutual fund industry in India has grown at a CAGR of 15.5% over the past five years, with the equity AUM growing at a CAGR of 17.3%. Rising awareness about benefits of investing in equity markets, growing popularity of ways of investing, such as SIP, are some of the

factors contributing to the increased participation of domestic individual investors in the Indian mutual fund industry. The MAAUM of individual investors in the industry has reached INR 12.9 Lakh Crore in March 2020 and has recorded a growth of 18.2% since March 2015. The number of individual folios have increased from 4.14 Crore to 8.93 Crore in this period. Net inflows into the industry over the past five fiscal years were INR 9.46 Lakh Crore, of which INR 6.47 Lakh Crore have been in equity-oriented schemes. On the other hand, fixed income products including liquid funds have seen increased popularity amongst corporate, as well as retail and high net-worth investors.

The monthly SIP flows grew 2.8 times from April 2016, to INR 8,641 Crore in March 2020. The number of SIP transactions processed in March 2020 was 3.12 Crore as compared to 1.01 Crore in April 2016. SIPs offer the benefit of regular investing coupled with benefits of rupee cost averaging and are typically sticky long term inflows and lend visibility and predictability of AUM growth.

In this period, Indian equity markets achieved a healthy balance between the domestic institutional investors (largely Mutual Funds) and Foreign Portfolio Investors (FPIs), thereby significantly reducing the skew towards reliance on FPI inflows, lending more stability to the Indian markets.

We believe we are well-poised to capitalise on the healthy prospects of the industry and further solidify our position in the market. Our strong brand equity, disciplined investment philosophy and robust process, customer-centric approach and expansive reach should facilitate our future growth.

BUSINESS AND OPERATIONAL HIGHLIGHTS

Our revenues primarily consist of revenue from sale of securities, brokerage income from distribution of Mutual Fund and other financial products, income from interest and dividend and is registered as AMFI Registered Mutual Fund Advisory (ARMFA) with Association of Mutual Fund (AMFI).

The Company is also registered with Reserve Bank of India as Non deposit accepting Non Banking Financial Company (NBFC) and has obtained registration as Point of Presence - Sub entity (POP-SE) from Pension Fund Regulatory and Development Authority (PFRDA) for providing various facilities to the Subscribers under the National Pension Scheme (NPS) and rendering other services as specified under the Pension Fund Regulatory and Development Authority Act, 2013.

During the year, the brokerage Income has decreased from Rs. 398,990,195/- in the Financial Year 2018-19 to Rs. 320,767,264/- in the financial year 2019-20.

It is submitted further that the profit before tax decreased from Rs. 1,09,51,783/- in the Financial Year 2018-19 to Rs. 68,94,267 in the financial year 2019-20.

LISTING OF SHARES OF THE COMPANY

With effect from February 07, 2019, the Equity Shares of the Company are being listed on the BSE Limited (BSE). The Company has entered into Listing Agreement with BSE Ltd. in terms of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within the prescribed time limit.

The Company has timely paid the Annual Listing Fees for the financial year 2020-2021.

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 not transferred any amount to the General Reserves.

The Reserves and Surplus of your company stood at Rupees 11,81,52,497/- as at March 31, 2020.

SHARE CAPITAL

The Authorized Share Capital of the Company as at March 31, 2020 is Rs. 50,000,000 divided into 5,000,000 equity shares of Rs. 10/- each. The paid up share capital of the company as at March 31, 2020 is Rs. 30,742,250 divided into 3,074,225 equity shares of Rs. 10/- each.

During the year under review there has been no change in the Authorized and Paid up Share Capital of the Company.

HOLDING / SUBSIDIARY / ASSOCIATE COMPANIES

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

Your company has acquired equity share equivalent to 40.2% of the issued and paid -up share capital of the SPA Investment Adviser Private Limited (Previously known as IFAN Finserv Private Limited) ("Associate Company") on March 29, 2020, from the Promoter and other existing shareholders of the Associate Company. Pursuant to this acquisition SPA Investment Adviser Private Limited (Previously known as IFAN Finserv Private Limited) becomes the Associate Company of your company.

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 2018-19.

EXTRACT OF THE ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013, 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 available on the website of the Company at <http://www.spacapital.com/CapitalServices/SPACapitalServicesMGT.pdf> and the Annual

Return for the Financial year 2018-19 in the MGT-7 is available on the website of the Company at <http://www.spacapital.com/CapitalServices/MGT-7%20-%202018-19.pdf>

STATUTORY AUDITORS

The shareholders of the Company had after considering recommendation of the Audit Committee and Board of Directors re-appointed M/s SNMG & Co., Chartered Accountants (Regn. No. 004921N) as the Statutory Auditors of the Company, to hold office from the conclusion of the 35th Annual General Meeting upto the conclusion of 40th 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.

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.

Qualifications, reservation or adverse remark as made by the Statutory Auditors in their audit report (both on standalone and consolidated basis) for the Financial Year 2019-20 and the management's reply is as follows:

S. No.	Observation	Reply
1.	The company has taken various loans, which were outstanding as on 31st March, 2020. The management has not provided the interest on some of the loans, which constitute a departure from the Accrual basis of accounting. The company's records indicate that an amount of Rs.79,53,482/- has not been provided as interest expenses on these loans, which would have been decrease the profit by Rs. 79,53,482/- and also increase the loan liability by same amount.	Interest of Rs. 79,53,482/- has not been provided in the books as the there is some dispute going on with the concerned parties and management is in view that no provision of interest is required in the books of accounts.

SECRETARIAL AUDITORS

The Company has appointed M/s RMG and Associates, Company Secretaries to conduct the Secretarial Audit for the financial year ended March 31, 2020, pursuant to Section 204 of the Companies Act, 2013 and rules made thereunder.

The Secretarial Audit Report furnished by M/s RMG and Associates is annexed to this report as "Annexure - A".

The Managements' Reply to the observations reported in the Secretarial Audit Report is as follows:

S. No.	Observation	Reply
1.	Mr. Kamal Kishore Somani, Director of	The Resignation of Mr. Kamal Kishore Somani

	the Company, has resigned from the office of Director vide his resignation letter dated July 29, 2019 which was received by the Company on August 30, 2019. The resignation was accepted and taken note in the Board Meeting held on September 02, 2019 as a special agenda item, which seems to be in contradiction to the provision of Section 168(2) of the Companies Act, 2013.	was made effective from September 02, 2019 as a part of settlement arrived at between the Sandeep Parwal group and Kamal Kishore Somani group.
2.	The Company has not filed e-form, MSME Form - I, in terms of Notification issued by the Ministry of Corporate Affairs dated January 22, 2019.	The Company is in the process of creating a robust mechanism for receipt of bills from the vendors/suppliers and to ensure the timely payment thereof.
3.	Resolutions passed by circulation dated September 29, 2018 and October 17, 2018 were taken note in the Board Meeting held on September 14, 2019.	The Resolutions passed by circulation dated September 29, 2018 and October 17, 2018 were taken note in the Board Meeting held on September 14, 2019 to ensure compliance of applicable secretarial standards.

CORPORATE GOVERNANCE

As per the provision of Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance with Corporate Governance provisions as specified in the Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V shall not apply to listed entities having paid-up equity share capital not exceeding Rs. 10 Crores and net worth not exceeding Rs. 25 Crores as on the last date of previous financial year.

The Paid up Equity Share Capital and the Net Worth of the Company is Rs. 3,07,42,250/- and Rs. 16,67,57,461/- respectively, which are less than Rs. 10,00,00,000/- and Rs. 25,00,00,000/ respectively as per the Audited Financial Statements of the company for the Financial year 2019-2020.

Henceforth, Company being falling under the specified limits of above regulation, requirement of giving Corporate Governance report in Annual Report as per the Para C of the Schedule V is exempted to the company and hence not required to be prepared.

However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the company.

CORPORATE SOCIAL RESPONSIBILITY

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, provisions of Corporate Social responsibility is not applicable to the company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Composition and its Meetings

As on March 31, 2020, the Board comprises of 4 Directors (1 Chairman Cum Managing Director, 1 Non- Executive Promoter Director and 2 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 as on March 31, 2020

S No.	Name of the Director	Category
1	Mr. Sandeep Parwal	Chairman Cum Managing Director (Promoter)
2	Mrs. Honey Parwal	Non Executive Director (Promoter)
3	Sugeeta Upadhyay	Independent Director
4	Mr. Ramesh Menon	Independent Director

The Board met 5 (Five) times during the year 2019-2020 on May 28, 2019, September 02, 2019, September 14, 2019, December 13, 2019 and February 14, 2020. 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 2019-20 are as follows:

S. No.	Name of Director	Category	Attendance in FY 2019-20
1	Mr. Sandeep Parwal	Chairman Cum Managing Director (Promoter)	5/5
2	Mr. Kamal Kishore Somani	Non Executive Director (Promoter)	0/2
3	Mr. Mahaveer Prasad Mundhra	Whole time Director	3/3
4	Mr. Vikas Dhingra	Independent Director	0/3
5	Mr. Kamal Binani	Independent Director	0/2
6	Mrs. Honey Parwal	Non Executive Director (Promoter)	5/5

7	Mr. Amit Kumar Jakhotia	Independent Director	5/5
8	Mr. Ramesh Menon	Independent Director	5/5

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

Change in Composition of the Board

During the Year under review following changes were made in the composition of the Board of Directors:

1. Mr. Amit Kumar Jakhotia (DIN: 07947687) has resigned, from the position of the Independent Director of the Company, with effect from the close of business hours of March 19, 2020;
2. Mr. Mahaveer Prasad Mundhra (DIN: 00642941) has resigned, from the position of the whole-time director of the Company, with effect from the close of business hours of September 30, 2019;
3. Mr. Vikas Dhingra (DIN: 00342380) ceased to be the Independent Director of the Company with effect from the close of business hours on September 30, 2019, due to expiry of his term;
4. Mr. Kamal Binani (DIN: 00340348) has resigned, from the position of the Independent Director of the Company, with effect from the close of business hours of September 03, 2019;
5. Mr. Kamal Kishore Somani (DIN: 00254658) has resigned from the position of the Director of the Company with effect from the close of business hours of September 02, 2019;

After the closure of the Financial Year following changes were made in the composition of the Board of Directors:

1. Ms. Sugeeta Upadhyay has been appointed as an additional director categorized as independent director with immediate effect from July 27, 2020.

As per the provisions of Section 152 of the Companies Act, 2013, and in terms of the Articles of Association of the Company, Ms. Honey Parwal, will retire by rotation and further being eligible, has offered herself for re-appointment at the ensuing Annual General Meeting.

Change in Key Managerial Personnel of the Company

During the year under review, Mr. Mahaveer Prasad Mundhra (DIN: 00642941) has resigned, from the position of the whole-time director of the Company, with effect from the close of business hours of September 30, 2019.

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 as on March 31, 2020, the Company has Mr. Ramesh Menon and Ms. Sugeeta Upadhyay as Independent Directors of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on February 14, 2020.

Declaration of Independence

The Company has received declarations from Mr. Ramesh Menon and Ms. Sugeeta Upadhyay, Independent directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Schedule IV and the Rules made thereunder and that they have complied with the provisions of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 for inclusion of their name in the database of Independent Directors.

Performance Evaluation of Independent Directors by the Board

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) Stakeholder Relationship Committee
- 3) Nomination and Remuneration Committee

Audit Committee Composition and its Meetings

As on March 31, 2020 the Audit Committee comprises of 2 Directors i.e. Mr. Ramesh Menon as Chairman who is an Independent Director and Mr. Sandeep Parwal, Chairman Cum Managing Director, which was duly reconstituted on July 27, 2020. Accordingly, now the Audit Committee comprises of 3 Directors i.e. Mr. Ramesh Menon as Chairman who is an Independent Director, Mr. Sandeep Parwal, Chairman Cum Managing Director and Ms. Sugeeta Upadhyay, Independent Director.

The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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 5 (FIVE) times during the year 2019-2020 on May 28, 2019, September 02, 2019, September 14, 2019, December 13, 2019 and February 14, 2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and rules made there under.

Stakeholder Relationship Committee Composition and its Meetings

As on March 31, 2020, the Stakeholder Relationship Committee comprises of 2 Directors i.e. Mr. Ramesh Menon as Chairman who is an Independent Director and Mr. Sandeep Parwal, Chairman Cum Managing Director, which was duly reconstituted on July 27, 2020. Accordingly, now the Stakeholder Relationship Committee comprises of 3 Directors i.e. Mr. Ramesh Menon as Chairman who is an Independent Director, Mr. Sandeep Parwal, Chairman Cum Managing Director and Ms. Sugeeta Upadhyay, Independent Director.

The role, terms of reference and powers of the Stakeholder Relationship Committee are in conformity with the requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Nomination and Remuneration Committee Composition and its Meeting

The composition and terms of reference of the **Nomination and Remuneration** 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. Ramesh Menon as Chairman who is an Independent Director, Ms. Honey Parwal, Director, and Ms. Sugeeta Upadhyay, Independent Director.

Nomination and Remuneration Committee met Three (3) times during the financial year 2019-20 on May 28, 2019, September 02, 2019 and December 13, 2019.

The role, terms of reference and powers of the Nomination and Remuneration Committee are in conformity with the requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

REMUNERATION POLICY

The NR Committee has formulated the criteria for determining the qualifications, attributes & independence of a Director & recommended to the Board, a policy relating to remuneration for the Directors, KMP & Senior Management Personnel.

The Nomination and Remuneration Committee while formulating the policy 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 placed at website of the Company at <http://www.spacapital.com/CapitalServices/RemunerationPolicy.pdf>.

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 Directors & employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. 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

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control, self assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors and statutory auditors during the course of their audits. The Company believes that these systems provide reasonable assurance that Company's internal financial controls are designed effectively and are operating as intended.

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

PERFORMANCE EVALUATION

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors.

In accordance with the manner specified by the NR Committee, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors.

The Independent Directors carried out annual performance evaluation of the non-independent directors and the Board as a whole and the Chairperson.

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, 2020.

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, 2014 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 2019-20 were on "Arm's length" basis and were in the ordinary course of business intended to further the Company's interest.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is put up on the Company's website and can be accessed at <http://www.spacapital.com/CapitalServices/Policy%20on%20Related%20party%20transactions.pdf>

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.

Members may refer Notes the Financial Statement which sets out Related Party Disclosures pursuant to IND AS.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report marked as "Annexure B".

MAINTENANCE OF COST RECORDS

As per the provisions of the Section 148(1) of the Companies Act, 2013 the Company is not required to maintain cost Records. Accordingly such accounts and records are not made and not maintained.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts for financial year ended 31st March, 2020, 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, 2020 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.

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.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and marked as "**Annexure - C**".

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 2019-2020, no complaints were received by the Company related to sexual harassment

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.

Mr. Kamal Kishore Somani, one of Promoter Director of the Company has filed an application u/s 241, 242 and 244 of the Companies Act, 2013, before the National Company Law Tribunal, New Delhi, Principal Bench for seeking an order to restrain the Company from convening the Extra Ordinary General Meeting on November 16, 2018 for the removal of Mr. Kamal Kishore Somani and appointment of Mr. Sanjay Joon as director of the Company, on the requisition of Dhruvtara Trading Private Limited.

However, the National Company Law Tribunal, New Delhi Principal Bench, has vide its Order dated November 16, 2018 in the Company Application No. 422/241-242/PB/2018 in the matter of Kamal Kishore Somani & Ors. Vs. SPA Capital Services Limited & Ors. has stayed the holding of the Extra Ordinary General Meeting on November 16, 2018 by the Company.

Further, in terms of settlement arrived between the parties, petitioner has applied for withdrawal of petition, pursuant to which the Hon'ble NCLT has dismissed the petition vide its order dated September 11, 2019 in the Company Application No. 422/241-242/PB/2018 in the matter of Kamal Kishore Somani & Ors. Vs. SPA Capital Services Limited & Ors.

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

OTHER DISCLOSURES AS PER COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER ARE PROVIDED HEREUNDER

(a) Issue of Equity Shares with Differential Rights: -

During the period under review, the Company has not issued any Equity Shares with Differential Rights.

(b) Issue of Employee Stock Options: -

During the period under review, the Company has not issued any Employee Stock Options.

(c) Issue of Sweat Equity Shares: -

During the period under review, the Company has not issued any sweat equity shares as specified in Rule 8(13) of Companies (Share Capital and Debenture Rules, 2014).

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.


ACKNOWLEDGMENT

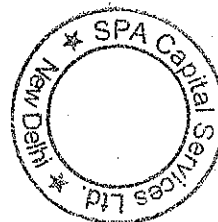
We take this opportunity to express our gratitude to the Shareholders & Investors of the Company for their unflinching trust and support. We would also like to thank the, Regulatory Authorities, and Banks for their cooperation and assistance. We would like to place on record their sincere appreciation 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**

Place: New Delhi
Date: September 02, 2020


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


Honey Parwal
Director
DIN No. 00025835



Annexure - A

RMG & ASSOCIATES

Company Secretaries

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT FOR THE PERIOD ENDED ON MARCH 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9
of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014]

To,
The Members
SPA Capital Services Limited
CIN: L65910DL1984PLC018749
25, C-Block, Community Centre,
Janakpuri, New Delhi-110058

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **SPA Capital Services Limited** (hereinafter referred as 'the Company'), having its Registered Office at **25, C-Block, Community Centre, Janakpuri, New Delhi - 110058**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, *limited to the records provided by the company in e-mode due to the current pandemic COVID-19* and guidelines issue by the government in this regard, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **March 31, 2020**, complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the possible extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on **March 31, 2020** according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder -



207, Buchet Chambers, 1224/5, Bank Street, Karol Bagh, New Delhi-110005, www.rmgcs.com
Phone: 9212221110, 011 - 4504 2509; E-Mail: info@rmgcs.com

- III. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the period under review; **Not applicable since there was no transaction relating to Foreign Direct Investment or Overseas Direct Investment or External Commercial Borrowings.**
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act").
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable as the Company has not granted any options to its employees during the financial year under review;**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable since the company has not listed any Debt Security;**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015. -



- V. As informed by the Management, the company being registered with the RBI as NBFC, following specific laws applicable to the Company during the period under review:
- a) The Reserve Bank of India Act, 1934 and Guidelines, Directions and Instructions issued by Reserve Bank of India prescribed there under. The Company is registered as a Non-Banking Financial Company (Non-deposit accepting or holding) with Reserve Bank of India.
 - b) The SEBI (Mutual Fund) Regulations, 1996.
 - c) AMFI Guidelines (The Company being a Mutual Fund Distributor, is registered under Association of Mutual Funds in India (AMFI) and holds a valid Certificate of Registration obtained from AMFI.
 - d) Pension Fund Regulatory and Development Authority Act, 2013 and Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2015;

For the compliance of Labour laws and other General Laws vis-a-vis the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Maternity Benefits Act, 1961, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the company and to the best of our judgment and understanding of the applicability of the different enactments of the company to monitor and ensure compliance with all application General Laws.

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible, **however the stricter applicability of the Secretarial Standards is to be observed by the Company.**

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following Observations:

1. **Mr. Kamal Kishore Somani, Director of the Company, has resigned from the office of Director vide his resignation letter dated July 29, 2019 which was received by the Company on August 30, 2019. The resignation was accepted and taken note in the Board Meeting held on September 02, 2019 as a special agenda item, which seems to be in contradiction to the provision of Section 168(2) of the Companies Act, 2013.**



2. **The Company has not filed e-form, MSME Form - I, in terms of Notification issued by the Ministry of Corporate Affairs dated January 22, 2019.**
3. **Resolutions passed by circulation dated September 29, 2018 and October 17, 2018 were taken note in the Board Meeting held on September 14, 2019.**

We further report that

- The Board of Directors of the Company is duly constituted with balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were generally carried out in compliance with the provisions of the Act.
- Following change in the composition of the Board took place during the reporting period:
 - i) Mr. Kamal Kishore Somani, Director of the Company, has resigned from the office of director vide his resignation letter dated July 29, 2019 which was received by the company on August 30, 2019. However, the effective date of such resignation was treated as September 02, 2019.
 - ii) Mr. Kamal Binani, Director of the Company, has resigned from the position of Independent Director vide his letter dated September 02, 2019 received by the company vide email dated September 03, 2019. The same was taken on record via Resolution by Circulation dated September 03, 2019.
 - iii) Mr. Mahaveer Prasad Mundhra, Director of the Company, has resigned from the position of Whole-time Director vide his resignation letter dated September 30, 2019. The resignation was accepted and taken note off with effect from September 30, 2019.
 - iv) Mr. Vikas Dhingra, Director of the Company, has resigned from the position of Independent Director vide his resignation letter dated September 30, 2019. The resignation was accepted and taken note off with effect from September 30, 2019.
 - v) Mr. Amit Kumar Jakhotia, Director of the Company, has resigned, from the position of the Independent Director of the Company, vide letter dated March 17, 2020 received by the Company vide E-mail dated March 19, 2020. The resignation was accepted and taken note off with effect from March 19, 2020.
- Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions were carried through, while the dissenting members' views, if any, were captured and recorded as part of the minutes.



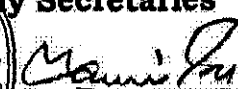
- As per the records, the Company has generally filed forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above: -

- (i) The Board of Directors have authorised Mr. Sandeep Parwal, Managing Director, to invest surplus funds up to Rs. 15 Crores (Rupees Fifteen Crores Only), in the Board Meeting held on February 14, 2020.
- (ii) The Company has altered its main objects, as mentioned in the Memorandum of Association, in the Extra Ordinary General Meeting held on April 24, 2019.
- (iii) The Shareholders in their Extra-Ordinary General Meeting held on April 24, 2019 confirmed the appointment of M/s SNMG & Co., Chartered Accountants (Regn. No. 004921N), as Statutory Auditors in the casual vacancy caused due to the resignation of M/s O. P Mishra & Co., Chartered Accountants (Regn. No. 011873N). Further, M/s SNMG & Co., Chartered Accountants (Regn. No. 004921N) were re-appointed in the Annual General Meeting held on September 30, 2019 for a period of 5 years from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company.
- (iv) The Company instituted a suit in the Hon'ble High Court of Judicature at Bombay being suit (L) No. 876 of 2018 for initiating legal proceeding against Mr. Kamal Kishore Somani (DIN - 00254658) the then Director, Promoter and Shareholder of the Company along with erstwhile employees of the Company stationed at Mumbai Office, due to illegal and fraudulent diversion of Business funds, clientele, resources of the company. Further as per the information provided, Company has settled the matter, out of Court and has filed an application before the Hon'ble High Court of Judicature at Bombay to close the legal proceedings. Hence, the matter was disposed off vide order of Bombay High Court dated November 08, 2019.

Date: 02-09-2020
Place: New Delhi
UDIN : F005123B000647591

For RMG & Associates
Company Secretaries
NEW DELHI

CS Manish Gupta
Partner
FCS : 5123; C.P. No. 4095

Note: This report is to be read with "Annexure" attached herewith and forms an integral part of this report.

Annexure

The Members

SPA Capital Services Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. *During the audit process, reliance was placed on the electronic records for verification due to lockdown and other restrictions announced by the Government of India on accounts of COVID - 19 pandemic.*

Date: 02-09-2020
Place: New Delhi
UDIN : F005123B000647591

For RMG & Associates
Company Secretaries

NEW DELHI
Manish Gupta
CS Manish Gupta
Partner

FCS : 5123; C.P. No. 4095

Annexure - B

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FY 19-20 was an eventful year for the global economy. During the first nine months, trade tensions between US and China, subsequent Phase-I agreement, geopolitical tensions between US & Iran, growth slowdown in China, uncertainty around BREXIT, among others were the key developments. Events took an unfortunate turn with the outbreak of Covid-19 in the last quarter of FY 19-20. Till February 2020, cases were largely concentrated in Hubei province of China but by March 2020, all major countries were impacted and it was declared a Global Pandemic by the World Health Organisation (WHO). To contain the outbreak, many economies implemented partial or full shutdown which, in turn, significantly disrupted the economic activity and resulted in large job losses. Most asset classes including equities and commodities fell sharply, and there was a substantial increase in volatility in the financial markets. Oil prices, in particular, fell to unprecedented levels (brent crude price fell below US\$ 20/ barrel) due to severe demand destruction because of lockdown and breakdown of alliance between OPEC and Russia following disagreement regarding cut in oil production.

In view of the above developments, International Monetary Fund (IMF) revised down its Global GDP growth forecast for Calendar Year (CY) 2020 to -3% from +3.3%. However, it expects the growth rate to bounce back to 5.8% in CY 2021 owing to a low base and normalisation of economic activity.

With a view to cushion the economic impact, most global central banks reduced the policy rates significantly. US Fed reduced the target fed fund rate by 150 bps (in addition to 75 bps rate cut in 9MFY20) and brought it down to near zero in March 2020. US Fed and ECB also restarted their Quantitative Easing (QE) programme to support liquidity. US Fed also took steps like providing US\$ swap lines to major central banks, launching facilities to purchase corporate bonds & commercial papers, among others to ease liquidity. This was supplemented by fiscal stimulus measures by many countries, notable being US and Japan who announced fiscal stimulus to the tune of ~10% and ~20% of their GDP respectively. Major fiscal measures included cash transfers, interest free loans, supporting exports, reduction in taxes and so on.

These measures helped reduce volatility in financial markets and ease global liquidity. In view of the policy support and gradual reopening of global economy, we believe there are reasons to remain optimistic about global economic growth over the medium-term.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Mutual Fund industry's closing AUM as of March 31, 2020 fell by 6% to INR 22.3 Lakh Crore as against a closing AUM of INR 23.8 Lakh Crore as of March 31, 2019. During this period, the equity oriented AUM fell from INR 10.2 Lakh Crore to INR 8.3 Lakh Crore while the non-equity oriented AUM grew from INR 13.6 Lakh Crore to INR 14.0 Lakh Crore. As can be seen from above, the fall in

overall AUM can be attributed to the fall in equity oriented AUM, which fell by 19% due to the fall in market, primarily in the month of March 2020. The Quarterly Average Assets Under Management (QAAUM) for the industry rose by 10% to INR 27.0 Lakh Crore for the quarter ended March 2020, as against INR 24.5 Lakh Crore for quarter ended March 2019. QAAUM for equity-oriented assets grew by 7% for the quarter ended March 2020 over the quarter ended March 2019, and QAAUM for non-equity assets grew by 13% for the quarter ended March 2020 as against the quarter ended March 2019. During FY 19-20, industry saw net inflows to the tune of INR 0.67 Lakh Crore in equity assets, INR 0.64 Lakh Crore for others (including Arbitrage funds, Exchange Traded Funds (ETF) and Fund of Funds (FoF)), while debt saw outflows to the tune of INR 0.37 Lakh Crore. This means that on overall basis, industry saw net inflows of INR 0.87 Lakh Crore.

As of March 2020, individual investors contributed to 52% of the industry monthly average AUM (MAAUM) adding up to INR 12.9 Lakh Crore, while institutional investors contributed to the tune of INR 11.8 Lakh Crore which is 48% of industry MAAUM. The number of individual live accounts for the industry as of March 31, 2020 stood at 8.93 Crore versus 8.21 Crore as of March 2019. During FY 19-20, the MF industry saw inflows of INR 1 Lakh Crore through systematic investment plans. For the month of March 2020, MAAUM for the industry was split in the ratio of 84-16 between the top 30 cities (T30) and beyond the top 30 cities (B30). The total MAAUM for the industry in March 2020 stood at INR 24.7 Lakh Crore.

2. Opportunities and Threats

(a) Opportunities

India's mutual fund (MF) industry is currently experiencing a state of flux; while ample opportunities are knocking at the door, it's equally concerned with the numerous challenges. However, as Albert Einstein states, 'in the middle of difficulty lies opportunity', the dictum is equally applicable to India's mutual fund industry.

❖ Low mutual fund penetration

The above image indicates that despite the mutual fund industry registering a growth by over 20 per cent, it has only 2 crore investors. The numbers indicate the huge opportunity lying ahead. Industry leaders should focus on the B30 category cities (Tier 2 and 3), where nearly 90 per cent of India's population resides and accounts for nearly 16 per cent. It's time that smaller cities are brought under the wings of the industry.

❖ Rising middle class incomes

Middle class population in India has increased manifold. While 2005, one in 15 households were considered upper middle class, by 2018 it moved to one in five households. Today, India has 6.1 crore upper middle class households with disposable income. However, only 2 crore choose to invest

in mutual funds. How to tap in the remaining four crore? Probably, a new kind of marketing strategy can be the answer.

❖ **Move to market-linked products**

The chart below shows that there is movement from physical (gold, real estate) to financial assets. There is also a shift from traditional products to market-linked ones. Today, people realise that with rising expenses and declining interest rates, some level of market risk is a must, and this is best taken via products like mutual funds.

❖ **Millennials and retirees, two ends of the age spectrum**

Millennials form a third of our population. According to a Deloitte report they contribute 70 per cent of total household income and account for 46 per cent of the workforce. There is no doubt that this segment provides a significant growth opportunity.

However, with the proportion of senior citizens increasing, India will have INR 3.5 crore such individuals by 2030. With increasing life expectancy, lack of social security, rising medical expenses, senior citizens need solutions that not only beat inflation, but also support their golden years. The opportunity lies in offering accumulation solutions to millennials and decumulation solutions to seniors, both of which mutual funds are well suited to do.

❖ **Fixed income products**

Mutual funds have played a key role in developing India's debt market and have emerged as a key source of funding. However, despite the variety of fixed income products, investors have shown preference for equity funds vis-à-vis debt funds.

(b) Threats

❖ **Shifting from awareness to education**

The industry spends two basis points or about Rs.500 crore per annum on investors' education. 50 per cent of which was via AMFI's pretty successful Mutual Funds Sahi Hai campaign. However, need of the hour is to transform mutual funds from a push to a pull product. For example, adding financial investment (mutual funds) in high-school or college curriculum. Such efforts will help in instilling the habit of early savings.

❖ **Need for more distributors**

There is a need for far more distributors and advisors to spread the message of investing in mutual funds far and wide. Indians are usually risk averse and lacks sound financial literacy, thus refrain from investing in market-linked products owing to a lack of understanding.

To address this, we need an army of well-trained financial advisors who can help educate investors about modern investment tools such as mutual funds.

❖ **Mutual Funds will have a tough job to maintain the growth in SIP accounts**

Many new investors that have participated in the markets through mutual fund SIPs over the last few years haven't seen any extended bearish phase of the market. If the markets fail to generate attractive returns even in 2019, some investors might consider discontinuing their SIPs. That's the real challenge mutual fund houses may have to deal with this year.

❖ **Simplified operational processes**

While the mutual fund industry has made significant strides in standardising processes, but few challenges still remain: such as a simplified KYC to make onboarding hassle-free; making Aadhar inter-changeable with PAN; and allowing investments on the basis of 'Bank KYC'.

3. Segment-wise or product-wise performance of the Company

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.

4. Outlook

The AUM of the mutual fund industry in India has grown at a CAGR of 15.5% over the past five years, with the equity AUM growing at a CAGR of 17.3%. Rising awareness about benefits of investing in equity markets, growing popularity of ways of investing, such as SIP, are some of the factors contributing to the increased participation of domestic individual investors in the Indian mutual fund industry. The MAAUM of individual investors in the industry has reached INR 12.9 Lakh Crore in March 2020 and has recorded a growth of 18.2% since March 2015. The number of individual folios have increased from 4.14 Crore to 8.93 Crore in this period. Net inflows into the industry over the past five fiscal years were INR 9.46 Lakh Crore, of which INR 6.47 Lakh Crore have been in equity-oriented schemes. On the other hand, fixed income products including liquid funds have seen increased popularity amongst corporate, as well as retail and high net-worth investors.

The monthly SIP flows grew 2.8 times from April 2016, to INR 8,641 Crore in March 2020. The number of SIP transactions processed in March 2020 was 3.12 Crore as compared to 1.01 Crore in April 2016. SIPs offer the benefit of regular investing coupled with benefits of rupee cost averaging and are typically sticky long term inflows and lend visibility and predictability of AUM growth.

In this period, Indian equity markets achieved a healthy balance between the domestic institutional investors (largely Mutual Funds) and Foreign Portfolio Investors (FPIs), thereby significantly reducing the skew towards reliance on FPI inflows, lending more stability to the Indian markets.

We believe we are well-poised to capitalise on the healthy prospects of the industry and further solidify our position in the market. Our strong brand equity, disciplined investment philosophy and robust process, customer-centric approach and expansive reach should facilitate our future growth.

5. Risks and Concerns

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.

6. 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.

7. Discussion on financial performance with respect to operational performance

Our revenues primarily consist of revenue from sale of securities, brokerage income from distribution of Mutual Fund and other financial products, 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 under review the Company has obtained registration as Point of Presence - Sub entity (POP- SE) from Pension Fund Regulatory and Development Authority (PFRDA) for providing various facilities to the Subscribers under the National Pension Scheme (NPS) and rendering other services as specified under the Pension Fund Regulatory and Development Authority Act, 2013.

During the year, the brokerage Income has decreased from Rs. 398,990,195/- in the Financial Year 2018-19 to Rs. 320,767,264/- in the financial year 2019-20.

It is submitted further that the profit before tax decreased from Rs. 1,09,51,783/- in the Financial Year 2018-19 to Rs. 68,94,267 in the financial year 2019-20.

8. Material developments in Human Resources / Industrial Relations front, including number of people employed

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.

9. Cautionary Statement

The statements describing the Company's outlook, estimates or predictions may be forward-looking statements based on certain assumptions of future events. Actual results may differ materially from those expressed or implied, since the Company's operations are influenced by external or internal factors. Your Company closely monitors all major developments likely to affect the operations and will respond to meet the potential threats and to gain from any possible opportunities.

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



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



**Honey Parwal
Director
DIN No. 00025835**

Place: New Delhi
Date: September 02, 2020



ANNEXURE - C

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

DISCLOSURES WITH RESPECT TO THE REMUNERATION OF DIRECTORS AND EMPLOYEES AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5 (1) COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

S. No.	Names of the Directors/KMP	Designation	Remuneration of Directors/KMPs for the year 2019-2020 (Amount in Rs.)	% Increase in Remuneration in the year 2019-2020	Ratio of Remuneration of each Director to median remuneration of employee
1.	Mr. Sandeep Parwal	Chairman Cum Managing Director (Promoter)	Rs. 36,00,000/-	9.09%	13.71
2.	Mr. Kamal Kishore Somani*	Non Executive Director (Promoter)	Nil	NA	NA
3.	Mr. Mahaveer Prasad Mundhra**	Whole time Director	Rs. 7,50,000/-	Nil	2.86
4.	Mr. Vikas Dhingra***	Independent Director	Nil	NA	NA
5.	Mr. Kamal Binani#	Independent Director	Nil	NA	NA
6.	Mrs. Honey Parwal	Non Executive Director (Promoter)	Nil	NA	NA

7.	Mr. Amit Kumar Jakhotia ^{\$}	Independent Director	Nil	NA	NA
8.	Mr. Ramesh Menon	Independent Director	Nil	NA	NA
9.	Mr. Sanjay Kumar Jain	Chief Financial Officer	Rs. 25,75,000/-	33.04%	9.81
10.	Ms. Kajal Gupta	Company Secretary and Compliance Officer	Rs. 5,56,264/-	NA	2.12

*Resigned with effect from September 02, 2019.

** Resigned with effect from September 30, 2019.

*** Ceased to be the independent director of the Company with effect from September 30, 2019.

Resigned with effect from September 03, 2019.

\$Resigned with effect from March 19, 2020.

2. **The percentage increase in the median remuneration of employees in the financial year: (27.19%)**
3. **the number of Permanent employees on the rolls of the company as on March 31, 2020 : 58**
4. **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile decrease in the salaries of employees other than the managerial personnel is 37.21%. Decrease in remuneration of managerial personnel is 19.68%.

5. **Affirmation that the remuneration is as per the remuneration policy of the company:**

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Details of Top Ten Employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Name, Age and Designation of the Employee	Remuneration received	Qualifications and experience of the employee	Date of commencement of employment	Last employment held by such employee before joining the company	Percent age of equity shares held by the employee in the company	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	MR. SANDEEP PARWAL , 55 yrs, Chairman Cum Managing Director	Rs. 36,00,000/-	B. Com., CA, 33 yrs	01-01-1996	NA	8.21%	Husband of Ms. Honey Parwal
2.	MR. ANIL MAHAJAN , 66 yrs, Associate Director	Rs. 33,58,013/-	BA, MBA (Finance) , 42 yrs	23-05-2018	Punjab National Bank	NA	NA

3.	MR. ROHIT VAJPEYI, 50 yrs, Vice President	Rs. 32,06,264/-	PGDM, 26 yrs	15-11-2006	UTI Asset Management Company	NA	NA
4.	MR. SATISH KUMAR BRUDYANN, 42 yrs, Vice President	Rs. 25,87,802/-	B.com, MCA, 24 yrs	01-06-2010	F&F Global Pvt Ltd	NA	NA
5.	MR. SANJAY KUMAR JAIN, 53 years, Chief Financial Officer	Rs. 25,75,000/-	B. Com, 33 years	01-01-1993	NA	0.29%	NA
6.	MR. SANJAY JOON, 53 yrs, Sr. President	Rs. 22,68,288/-	MBA, 30 yrs	01-01-1993	Heiza Brokers Pvt. Ltd.	0.29%	NA
7.	MR. RASHIM BAGGA, 50 yrs, Associate Director	Rs. 12,83,555/-	ISC, M.Com, PG (Marketing & Sales Management), 27 yrs	17-04-2018	DHFL Pramerica Asset Managers Pvt.Ltd.	NA	NA
8.	MR. BHARAT RAJ SIKRI, 50 yrs, Sr. Vice President	Rs. 12,76,960/-	B.com, CA, 24 yrs	01-06-2001	Sudhir Maliks Associates	NA	NA

9.	MR. ANUPAM KALITA, 40 years, Asst. Vice President	Rs. 12,08,100/-	Graduate, 17 years	01-08-2018	HDFC Bank Ltd	NA	NA
10	MR. ANIL DHOOT, 45 years, Senior Manager - Mutual Fund	Rs. 11,96,544/-	Graduate, 20 years	16-10-2000	White Line Airways	NA	NA

All the above employees are on the permanent roll of the Company.

B. Details of Employees employed throughout the Financial year who were in receipt of the remuneration for that year which, in aggregate, was not less than Rs. 1.02 crore:

NIL

C. Employees employed for a part of the Financial year and who were in receipt of the remuneration for that Financial year at a rate not less than Rs. 8,50,000 per month :

NIL

For & on behalf of the Board
SPA Capital Services Limited



Sandeep Parwal
Chairman Cum Managing
Director
DIN No. 00025803



Honey Parwal
Director
DIN No. 00025835

Place: New Delhi
Date: September 02, 2020



SNMG & CO.
CHARTERED ACCOUNTANTS
F-378, SARITA VIHAR
NEW DELHI-110076
Ph. 29948663 / 29948664 Fax : 26948000
email : gargrk58@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPA CAPITAL SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **SPA CAPITAL SERVICES LIMITED** ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The company has taken various loans, which were outstanding as on 31st March, 2020. The management has not provided the interest on some of the loans, which constitute a departure from the Accrual basis of accounting. The company's records indicate that an amount of Rs.79,53,482/- has not been provided as interest expenses on these loans, which would have been decreased the profit by Rs. 79,53,482/- and also increased the loan liability by same amount.



Information other than Financial Statements and Auditors Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial and the Cash Flow Statement of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Board of Directors is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

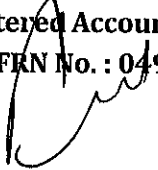
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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".
- (g) With respect to the matter to be included in the Auditors' Report under section 197(16):



In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with 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 which would impact its financial position
 - ii. The Company has no long-term contracts as at 31st March, 2020 and therefore there are no material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2020.

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N


CA Deep Chand Garg
Partner
Membership No.076117
Gurugram,
Date: 12.08.2020
UDIN: 20076117 AAAA C9 6767



SNMG & CO.
CHARTERED ACCOUNTANTS
F-378, SARITA VIHAR
NEW DELHI-110076
Ph. 29948663 / 29948664 Fax : 26948000
email : gargrk58@gmail.com

Annexure A to the Independent Auditor's Report-31st March 2020

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SPA Capital Services Limited 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 been irregular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Goods and 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, Goods and Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2020 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 SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

CA Deep Chand Garg
Partner
Membership No.076117
Place: Gurugram
Date: 12.08.2020

UDIN: 20076117 AAAAC9 6767



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**Annexure B to the Independent Auditor's Report on the Standalone financial Statements of
SPA Capital Services Limited for the year ended 31st March 2020**

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

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section
of our report to the Members of SPA Capital Services Limited of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of SPA Capital Services Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to



financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "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.

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

CA Deep Chand Garg
Partner

Membership No.076117
Place: Gurugram

Date: 12.08.2020

UDIN: 20076117-AAAA-C9-6767



SPA Capital Services Limited

Standalone Balance Sheet as at March 31st, 2020

(in Rs.)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
Assets			
Non - Current Assets			
Property Plant and equipment	1(i)	1,13,39,644	1,53,30,043
Intangible Asset	1(ii)	9,06,318	15,24,686
Financial Assets			
Investments	2	5,26,24,210	5,46,00,000
Loans	3	43,20,15,729	40,94,21,553
Other Financial Assets	4	2,43,04,685	2,64,83,934
Deferred Tax Asset	5	20,98,169	49,18,817
Other Non Current Asset	6	1,79,65,743	2,64,45,036
Total Non - Current Asset		54,12,54,498	53,87,24,069
Current Assets			
Inventories	7	25,001	25,001
Financial Assets			
Trade Receivable	8	2,85,19,908	4,87,01,872
Cash and Cash Equivalents	9	28,91,365	31,94,260
Current Tax Asset	10	14,48,142	37,62,181
Total Current Asset		3,28,84,417	5,56,83,314
Total Assets		57,41,38,915	59,44,07,382
Equity and Liabilities			
Equity			
Equity Share Capital	11	3,07,42,250	3,07,42,250
Other Equity	12	13,41,36,887	14,19,45,749
Total Equity		16,48,79,137	17,26,87,999
Liabilities			
Non - Current Liability			
Financial Liabilities			
Borrowings	13	23,11,65,167	10,96,10,555
Total Non - Current Liabilities		23,11,65,167	10,96,10,555
Current Liabilities			
Financial Liabilities			
Trade and Other Payables	14	14,33,08,244	25,12,54,746
Other Financial Liabilities	15	2,15,80,539	3,09,46,657
Other Non Financial Liabilities	16	14,48,268	1,39,60,466
Provisions	17	1,17,57,560	1,59,46,959
Total Current Liabilities		17,80,94,611	31,21,08,827
Total Liabilities		40,92,59,778	42,17,19,382
Total Equity and Liabilities		57,41,38,915	59,44,07,382

Significant accounting policies and notes to the Financial Statements

As per our report of even date attached

For and Behalf of the Board of Directors

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

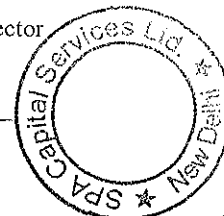
CA Deep Chand Garg
Partner
Membership No.076117



Sandeep Parwal
Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Kajal Gupta
Kajal Gupta
Company Secretary

Honey Parwal
Honey Parwal
Director
DIN No. 00025835



Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer

Place : Gurugram
Date : 12th August, 2020

SPA Capital Services Limited

Standalone Statement of Profit and Loss for the financial year ended March 31st, 2020

		(in Rs.)	
Particulars	Note No.	2019-2020	2018-2019
Income			
Revenue from Operations	18	32,07,67,264	95,80,56,473
Other Income	19	62,99,293	2,73,69,142
Total Income		32,70,66,557	98,54,25,615
Expenses			
Purchase of Stock-In-Trade		-	25,25,95,662
Changes in Inventories of Stock-in-Trade	20	-	25,02,36,129
Employee Benefit Expense	21	5,06,78,037	8,54,60,831
Depreciation and Amortisation Expense	22	39,52,028	45,91,880
Finance Costs	23	1,02,45,781	2,03,86,575
Other Expenses	24	25,52,15,200	36,05,10,348
Total Expenses		32,00,91,046	97,37,81,425
Profit before Exceptional and Extraordinary Items and		69,75,511	1,16,44,190
Exceptional Items	25	(81,244)	(6,92,407)
Extraordinary Items			
Prior Period Items			
Profit before Tax		68,94,267	1,09,51,783
Tax Expenses			
i) Current Tax	26	22,50,000	40,50,000
ii) Deferred Tax	26	28,20,648	8,29,058
iii) Income Tax paid for earlier Years		1,36,570	51,720
iv) Excess provision for earlier years		1,08,701	2,88,200
Total Tax Expenses		53,15,919	52,18,978
Profit after Tax		15,78,348	57,32,805
Profit/Loss Share in Associate			
Profit for the year		15,78,348	57,32,805
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss - Equity instruments through other comprehensive income		(93,87,210)	-
(ii) Income tax relating to Items that will be reclassified to Profit / (Loss)			
Other Comprehensive Income net of tax		(93,87,210)	-
Total Comprehensive Income for the Year		(78,08,862)	57,32,805
Earnings per equity share of Face Value of 1/- each			
Basic earnings per share (in `)		(2.54)	1.86
Diluted earnings per share (in `)		(2.54)	1.86

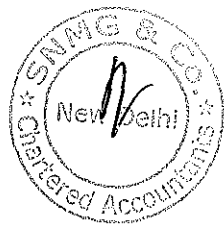
See accompanying notes to the financial statements

As per our report of even date attached

For and on behalf of the Board

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

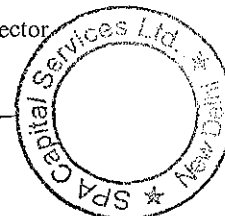
CA Deep Chand Garg
Partner
Membership No.076117



Place : Gurugram
Date : 12th August, 2020

Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Kajal Gupta
Company Secretary



Honey Parwal
Director
DIN No. 00025835

Sanjay Kumar Jain
Chief Financial Officer

SPA Capital Services Limited

Standalone Cash Flow Statement for the year ending March 31, 2020

	Particulars	March 31, 2020	March 31, 2019
A	Cash flow from operating activities		
	Profit for the year before tax	(78,08,862)	91,33,908
	Adjustments for :		
	Depreciation and amortization expense	39,52,028	45,91,880
	Loss on Sale of Asset	81,244	6,92,407
	Interest income	(58,43,743)	2,07,65,839
	Finance Cost	1,02,45,781	-
	Operating profit before working capital changes	6,26,448	3,51,84,034
	Adjustments for working capital		
	(Increase) / Decrease in Inventories	-	25,02,36,129
	(Increase) / Decrease in Trade receivable	2,01,81,964	42,95,553
	(Increase) / Decrease in Loans	(2,25,94,176)	(27,86,18,889)
	(Increase) / Decrease in Other financial assets	21,79,249	-
	(Increase) / Decrease in Other non-financial Assets	1,36,13,980	-
	Increase / (Decrease) in Trade payables	(10,79,46,502)	(1,68,70,122)
	Increase / (Decrease) in other financial and non financial liabilities	(2,60,67,714)	-
		(12,06,33,201)	(4,09,57,329)
	Net cash flow from operating activities	(12,00,06,753)	(57,73,295)
	Tax Paid for Earlier Year	-	(2,88,200)
	Gratuity Paid	-	(1,81,731)
	Income Tax	-	(78,50,000)
	Provision for Gratuity	-	13,29,366
	Contingent Provision against standard assets	-	(1,21,807)
	Contingent Provision against doubtful assets	-	35,00,000
	Net cash generated from Operating activities (A)	(12,00,06,753)	(93,85,667)
B	Cash flow from investing activities		
	Acquire of property, plant and equipment	(2,75,505)	(63,49,599)
	Sale of property, plant and equipment	8,51,000	10,59,800
	Purchase/Sale of investments	19,75,790	-
	Long Term Loans and advances	-	(29,08,980)
	Interest received	58,43,743	-
	Net cash generated from / (used in) investing activities (B)	83,95,028	(81,98,779)
C	Cash flow from financing activities		
	Secured Loan	-	4,96,34,957
	Bank Overdraft	-	(1,30,97,435)
	Finance Cost	(1,02,45,781)	(2,07,65,839)
	Borrowings (net)	12,15,54,612	-
	Net cash (used in)/generated from Financing activities (C)	11,13,08,831	1,57,71,683
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(3,02,894)	(18,12,763)
	Opening balance of cash and cash equivalents	31,94,260	50,07,023
	Closing balance of cash and cash equivalents	28,91,365	31,94,260
	Balance as per Balance Sheet	28,91,365	31,94,260

As per our report of even date attached

For SNMG & Company

Chartered Accountants

ICAI FRN No. : 049211

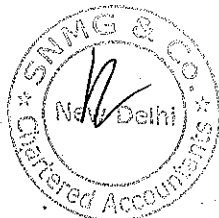
CA Deep Chand Garg

Partner

Membership No.076117

Place : Gurugram

Date : 12th August, 2020



For and Behalf of the Board of Directors

Sandeep Parwal

Chairman cum Managing Director

DIN No. 00025803

Kajal Gupta

Company Secretary

Honey Parwal

Director

DIN No. 00025835

Sanjay Kumar Jain

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2020

A. Equity Share Capital

Particulars	In Numbers	In Rupees
Balance as at 1 April 2017	8,78,350	87,83,500
Changes in equity Share Capital during 2017-18	21,95,875	2,19,58,750
Balance as at 31 March 2018	30,74,225	3,07,42,250
Balance as at 1 April 2018	30,74,225	3,07,42,250
Changes in equity Share Capital during 2018-19	-	-
Balance as at 31 March 2019	30,74,225	3,07,42,250
Changes in equity Share Capital during 2019-20	-	-
Balance as at 31 March 2020	30,74,225	3,07,42,250

B. Other Equity

Description	Share Application Money Pending Allotment	Equity component of compound Financial Instruments	Attributable to owners of SPA Capital Services Limited				Other Comprehensive Income		Total Other Equity
			Securities Premium Reserve	Retained Earnings	General Reserve	Reserve Fund(NBFC)	Remeasurement of defined Benefit Obligation	Equity instruments at fair value through other comprehensive income	
Balance as at 1 April 2017	-	-	25,00,000	2,64,55,584	11,51,11,247	23,24,805	-	-	14,63,91,636
Profit for the year	-	-	-	1,17,80,058	-	-	-	-	1,17,80,058
Allotment of Share Capital / Bonus Share	-	-	-	-	(2,19,58,750)	-	-	-	(2,19,58,750)
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer In/Out General Reserve	-	-	-	(1,50,00,000)	1,50,00,000	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	(26,95,750)	-	26,95,750	-	-	-
Balance as at 31 March 2018	-	-	25,00,000	2,05,39,892	10,81,52,497	50,20,555	-	-	13,62,12,944
Balance as at 1 April 2018	-	-	25,00,000	2,05,39,892	10,81,52,497	50,20,555	-	-	13,62,12,944
Profit for the year	-	-	-	57,32,805	-	-	-	-	57,32,805
Any other changes	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer in/out General Reserve	-	-	-	(1,00,00,000)	1,00,00,000	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	(9,08,792)	-	9,08,792	-	-	-
Balance as at 31 March 2019	-	-	25,00,000	1,53,63,905	11,81,52,497	59,29,347	-	-	14,19,45,749
Balance as at 1 April 2019	-	-	25,00,000	1,53,63,905	11,81,52,497	59,29,347	-	-	14,19,45,749
Profit for the year	-	-	-	(78,08,862)	-	-	-	-	(78,08,862)
Any other changes	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer in/out General Reserve	-	-	-	-	-	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	25,00,000	75,55,043	11,81,52,497	59,29,347	-	-	13,41,36,887

See accompanying notes to the financial statements.

For and on behalf of the Board

As per our report of even date attached

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

CA Deep Chand Garg
Partner
Membership No.076117
Place : Gurugram
Date : 12th August, 2020

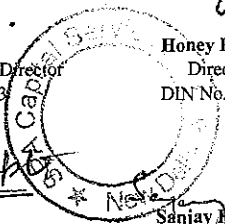


Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Honey Parwal
Director
DIN No. 00025835

Kajal Gupta
Company Secretary

Sanjay Kumar Jain
Chief Financial Officer



**Schedule to the Standalone Balance Sheet
of SPA Capital Services Limited
For Financial Year 2019-20**

(as required in terms of Paragraph 18 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016)

(Rs. In lakhs)

Particulars			
Liabilities side:			
(1)	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than that falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	444.08	-
	(d) Inter-Corporate Loans and Borrowings	1,750.46	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (Loan on hypothecation of vehicles, Loan against property owned by group company and Bank Overdraft)	205.19	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured Debentures		
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
	(c) Other Public Deposits		
Assets side:			
		Amount outstanding	
(3)	Break up of loans and Advances including bills receivables (other than those included in (4) below):		
	(a) Secured		
	(b) Unsecured		4,605.38
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(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		-
(5)	Break up of Investments:		
	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
	2. Unquoted:		
	(i) Shares: (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		



Long Term investments			
1. Quoted:			
(i) Shares: (a) Equity			-
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
2. Unquoted:			
(i) Shares: (a) Equity			111.24
(b) Preference			415.00
(ii) Debentures and Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
(6) Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties			
	-	-	-
Total	-	-	-
(7) Investor group-wise classification all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/Break up or fair value/NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	-	-	
(b) Companies in the same group	489.11	489.11	
(c) Other related parties	-	-	
2. Other than related parties			
	37.13	37.13	
Total	526.24	526.24	
(8) Other information:			
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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1 Company overview and Significant Accounting Policies

1.1 Corporate Information

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

1.2 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), under the historical cost convention, the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The IndAS are prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as Current and Non-Current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within one year and Current Liabilities do not include items which are due after one year, the period of one year being reckoned from the reporting date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Rounding off

All amounts in the financial statement and accompanying notes are presented in Lacs and have been rounded-off to two decimal place unless stated otherwise.

1.3 Use of Estimates and Judgement

The preparation of financial statements requires management to exercise judgement and make estimates and assumptions that affects the reported amounts of revenue, expenses, assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the results are known/materialise.

The areas involving significant estimates and judgement include determination of useful life of Property, Plant and Equipment (Refer note 1.4), measurement of defined benefit obligations, and recognition of deferred tax assets/liabilities (Refer note 5).

1.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All Upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

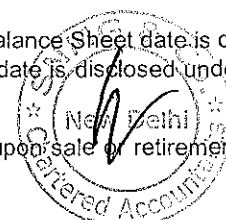
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

S. No.	Particulars	Estimated Useful Life
1	Leasehold land	Over lease term
2	Building other than factory	60 years
3	Computers	
	- Computers and other peripherals	3 years
	- Servers and networking	6 years
4	Furniture & Fixtures	10 years
5	Vehicles	8 years
6	Other equipment	5 - 15 years

The useful lives have been determined based on technical evaluation done by the expert's which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1.5 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

1.6 Investments :

Investments are classified as Current or Non-Current based upon management intent at the time of acquisition. Investments that are intended to be held for not more than one year from the date of acquisition are classified as Current Investments. All other investments are classified as Non-Current Investments.

1.7 Inventories

The shares and securities acquired with the intention of trading are considered as Stock in trade and disclosed as Current Assets. The stock in trade of securities is valued at lower of aggregate cost or aggregate market price / aggregate net asset value in case of unquoted, as per the provisions of ICDS. The cost is determined on First In First Out (FIFO) basis.

1.8 Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments

Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

Amortised cost

Where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in Other Comprehensive Income.

Fair Value Through Profit or Loss (FVTPL)

Where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Measurement

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income Recognition

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Financial Liabilities

i) Trade Payables and Other Financial Liabilities

Trade Payables and Other Financial Liabilities are initially recognised at the value of the respective contractual obligations. Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period.

ii) Borrowings

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Equity Instruments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

1.9 Revenue Recognition

(a) Sale of Shares & Securities

Revenue from sales is recognized at the completion of each settlement of the capital market segment of the Stock Exchange. In respect of non-delivery based transactions in capital market segment, the profit/loss is accounted for at the end of each settlement.

Revenue from derivative market segment:-

- in respect of settled contracts the difference between the transaction price and settlement price is recognized in the Statement of Profit and Loss; and

- in respect of open interests as on the balance sheet date, the derivatives are valued at fair value, and the difference between the fair value and the transaction price, is recognized in the Statement of Profit and Loss.

Income from Dividend is recognized when the right to receive payment is established.

(b) Other Income

Gain on Sale of Investment is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.

The revenue from Interest & Other Income is recognized on accrual basis as part of Other Income in the Statement of Profit and Loss.

1.10 Employee Benefits

a. Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

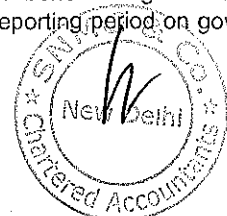
b. Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and
- defined contribution plans for provident fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The net interest cost is calculated by applying the discounted rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.11 Impairment of Non-Financial Assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

1.12 Borrowing Costs

Borrowings are measured at amortized cost. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.13 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

(i) Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

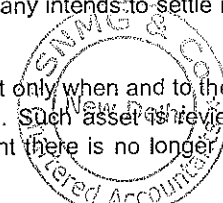
Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax assets is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Ind AS 12 Appendix C, Income Tax

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

1.14 Earnings Per Share

a. Basic Earnings Per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

b. Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.16 Events occurring after the Balance Sheet date

There have been no material events other than disclosed in the financial statements after reporting date which would require disclosure or adjustments to the financial statements as of and for the year ended 31 March 2020.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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As per our report of even date attached

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

CA Deep Chand Garg
Partner
Membership No.076117

Place : Gurugram
Date : 12th August, 2020



For and on behalf of the Board

Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Honey Parwal
Director
DIN No. 00025835

Kajal Gupta
Company Secretary



Sanjay Kumar Jain
Chief Financial Officer

SPA Capital Services Limited
Notes to the Financial Statements as at and for the financial year ended March 31, 2020

1(i). Property Plant and Equipment

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2019	Addition during the year	Deletions	As on 31-03-2020	As on 01-04-2019	for the year	Dep. Written off against sold assets	Total	As on 31-03-2020	As on 31-03-2019
Tangible Assets										
Computers	1,92,55,862	48,814	-	1,93,04,676	1,54,45,252	13,49,867	-	1,67,95,119	25,09,557	38,10,610
Motor Vehicles	2,48,74,593	-	54,47,518	1,94,27,075	1,57,42,668	18,67,021	45,15,274	1,30,94,415	63,32,660	91,31,925
Furniture and Fixtures	86,07,206	-	-	86,07,206	69,13,424	1,83,230	-	70,96,654	15,10,552	16,93,782
Plant and Machinery	95,33,741	2,26,691	-	97,60,432	73,15,328	5,51,910	-	78,67,238	18,93,193	22,18,413
Total	6,22,71,402	2,75,505	54,47,518	5,70,99,389	4,54,16,672	39,52,028	45,15,274	4,48,53,426	1,22,45,962	1,68,54,730
Previous Year Details	6,00,78,115	63,49,610	41,56,323	6,22,71,402	4,32,28,907	45,91,880	24,04,116	4,54,16,671	1,68,54,730	



Notes to the Financial Statements for the year ended 31st March, 2020

1(ii) Intangible Assets

The changes in the carrying value of Intangible Assets are as follows:

Particulars		Computer Software
As At 1st April 2019		75,15,901
Additions		-
As At 31st March 2020		75,15,901
Accumulated Amortisation		
As At 1st April 2019		59,91,215
Amortisation for the period		6,18,368
As At 31st March 2020		66,09,583
Net carrying amount as at 31st March 2020		9,06,318
Net carrying amount as at 31 March 2019		15,24,686

2 Investments

Particulars	As at 31st March 2020	As at 31st March 2019
2.1 <u>Investment in equity instruments – fully paid up</u>		
Unquoted, fully paid-up		
i) <u>Investment in equity shares of subsidiaries</u>		
Impetus Analytic E solutions Pvt Ltd 13,10,000)	37,12,790	1,31,00,000
ii) <u>Investment in equity shares of Associates</u>		
IFAN Finserv Private Limited (4,41,32,608 Shares)	74,11,420	-
(Goodwill of Rs. 831857/- has been included in the Investments)		
Add: Profit/ (Loss) Share of Associate	-	-
Total Investment in Equity Shares	1,11,24,210	1,31,00,000
2.2 <u>Investment in Preference Shares</u>		
SPA ComTrade Private Limited 135,000 (Previous year 135,000) Shares of Rs. 10 each fully paid-up @	54,00,000	54,00,000
SPA Securities Limited 361,000 (Previous year 361,000) Shares of Rs. 10 each fully paid-up	3,61,00,000	3,61,00,000
Total of Investments in Preference Shares	4,15,00,000	4,15,00,000
Total Non-Current Investments	5,26,24,210	5,46,00,000
Quoted, Fully Paid-up		
ii) <u>Investment in Equity Shares of Other Companies</u>		
Total Current Investments		
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	5,26,24,210	5,46,00,000
Aggregate amount of impairment in the value of investments		

3 Loans

Particulars	As at 31st March 2020	As at 31st March 2019
Loans to Body Corporates		
Unsecured, Considered Goods	42,71,42,394	40,59,21,553
Unsecured, Considered Doubtful	35,00,000	35,00,000
Loans to Others		
Unsecured, Considered Goods	13,73,335	-
Total Loans	43,20,15,729	40,94,21,553



Notes to the Financial Statements for the year ended 31st March, 2020

4 Other Financial Assets

Particulars	As at 31st March 2020	As at 31st March 2019
Advance Recoverable in Cash or Kind	7,44,000	13,00,499
Prepaid	1,57,691	5,98,020
Advances with Revenue Authorities	1,11,82,113	1,22,54,980
Security Deposit	1,21,81,435	1,23,30,435
Interest Receivable from Staff Advances	39,446	-
Total Current Other Financial Assets	2,43,04,685	2,64,83,934

5 Movement in Deferred tax Asset/ liabilities(Net)

Particulars	As at 31st March 2020	As at 31st March 2019
At the beginning of the year	49,18,817	57,47,875
Credit/ (Charge) to Statement of Profit and Loss (refer	(28,20,648)	(8,29,058)
Credit/ (Charge) to Other Comprehensive income	-	-
Movement in MAT Credit	-	-
At the end of the year		
- to Other Comprehensive Income		
At 31st March 2020	20,98,169	49,18,817

6 Other Non Current Asset

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Lease Rental	1,79,65,743	2,64,45,036
	1,79,65,743	2,64,45,036

7 Inventories

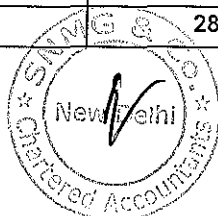
Particulars	As at 31st March 2020	As at 31st March 2019
Stock of Shares & Securities	25,001	25,001
Total Inventories	25,001	25,001

8 Trade Receivable

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Receivable - Letter Of Credit	92,817	99,613
Trade Receivable - Mutual Fund	2,27,48,222	3,31,90,862
Trade Receivable - Others	51,73,874	1,54,11,397
Advances with Vendors	5,04,995	-
Total Trade Receivables	2,85,19,908	4,87,01,872

9 Cash and Cash Equivalents

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with Banks-Current Account	17,11,134	21,31,630
Cash on Hand	11,80,231	10,62,619
Total Cash and Cash Equivalents	28,91,365	31,94,249



Notes to the Financial Statements for the year ended 31st March, 2020

10 Income Tax Assets (Net)

The detail of Income Tax Assets and Liabilities are as follows:

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current		
Advance Tax	-	10,00,000
Income Tax Refund Due	-	-
Tax Deducted at Source	36,98,142	68,12,180
Total Non-Current Income Taxes	36,98,142	78,12,180
Current Income Tax Assets/(Liability)		
Income Tax Assets		
Current Tax Liability	(22,50,000)	(40,50,000)
Net Current Income Tax at the end	(22,50,000)	(40,50,000)
Total Income Tax (Net) at the end	14,48,142	37,62,180



SPA Capital Services Limited

11 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Equity Shares of ` 10 each (March 31, 2020: 50,00,000 Equity Shares of Rs. 10 each)	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed & Paid Up 30,74,225 Equity shares of Rs.10/- each fully paid up (March 31, 2019: 30,74,225 Equity shares of Rs.10 each)	30,74,225	3,07,42,250	30,74,225	3,07,42,250
Total	30,74,225	3,07,42,250	30,74,225	3,07,42,250

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
As at beginning of the year	30,74,225	3,07,42,250	30,74,225	3,07,42,250
Issue of Shares	-	-	-	-
Shares bought back during the year	-	-	-	-
As at end of the year	30,74,225	3,07,42,250	30,74,225	3,07,42,250

Terms and rights attached to Equity Shares

The Company has only one class of equity share with voting rights having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The shareholders have equal right in dividend as and when declared by the Company subject to approval of the shareholders in the ensuing Annual General Meeting. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid-up equity capital of the Company held by the shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

B) Details of Shareholders Holding more than 5% shares in the Company

Name of Shareholders	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Dhruvtara Trading Private Limited	5,86,250	19.07%	5,86,250	19.07%
Defiant Enterprises Private Limited	5,68,750	18.50%	5,68,750	18.50%
Sandeep Parwal	2,52,525	8.21%	2,52,525	8.21%
Kamal Kishore Somani	2,10,175	6.83%	2,10,175	6.83%
Honey Parwal	1,75,000	5.69%	1,75,000	5.69%

As per records of the company, including its register of shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The Company has not allotted any shares without payment being received in cash and has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.



SPA Capital Services Limited

12 Other Equity		
Particulars	As at 31st March 2020	As at 31st March 2019
Securities Premium	25,00,000	25,00,000
Capital Reserve	-	-
General Reserve	11,81,52,497	11,81,52,497
Reserve Fund (NBFC)	59,29,347	59,29,347
Retained Earnings	75,55,043	1,53,63,905
Total Other Equity	13,41,36,887	14,19,45,749

Securities Premium

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	25,00,000	25,00,000
Received/Utilized during the Year	-	-
Closing Balance	25,00,000	25,00,000

General Reserve

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	11,81,52,497	10,81,52,497
Add : Transferred from Retained Earnings	-	1,00,00,000
Less: Amount Utilised for Issue of Bonus Share	-	-
Less: Provisions made for Loss Asset	-	-
Closing Balance	11,81,52,497	11,81,52,497

Reserve Fund (NBFC)

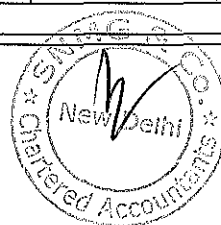
Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	59,29,347	50,20,555
Add : Transferred from Retained Earnings	-	9,08,792
Closing Balance	59,29,347	59,29,347

Retained Earnings

Particulars	As at 31st March 2020	As at 31st March 2019
Opening balance	1,53,63,905	2,05,39,892
Net Profit /(Loss) for the period	15,78,348	57,32,805
Less: Amount Transferred to Reserve Fund (NBFC)	-	(9,08,792)
Less: Amount Transferred to General Reserve	-	(1,00,00,000)
Closing Balance	1,69,42,253	1,53,63,905
Items of other Comprehensive Income (Net of Tax)		
- Change in Fair Value of FVOCI Equity instrument	(93,87,210)	-
- Tax Impact on above	-	-
Closing Balance	75,55,043	1,53,63,905

13 Borrowings

Particulars	Effective interest rate	As at 31st March 2020	As at 31st March 2019
Secured from Banks			
<i>(Repayable on Demand)</i>			
i) Bank Overdrafts		1,90,35,593	6,37,19,227
ii) Working Capital Loan		3,63,64,133	4,44,08,252
iii) Car Loan		7,19,459	14,83,076
Unsecured Loans			
<i>(Repayable on Demand)</i>			
i) From Body Corporate		17,50,45,982	-
Total Current Borrowings		23,11,65,167	10,96,10,555
Secured Borrowings and Assets Pledged as Security			



SPA Capital Services Limited

14 Trade and Other Payables

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
Trade Payable	11,65,53,100	21,45,82,731
Lease Rental Payable	1,92,18,165	2,72,16,626
Salary Payable	69,98,809	66,21,619
Expenses Payable	4,77,170	28,33,769
Staff Advance	61,000	-
Total Trade and Other Payable	14,33,08,244	25,12,54,746

15 Other Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Secured from Banks <i>(Repayable on Demand)</i>		
i) Car Loan	7,63,618	11,57,917
ii) Working Capital Loan	80,44,119	2,97,88,740
Unsecured Loans		
i) From Related Parties	1,27,72,802	-
Total Non Current Borrowings	2,15,80,539	3,09,46,657

16 Other Non Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
(a) Statutory Liability	14,48,268	1,39,60,466
Total Other Financial Liabilities	14,48,268	1,39,60,466

17 Provisions

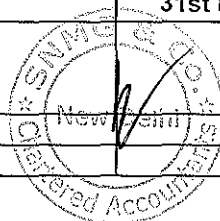
Particulars	As at 31st March 2020	As at 31st March 2019
17.1 Current		
Provision for Gratuity	4,32,771	7,15,806
Contingent Provision against Standard Assets	10,73,087	10,18,051
Contingent Provision against Doubtful Debts	35,00,000	35,00,000
Total (A)	50,05,858	52,33,857
17.1 Non - Current		
Provision for Gratuity	67,51,702	1,07,13,102
Contingent Provision against Standard Assets	-	-
Contingent Provision against Doubtful Debts	-	-
Total (B)	67,51,702	1,07,13,102
Total	1,17,57,560	1,59,46,959

*In accordance with the Master Direction DNBR.PD.007/03.10.119/2016-17 issued by The Reserve Bank of India (RBI) vide its directions to all NBFC's to make a general provision of 0.25% on the Standard assets, the Company has made a provision of Rs. 10,73,087/- (Previous Year Rs. 10,18,051/-)

** A provision of 100% made against Unsecured, Considered Doubtful assets

Employee Benefit Obligations

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
Gratuity	-	-
Bonus	-	17,598
Total Current Employee Benefit Obligations	-	17,598
Total Employee Benefit Obligations	-	17,598



SPA Capital Services Limited

Post-Employment Obligations - Gratuity

Particulars	As at 31st March 2020
Present Value of Obligation at Beginning of the Year	1,14,28,902
Current Service Cost	5,89,929
Past Service Cost	
Interest Expense/(Income)	8,00,023
Total Amount Recognized in Profit or Loss	1,28,18,854
Re-measurements	
Actuarial (Gain)/loss	(56,34,381)
- Experience (gains)/losses	-
Total Amount recognized in Other Comprehensive Income	(56,34,381)
Benefit Payments	-
Present Value of Obligation at end of the year	71,84,473
Provision for the Current Year	71,84,473

Significant actuarial assumptions:

The significant actuarial assumptions were as follows

Particulars	As at 31st March 2020 (%)
Discount Rate	7.0
Withdrawal Rate	5.0
Salary Growth Rate	5.5

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31st March 2020	
	Increase (%)	Decrease (%)
Discount Rate (1% movement)	7.00	7.00
Withdrawal Rate (1% movement)	0.00	0.00
Salary Growth Rate (1% movement)	7.00	6.00

Defined Contribution Plans

The Company has defined contribution plan of provident fund for employees for which contribution at the rate of 12% of basic salary were made as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation.



SPA Capital Services Limited

18 Revenue From Operations

Particulars	As at 31st March 2020	As at 31st March 2019
Sale of Shares & Securities	-	50,36,38,727
Sale of Services	32,07,67,264	45,44,17,745
Net Gain on Settlement of Forward / Trade Contract	-	-
Total Revenue From Operations	32,07,67,264	95,80,56,473

19 Other Income

Particulars	As at 31st March 2020	As at 31st March 2019
Rental Income	22,500	90,000
Interest on IT Refund	-	2,61,246
Earlier Year Income	27,140	-
Dividend Income	1,08,300	-
Interest Income	58,43,743	2,69,94,637
Miscellaneous Income	2,97,610	23,259
Total Other Income	62,99,293	2,73,69,142

20 Changes in Inventories of Stock-in-Trade of Shares & Securities

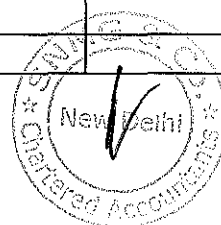
Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance		
Shares & Securities - Bonds	25,000	25,02,58,836
Shares & Securities - Equity	1	2,294
Shares & Securities - Mutual Funds	-	-
Total Opening Balance	25,001	25,02,61,130
Closing Balance		
Shares & Securities - Bonds	25,000	25,000
Shares & Securities - Equity	1	1
Shares & Securities - Mutual Fund	-	-
Total Closing Balance	25,001	25,001
Total Changes in Inventories of Stock-in-Trade	-	25,02,36,129

21 Employee Benefit Expense

Particulars	As at 31st March 2020	As at 31st March 2019
Salaries, Wages and Bonus	4,85,76,269	7,82,24,200
Directors Remuneration	43,50,000	48,00,000
Contribution to Provident and Other Funds	14,29,089	18,42,769
Staff Welfare Expenses	5,67,108	5,93,862
Provision for Gratuity Written Off	(42,44,429)	-
Total Employee Benefit Expense	5,06,78,037	8,54,60,831

22 Depreciation and Amortisation Expense

Particulars	As at 31st March 2020	As at 31st March 2019
Depreciation on Property, Plant and Equipment	33,33,660	38,39,477
Amortization of Intangible Assets	6,18,368	7,52,403
Total Depreciation and Amortisation Expense	39,52,028	45,91,880



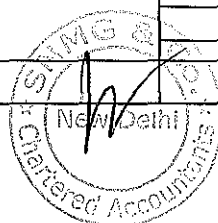
SPA Capital Services Limited

23 Finance Cost

Particulars	As at 31st March 2020	As at 31st March 2019
Bank Charges	34,800	44,803
Interest Expenses	1,02,10,981	2,03,41,773
Total Finance Cost	1,02,45,781	2,03,86,575

24 Other Expenses

Particulars	As at 31st March 2020	As at 31st March 2019
Operational Expenses		
Depository Transaction Charges	-	20,000
Demat Charges	2,455	2,514
Brokerage Expense	23,47,95,414	29,60,14,516
Power and Fuel	19,22,283	19,79,611
License Fee	1,23,896	-
Fees & subscription	2,360	-
Membership Fees	36,737	1,16,173
	23,68,83,145	29,92,41,105
Administrative & Selling Expenses		
Advertising & Publicity Expenses	77,320	4,05,591
Computer & Software Expenses	5,15,196	3,86,914
Bad Debts written off	1,84,515	1,923
Books and Periodicals	32,157	43,930
Business Promotion	15,56,918	29,51,353
Donation	-	1,21,000
Filing Fees	20,900	-
Insurance	2,48,301	2,90,355
Legal & Professional Charges	7,28,000	3,33,11,342
Miscellaneous Expenses	42,979	2,61,408
Internal Audit Fees	-	50,000
Postage, Telephone & telex etc.	11,95,658	22,98,825
Penalty	58,840	-
Office Expenses	69,588	1,43,841
Repair and maintenance - Building	-	56,70,128
Repair and maintenance - Others	5,10,711	-
Repair and maintenance - PNM	10,50,523	-
Repair and Maintenance - COMP	1,01,573	-
Travelling and Conveyance	15,64,003	46,36,198
Rent, Rates and Taxes	77,25,058	73,91,812
Printing and Stationary	5,28,776	7,86,503
Rates and taxes	9,960	2,82,843
Service Charges	2,12,301	-
Audit Fees	1,87,500	1,87,500
Tax Audit Fees	62,500	62,500
Listing Fees	3,00,000	2,70,000
Maintenance Charges	-	4,800
Contingent provision against Doubtful Asset	-	-
Contingent provision against Standard Asset	55,042	6,71,176
Festival Expenses	41,314	98,437
Deferred Lease Rental	12,52,422	9,40,864
	1,83,32,055	6,12,69,243
Total Other Expenses	25,52,15,200	36,05,10,348



SPA Capital Services Limited

25 Exceptional Item

This note provides an analysis of the Company's income tax expense, shows amount that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	As at 31st March 2020	As at 31st March 2019
Loss on sale of Asset	81,756	8,31,090
Less: Profit on Sale of Fixed Asset	512	1,38,683
Exceptional Item	(81,244)	(6,92,407)

26 Income Tax Expense

This note provides an analysis of the Company's income tax expense, shows amount that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	As at 31st March 2020	As at 31st March 2019
Current Tax		
Current Tax on Profits for the year	22,50,000	40,50,000
Adjustments for Current Tax of prior periods	-	-
Total Current Tax Expense	22,50,000	40,50,000
Deferred tax		
Increase / (Decrease) in Deferred Tax Liabilities	28,20,648	8,29,058
Excess Provision for earlier years reversed	-	-
Income Tax Paid for earlier years	-	-
Total Deferred Tax Expense / (benefit)	28,20,648	8,29,058
Income tax expense	50,70,648	48,79,058



SPA Capital Services Limited

Note 27(i) : CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March, 2020	As at 31 March, 2019
i) Bank Guarantees	-	-
ii) Disputed tax amounts		
- GST	-	-
- Income tax	-	-

Note 27(ii) : PENDING LITIGATION

The company has given a cheque amounting for Rs.2,96,13,013 to Aradhana Bartar Pvt Ltd bearing cheque No. 971127 for the purpose of loan settlement, but the cheque was dishonoured due to insufficient fund in bank account and the counter party give legal notice against the company for recovery of claims.

Note 28 :

Balances of trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are subject to reconciliation and confirmation from respective parties. The balance of said trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.



Note 29 : EMPLOYEE BENEFIT OBLIGATIONS

1) Post-Employment Obligations - Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary (take 26 day in month) multiplied by the number of years of completed services. Company does not fund the liability based on estimations of expected gratuity payments.

The amounts recognised in the Statement of Financial Position and the movements in the net defined benefit obligation over the year are as follows:

A.		
Reconciliation of present value of defined benefit obligation and the fair value of plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Fair Value of Plan Assets as at the end of the year	-	-
Present Value of Obligation as at the end of the year	4,32,771	7,15,806
Net liability (assets) recognised in balance sheet	(4,32,771)	(7,15,806)

B.		
Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Current liability	4,32,771	7,15,800
Non-current liability	67,51,702	1,07,13,102
Total	71,84,473	1,14,28,902

C.		
Changes in present value of obligation	AS AT 31.03.2020	AS AT 31.03.2019
Present value obligation as at the beginning of the year	1,14,28,902	1,02,81,267
Current Service cost	5,89,929	12,05,646
Past Service cost (including curtailment Gains / Losses)	-	-
Interest cost	8,00,023	7,96,798
Benefits paid	-	(1,81,731)
Actuarial loss/(gain) on obligations	(56,34,381)	-6,73,078
Present value obligation as at the end of the year	71,84,473	1,14,28,902

D.		
Changes in fair value of plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Fair value of plan assets as at the beginning of the year	-	-
Actual Return on plan assets	-	-
Employer Contribution	-	-
Benefits paid	-	-
Fair value of plan assets as at the end of the year	-	-

Note: The Fair value of plan assets is Nil since defined benefits plans are wholly unfunded as on 31st March, 2020 (P.Y. Rs. Nil)

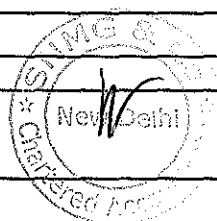
E.		
Actuarial Gain/(Loss) on plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Expected Interest income	-	-
Actuarial Income on Plan Asset	-	-
Actuarial Gain/(Loss) for the year on plan assets	-	-

F.		
Amount recognized in the Statement of profit and loss	AS AT 31.03.2020	AS AT 31.03.2019
Service cost	5,89,929	12,05,646
Net Interest cost	8,00,023	7,96,798
Amount recognized in the Statement of profit and loss	13,89,952	20,02,444

G.		
Other Comprehensive Income	AS AT 31.03.2020	AS AT 31.03.2019
Opening amount recognised in OCI outside P&L Account	9,67,728	-
Actuarial gain/(loss) on liabilities For the Current Year	60,37,602	9,67,728
Actuarial gain/(loss) on Assets	-	-
Closing amount recognised in OCI outside P&L Account	70,05,330	9,67,728

H.		
Economic Assumptions	AS AT 31.03.2020	AS AT 31.03.2019
Discount Rate	7.00%	7.75%
Rate of Increase in Compensation level	5.50%	5.50%
Rate of Return on Plan assets	NA	NA

I.		
Demographic Assumptions	AS AT 31.03.2020	AS AT 31.03.2019
Withdrawal Rate	5%	5%
Mortality rates inclusive of provision for disability Ages	IALM [2012-2014]	IALM [2006-2008]- Ultimate
Rate of Return on Plan assets	NA	NA



J.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in discount rate		
Present value of obligation at the end of th year		
a) Impact due to increase of 1%	67,14,943	1,06,23,587
b) Impact due to decrease of 1%	77,11,181	1,23,38,471

K.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in Salary inflation		
Present value of obligation at the end of th year		
a) Impact due to increase of 1 %	76,60,847	1,22,14,614
b) Impact due to decrease of 1 %	67,56,180	1,07,31,295

L.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in Withdrawal Rate		
Present value of obligation at the end of th year		
a) Impact due to increase of 1 %	72,15,562	1,15,28,651
b) Impact due to decrease of 1 %	71,48,957	1,13,15,293

M.

The Major categories of plan Assets are as follows: (As percentage of total Plan Assets)	AS AT 31.03.2020	AS AT 31.03.2019
Government of India Securities	-	-
State Government Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of Listed Company	-	-
Property	-	-
Special Deposit Scheme	-	-
Fund Managed by Insurer	-	-
Bank Balance	-	-
Other Investments	-	-

2) Leave Encashment

No Provision is made for leave encashment in respect of unavailed leaves standing to the credit of employees as no unavailed leaves stands at the end of the year. The Company does not maintain any fund to pay for leave encashment

3) Defined Contribution Plans

The Company also has defined contribution plan i.e. contributions to provident fund in India for employees. The company makes contribution to statutory fund in accordance with Employees Provident Fund and Misc. Provision Act, 1952. This is post employment benefit and is in the nature of defined contribution plan. The contributions are made to registered provident fund administered by the government.

Note 30 : LEASES**Operating leases – Assets taken on lease**

a. The Company has taken premises on non-cancellation operating lease. The future minimum lease payments are as follows:-

Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Within one year	79,98,460	73,91,812
After one year but not later than five years	1,18,05,456	1,82,56,935
More than five years	-	-
Total	1,98,03,916	2,56,48,747

b. The lease agreements provide for an option to the Company to renew the lease period at the end of period. There are no exceptional / restrictive covenants in the lease agreement.

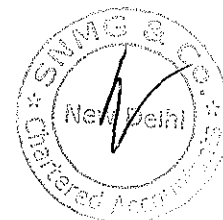
c. Lease rent expenses in respect of operating lease debited to statement of profit and Loss Rs. 12,52,422/- (PY Rs.9,40,864/-).

Note 31 : AUDITOR'S REMUNERATION

Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Audit fees	1,87,500	1,87,500
Tax audit fees	62,500	62,500
Total	2,50,000	2,50,000

Note 32 : SEGMENT INFORMATION

The business activities of the Company is engaged in one segment (i.e. Financial Services) only



Note 33 : FAIR VALUE MEASUREMENTS

(i) Financial Assets by category

Particulars	As at 31 March, 2020			As at 31 March, 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Asset						
Investments in equity instruments	-	74,11,420	4,52,12,790	-	-	5,46,00,000
Trade Receivables	-	-	2,85,19,908	-	-	4,87,01,872
Cash & Cash Equivalents	-	-	28,91,365	-	-	31,94,260
Loans*	-	-	43,20,15,729	-	-	40,94,21,553
Other Financial Assets	-	-	2,43,04,685	-	-	2,64,83,934
Total Financial Assets	-	74,11,420	53,29,44,478	-	-	54,24,01,618
Financial Liabilities						
Borrowings	-	-	23,11,65,167	-	-	10,96,10,555
Trade Payable	-	-	14,33,08,244	-	-	25,12,54,746
Other Financial Liabilities	-	-	2,15,80,539	-	-	3,09,46,657
Total Financial Liabilities	-	-	39,60,53,950	-	-	39,18,11,958

* Interest on loans have not been charged by the company on the request of the parties due to business slow down and Covid 19 Impact. Agreement between the parties has been executed in this regard.

(Investment in Subsidiaries are measured at cost as per Ind AS 27 ' Separate financial Statements')

(ii) Fair Value of financial assets and liabilities at amortised cost

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Asset				
Investments in equity instruments	5,26,24,210	5,26,24,210	5,46,00,000	5,46,00,000
Trade Receivables	2,85,19,908	2,85,19,908	4,87,01,872	4,87,01,872
Cash & Cash Equivalents	28,91,365	28,91,365	31,94,260	31,94,260
Loans	43,20,15,729	43,20,15,729	40,94,21,553	40,94,21,553
Other Financial Assets	2,43,04,685	2,43,04,685	2,64,83,934	2,64,83,934
Total Financial Assets	54,03,55,898	54,03,55,898	54,24,01,618	54,24,01,618
Financial Liabilities				
Borrowings	23,11,65,167	23,11,65,167	10,96,10,555	10,96,10,555
Trade Payable	14,33,08,244	14,33,08,244	25,12,54,746	25,12,54,746
Other Financial Liabilities	2,15,80,539	2,15,80,539	3,09,46,657	3,09,46,657
Total Financial Liabilities	39,60,53,950	39,60,53,950	39,18,11,958	39,18,11,958

The carrying amounts of trade receivables, trade payables, Other financial assets, cash and cash equivalents and other bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short term nature of such balances.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 34 : RISK MANAGEMENT

The Company activities expose it to liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate Credit Risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Credit risk	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, Investment and other financial assets	No Provision provide
Moderate credit risk	Trade receivables and other financial assets	No Provision provide



SPA Capital Services Limited

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

Credit rating	Particulars	As at 31 March, 2020	As at 31 March, 2019
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, Investment and non current other financial assets	48,75,31,304	46,72,15,813
B: Moderate credit risk	Trade receivables and current other financial assets	5,28,24,593	7,51,85,806

Concentration of Trade receivables

Trade receivables consists of a large number of customers spread across various states in India with no significant concentration of credit risk.

Credit risk exposure

Provision for expected credit losses

The Company not provides any provision for any expected credit losses due to low credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity pattern based on their contractual maturities.

Particulars	Less than 1 year	1-2 years	2-3 years	3-5 years	Total	Carrying Amount
As at 31 March 2020						
Long term borrowings				23,11,65,167	23,11,65,167	23,11,65,167
Short term borrowings (Current Maturity)	-				-	-
Trade Payables	14,33,08,244				14,33,08,244	14,33,08,244
Other Financial Liabilities	2,15,80,539	-	-	-	2,15,80,539	2,15,80,539
Total	16,48,88,783	-	-	23,11,65,167	39,60,53,950	39,60,53,950
As at 31 March 2019						
Long term borrowings	-	-	-	10,96,10,555	10,96,10,555	10,96,10,555
Short term borrowings (Current Maturity)	-	-	-	-	-	-
Trade Payables	25,12,54,746	-	-	-	25,12,54,746	25,12,54,746
Other Financial Liabilities	3,09,46,657	-	-	-	3,09,46,657	3,09,46,657
Total	28,22,01,403	-	-	10,96,10,555	39,18,11,958	39,18,11,958

Note 35 : CAPITAL MANAGEMENT POLICIES

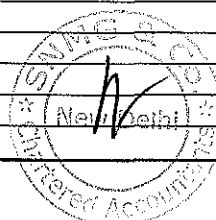
(a) Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognised in other comprehensive income.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarised as follows:

Particulars	As at 31 March, 2020	As at 31 March, 2019
Long term borrowings	23,11,65,167	10,96,10,555
Short term borrowings (Current Maturity)	-	-
Total debt	23,11,65,167	10,96,10,555
Less: Bank Balance other than cash & cash equivalents	-	-
Less: Cash & Cash equivalents	28,91,365	31,94,260
Net debt	22,82,73,801	10,64,16,295
Total equity	16,48,79,137	17,26,87,999
Net debt to equity ratio	1.38	0.62



(b) Dividends

Particulars	As at 31 March, 2020	As at 31 March, 2019
(i) Equity Shares		
Final Dividend paid during the year	-	-
(ii) Dividends not recognised at the end of the reporting period		
Board not recommended any dividend	-	-

Notes 36 : Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details

Particulars	As at 31st March 2020	As at 31st March 2019
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued and due to supplier under MSMED Act, 2006 on above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act, 2006	-	-
Interest due and payable on payment made to suppliers beyond appointed date during the year	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
Interest charged to statement of profit and loss account during year for the purpose of disallowance under section 23 of MSMED Act, 2006	-	-



Related Party Disclosures:

A. List of Related Parties and Relationships

(a) Key Management Personnel

- | | |
|--------------------------------|--|
| 1. Mr. Sandeep Parwal | Chairman Cum Managing Director |
| 2. Mr. Ramesh Menon | Independent Director |
| 3. Mr. Mahaveer Prasad Mundhra | Whole Time Director (upto 30 th September, 2019) |
| 4. Mr. Vikas Dhingra | Independent Director (upto 30 th September, 2019) |
| 5. Mr. Kamal Kishore Somani | Director (upto 2 nd September, 2019) |
| 6. Mr. Kamal Binani | Independent Director (upto 3 rd September, 2019) |
| 7. Ms. Sugeeta Upadhyay | Independent Director (w.e.f. 27 th July, 2020) |
| 8. Mrs. Honey Parwal | Woman Director |
| 9. Mr. Sanjay Kumar Jain | Chief Financial Officer |
| 10. Ms. Kajal Gupta | Company Secretary and Compliance Officer |
| 11. Mr. Amit Kumar Jakhotia | Independent Director (upto 19 th March, 2020) |

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

1. SPA Constructions Private Limited
2. Defiant Enterprises Private Limited
3. Dhruvtara Trading Private Limited
4. R.P. Computer Forms Private Limited
5. Vijay Shree Builders Private Limited
6. Bluemoon Financial Services Private Limited (Previously known as Pinkcity Skyliners Developers Private Limited)
7. Penguin Developers Private Limited
8. Wintech Marketing Private Limited
9. Simplex Construction Private Limited
10. Niveshak MPowered Private Limited
11. NAKS Tutorials Private Limited
12. Bhoopati Trading Private Limited
13. Jagriti Buildtech Private Limited
14. Parth Infracon Private Limited
15. SPA Com Trade Private Limited
16. SPA Capital Advisors Limited
17. I Play I Learn Private Limited
18. Sandeep Parwal Advisors Private Limited
19. SPA Valuation Advisors Private Limited (Previously known as ZenSPAa Capital Services Private Limited)
20. ZenSPAa Capital Advisors Private Limited
21. Haryana Sultans Promotions Private Limited
22. Sansaar Warehousing & Logistic Parks Private Limited
23. SPA Insurance Broking Services Limited
24. IFAN Finserv Private Limited
25. New Age Knowledge Solutions Limited



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	
			2019-2020	2018-2019	31-Mar-20	31-Mar-19
1	Sandeep Parwal	Directors Remuneration	36,00,000	33,00,000	14,06,400	3,44,800
2	Mahaveer Prasad Mundhra	Directors Remuneration	7,50,000	15,00,000	-	1,25,000
		Reimbursement of Exp.	22,370	1,28,788	-	-
3	Sanjay Kumar Jain	Salary Paid	25,75,000	19,35,500	-	2,04,700
			31,374	2,36,687	-	2,36,687
4	Ms. Kajal Gupta	Salary Paid	5,56,264	-	42,472	-
		Reimbursement of Exp.	2,448	-	-	-

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

Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2019-20	2018-19	2019-20	2018-19
1	Bhoopati Trading Private Limited	Advance Taken & Repaid	31,569	-	-	-
		Rent Paid#	1,27,440	1,27,440	-	-
2	R P Computer Forms Private Limited	Advance Taken & Repaid	5,628	-	-	-
		Rent Paid#	2,70,000	2,70,000	-	-
		Security Deposit for Office	-	-	20,00,000	20,00,000
3	Simplex Construction Private Limited	Advance Taken & Repaid	2,814	-	2,814	-
		Rent Paid#	2,72,580	4,67,280	-	-
		Purchase of Shares	64,52,729	-	-	-
		Security Deposit for Office	-	-	10,35,000	10,35,000
4	SPA Insurance Broking Services Limited	Rent Received#	-	1,06,200	-	-
		Advance Taken & Repaid	2,08,896	4,12,342	-	-
5	SPA Securities Limited	Demat Expenses#	2,897	2,967	-	-
		Advance Taken & Repaid	-	84,274	-	-
6	Structmast Realtors (Mumbai) Private Limited	Rent Paid#	-	-	-	-

7	IFAN Finserv Pvt.Ltd.	Loan Paid	55,22,809	6,48,00,000	-	6,48,45,542
		Advance Taken & Repaid	37,049	54,585	37,049	-
		Loan Received	1,27,72,802.30	-	1,27,72,802.30	-
		Interest Received	56,90,902	45,25,364	-	-
8	Vijay Shree Builders Private Limited	Rent Paid#	14,16,708	18,73,368	-	-
		Advance Taken & Repaid	2,814	-	2,814	-
		Brokerage Received	51,829	-	7,694.98	-
		Security Deposit for Office	-	-	37,57,500	37,57,500
		Rent Paid#	3,54,000 s	3,54,000	-	-
9	Wintech Marketing Private Limited	Rent Advance	27,000	-	27,000	-
		Advance Taken & Repaid	18,195	-	-	-
		Security Deposit for Office	-	-	20,00,000	20,00,000
		Advance Taken & Repaid	72,700	5,13,31,539	-	-
10	SPA Capital Advisors Limited	Rent Paid#	1,80,000	-	1,65,000	-
11	Penguin Developers Pvt Ltd	Security Deposit for Office	-	45,000	45,000	45,000
		Loan Taken and Repaid	5,20,00,000	-	-	-
12	Bluemoon Financial Services Private Limited	Purchase of Shares	9,58,691	-	-	-
		Advance Taken & Repaid	23,876	4,016	23,876	-
13	Niveshak M Powered Private Limited	Brokerage Paid	24,70,085	26,62,080	6,27,295	2,52,080

#Inclusive of GST

Significant accounting policies and notes to the Financial Statements

As per our report of even date attached

For and Behalf of the Board of Directors

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N



CA Deep Chand Garg
Partner
Membership No.076117

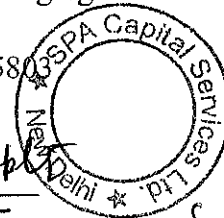
Place : Gurugram
Date : 12th August, 2020

Sandeep Parwal
Sandeep Parwal
Chairman cum Managing
Director
DIN No. 0002580

Honey Parwal
Honey Parwal
Director
DIN No. 0002583

Kajal Gupta
Kajal Gupta
Company Secretary

Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer



SNMG & CO.
CHARTERED ACCOUNTANTS
F-378, SARITA VIHAR
NEW DELHI-110076
Ph. 29948663 / 29948664 Fax : 26948000
email : gargrk58@gmail.com

INDEPENDENT AUDITOR'S REPORT*

**To the Members of SPA Capital Services Limited
Report on the Audit of the consolidated Ind AS financial statements**

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **SPA CAPITAL SERVICES LIMITED ("the Parent Company")** and its associate company (the parent and its associate together referred to as "the group"), comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including the consolidated statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information associates except for, the effects of the matters in paragraph 1 in the 'Basis for Qualified Opinion' section of our report and possible effects of the matters in paragraph 1 described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group, as at March 31, 2020, the consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Qualified Opinion

The company has taken various loans, which were outstanding as on 31st March, 2020. The management has not provided the interest on some of the loans, which constitute a departure from the Accrual basis of accounting. The company's records indicate that an amount of



Rs.79,53,482/- has not been provided as interest expenses on these loans, which would have been decrease the profit by Rs. 79,53,482/- and also increase the loan liability by same amount.

Information other than Financial Statements and Auditors Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic



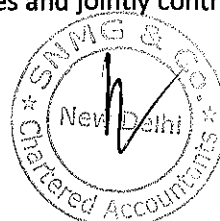
alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates, joint ventures and jointly controlled operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates, joint ventures and jointly controlled operations to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates, joint ventures and jointly controlled operations of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

1. We did not audit the Standalone Financial Statements of the associate entity (IFAN Finserv Pvt.Ltd.), included in the Financial Statements of the Group proportionate to respective participating interest (PI). The net loss of Rs. 41,574/- for the period ending 31st March 2020, is considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other



auditors whose reports have been furnished to us, and our opinion on the Consolidated financial statements of the Group to the extent it relates to the amounts and disclosures included in respect of the associate entity.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- (a) Except for the matters described in the Basis for Qualified Opinion paragraph, we/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2020 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its associate companies none of the directors of the Group company, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial



statements of the Parent Company and its group companies , refer to our separate Report in "Annexure 1" to this report;

- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures and jointly controlled operations incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the parent Company, its associates to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates, joint ventures and jointly controlled operations, as noted in the 'Other matter' paragraph.
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates, in its consolidated Ind AS financial statements
 - ii. The Group, its associates, joint ventures and jointly controlled operations has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts including derivative contracts during the year ended March 31, 2020;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates, joint ventures and jointly controlled operations incorporated in India during the year ended March 31, 2020.

For SNMG & Co.
Chartered Accountants
ICAI FRN No. 004921N

CA DEEPA CHAND GARG
Partner

(M.NO. 076117)

Place: Gurugram

Date: 12.08.2020

UDIN : 20076117AAAA CH 20B3



SNMG & CO.
CHARTERED ACCOUNTANTS
F-378, SARITA VIHAR
NEW DELHI-110076
Ph. 29948663 / 29948664 Fax : 26948000
email : gargrk58@gmail.com

Annexure I to the Independent Auditor's Report of even date on the Consolidated Ind AS financial statements of SPA Capital Services Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of SPA Capital Services Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **SPA CAPITAL SERVICES LIMITED ("the Parent Company")** and its associate company (the parent and its associate together referred to as "the group"), as of March 31, 2020 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 With Reference to Consolidated IND AS Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of these consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 these consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 these consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

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.



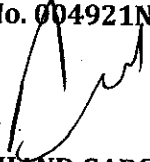
Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to associate Company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India..

For SNMG & Co.

Chartered Accountants

ICAI FRN No. 004921N



CA DEEP CHAND GARG

Partner

(M.NO. 076117)

Place: Gurugram

Date: 12.08.2020

UDIN : 20076117AAAACH2023



SPA Capital Services Limited

Consolidated Balance Sheet as at March 31st, 2020

		(in Rs.)	
Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
Assets			
Non - Current Assets			
Property Plant and equipment	1(i)	1,13,39,644	1,53,30,043
Intangible Asset	1(ii)	9,06,318	15,24,686
Financial Assets			
Investments	2	5,25,82,636	5,46,00,000
Loans	3	43,20,15,729	40,94,21,553
Other Financial Assets	4	2,43,04,685	2,64,83,934
Deferred Tax Asset	5	20,98,169	49,18,817
Other Non Current Asset	6	1,79,65,743	2,64,45,036
Total Non - Current Asset		54,12,12,924	53,87,24,069
Current Assets			
Inventories	7	25,001	25,001
Financial Assets			
Trade Receivable	8	2,85,19,908	4,87,01,872
Cash and Cash Equivalents	9	28,91,365	31,94,260
Current Tax Asset	10	14,48,142	37,62,181
Total Current Asset		3,28,84,417	5,56,83,314
Total Assets		57,40,97,341	59,44,07,382
Equity and Liabilities			
Equity			
Equity Share Capital	11	3,07,42,250	3,07,42,250
Other Equity	12	13,40,95,313	14,19,45,749
Total Equity		16,48,37,563	17,26,87,999
Liabilities			
Non - Current Liability			
Financial Liabilities			
Borrowings	13	23,11,65,167	10,96,10,555
Total Non - Current Liabilities		23,11,65,167	10,96,10,555
Current Liabilities			
Financial Liabilities			
Trade and Other Payables	14	14,33,08,244	25,12,54,746
Other Financial Liabilities	15	2,15,80,539	3,09,46,657
Other Non Financial Liabilities	16	14,48,268	1,39,60,466
Provisions	17	1,17,57,560	1,59,46,959
Total Current Liabilities		17,80,94,611	31,21,08,827
Total Liabilities		40,92,59,778	42,17,19,382
Total Equity and Liabilities		57,40,97,341	59,44,07,382

Significant accounting policies and notes to the Financial Statements

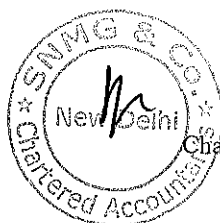
As per our report of even date attached

For and Behalf of the Board of Directors

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N

CA Deep Chand Garg
Partner
Membership No.076117

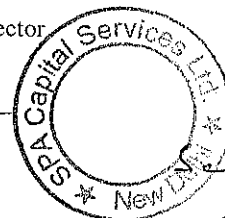
Place : Gurugram
Date : 12th August, 2020



Sandeep Parwal
Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Kajal Gupta
Kajal Gupta
Company Secretary

Honey Parwal
Honey Parwal
Director
DIN No. 00025835



Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer

SPA Capital Services Limited

Consolidated Statement of Profit and Loss for the financial year ended March 31st, 2020

Particulars	Note No.	2019-2020	2018-2019
<i>(in Rs.)</i>			
Income			
Revenue from Operations	18	32,07,67,264	95,80,56,473
Other Income	19	62,99,293	2,73,69,142
Total Income		32,70,66,557	98,54,25,615
Expenses			
Purchase of Stock-In-Trade		-	25,25,95,662
Changes in Inventories of Stock-in-Trade	20	-	25,02,36,129
Employee Benefit Expense	21	5,06,78,037	8,54,60,831
Depreciation and Amortisation Expense	22	39,52,028	45,91,880
Finance Costs	23	1,02,45,781	2,03,86,575
Other Expenses	24	25,52,15,200	36,05,10,348
Total Expenses		32,00,91,046	97,37,81,425
Profit before Exceptional and Extraordinary Items and		69,75,511	1,16,44,190
Exceptional Items	25	(81,244)	(6,92,407)
Extraordinary Items		-	-
Prior Period Items		-	-
Profit before Tax		68,94,267	1,09,51,783
Tax Expenses			
i) Current Tax	26	22,50,000	40,50,000
ii) Deferred Tax	26	28,20,648	8,29,058
iii) Income Tax paid for earlier Years		1,36,570	51,720
iv) Excess provision for earlier years		1,08,701	2,88,200
Total Tax Expenses		53,15,919	52,18,978
Profit after Tax		15,78,348	57,32,805
Profit/Loss Share in Associate		(41,574)	-
Profit for the year		15,36,774	57,32,805
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss - Equity instruments through other comprehensive income		(93,87,210)	-
(ii) Income tax relating to items that will be reclassified to Profit / (Loss)		-	-
Other Comprehensive Income net of tax		(93,87,210)	-
Total Comprehensive Income for the Year		(78,50,436)	57,32,805
Earnings per equity share of Face Value of ₹1/- each			
Basic earnings per share (in ₹)		(2.55)	1.86
Diluted earnings per share (in ₹)		(2.55)	1.86

See accompanying notes to the financial statements

As per our report of even date attached

For and on behalf of the Board

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 049217

CA Deep Chand Garg
Partner
Membership No.076117

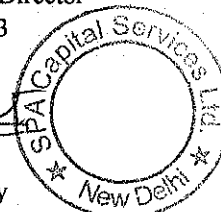


Sandeep Parwal
Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803

Honey Parwal

Honey Parwal
Director
DIN No. 00025835

Kajal Gupta
Kajal Gupta
Company Secretary



Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer

Place : Gurugram
Date : 12th August, 2020

SPA Capital Services Limited

Consolidated Standalone Cash Flow Statement for the year ending March 31, 2020

	Particulars	March 31, 2020	March 31, 2019
A	Cash flow from operating activities		
	Profit for the year before tax	(78,50,436)	91,33,908
	Adjustments for :		
	Depreciation and amortization expense	39,52,028	45,91,880
	Loss on Sale of Asset	81,244	6,92,407
	Interest income	(58,43,743)	2,07,65,839
	Finance Cost	1,02,45,781	-
	Operating profit before working capital changes	5,84,874	3,51,84,034
	Adjustments for working capital		
	(Increase) / Decrease in Inventories	-	25,02,36,129
	(Increase) / Decrease in Trade receivable	2,01,81,964	42,95,553
	(Increase) / Decrease in Loans	(2,25,94,176)	(27,86,18,889)
	(Increase) / Decrease in Other financial assets	21,79,249	-
	(Increase) / Decrease in Other non-financial Assets	1,36,13,980	-
	Increase / (Decrease) in Trade payables	(10,79,46,502)	(1,68,70,122)
	Increase / (Decrease) in other financial and non financial liabilities	(2,60,67,714)	-
		(12,06,33,201)	(4,09,57,329)
	Net cash flow from operating activities	(12,00,48,327)	(57,73,295)
	Tax Paid for Earlier Year		(2,88,200)
	Gratuity Paid		(1,81,731)
	Income Tax		(78,50,000)
	Provision for Gratuity		13,29,366
	Contingent Provision against standard assets		(1,21,807)
	Contingent Provision against doubtful assets		35,00,000
	Net cash generated from Operating activities (A)	(12,00,48,327)	(93,85,667)
B	Cash flow from investing activities		
	Acquire of property, plant and equipment	(2,75,505)	(63,49,599)
	Sale of property, plant and equipment	8,51,000	10,59,800
	Purchase/Sale of investments	20,17,364	-
	Long Term Loans and advances		(29,08,980)
	Interest received	58,43,743	-
	Net cash generated from / (used in) investing activities (B)	84,36,602	(81,98,779)
C	Cash flow from financing activities		
	Secured Loan		4,96,34,957
	Bank Overdraft		(1,30,97,435)
	Finance Cost	(1,02,45,781)	(2,07,65,839)
	Borrowings (net)	12,15,54,612	-
	Net cash (used in)/generated from Financing activities (C)	11,13,08,831	1,57,71,683
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(3,02,894)	(18,12,763)
	Opening balance of cash and cash equivalents	31,94,260	50,07,023
	Closing balance of cash and cash equivalents	28,91,365	31,94,260
	Balance as per Balance Sheet	28,91,365	31,94,260

As per our report of even date attached

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 049217



CA Deep Chand Garg
Partner
Membership No.076117

Place : Gurugram
Date : 12th August, 2020

For and Behalf of the Board of Directors

Sandeep Parwal Honey Parwal
 Chairman cum Managing Director Director
 DIN No. 00025803 * DIN No. 00025835

Kajal Gupta Sanjay Kumar Jain
 Company Secretary Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2020

A. Equity Share Capital

Particulars	In Numbers	In Rupees
Balance as at 1 April 2017	8,78,350	87,83,500
Changes in equity Share Capital during 2017-18	21,95,875	2,19,58,750
Balance as at 31 March 2018	30,74,225	3,07,42,250
Balance as at 1 April 2018	30,74,225	3,07,42,250
Changes in equity Share Capital during 2018-19	-	-
Balance as at 31 March 2019	30,74,225	3,07,42,250
Changes in equity Share Capital during 2019-20	-	-
Balance as at 31 March 2020	30,74,225	3,07,42,250

B. Other Equity

Description	Share Application Money Pending Allotment	Equity component of compound Financial Instruments	Attributable to owners of SPA Capital Services Limited				Remeasurement of defined Benefit Obligation	Other Comprehensive Income instruments at fair value through other comprehensive income	Total Other Equity
			Reserves and Surplus						
			Securities Premium Reserve	Retained Earnings	General Reserve	Reserve Fund(NBFC)			
Balance as at 1 April 2017	-	-	25,00,000	2,64,55,584	11,51,11,247	23,24,805	-	-	14,63,91,636
Profit for the year	-	-	-	1,17,80,058	-	-	-	-	1,17,80,058
Allotment of Share Capital / Bonus Share	-	-	-	-	(2,19,58,750)	-	-	-	(2,19,58,750)
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer In/Out General Reserve	-	-	-	(1,50,00,000)	1,50,00,000	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	(25,95,750)	-	26,95,750	-	-	-
Balance as at 31 March 2018	-	-	25,00,000	2,05,39,892	10,81,52,497	50,20,555	-	-	13,62,12,944
Balance as at 1 April 2018	-	-	25,00,000	2,05,39,892	10,81,52,497	50,20,555	-	-	13,62,12,944
Profit for the year	-	-	-	57,32,805	-	-	-	-	57,32,805
Any other changes	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer in/out General Reserve	-	-	-	(1,00,00,000)	1,00,00,000	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	(9,08,792)	-	9,08,792	-	-	-
Balance as at 31 March 2019	-	-	25,00,000	1,53,63,905	11,81,52,497	59,29,347	-	-	14,19,45,749
Balance as at 1 April 2019	-	-	25,00,000	1,53,63,905	11,81,52,497	59,29,347	-	-	14,19,45,749
Profit for the year	-	-	-	(78,50,436)	-	-	-	-	(78,50,436)
Any other changes	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners :	-	-	-	-	-	-	-	-	-
Transfer in/out General Reserve	-	-	-	-	-	-	-	-	-
Transfer In/Out Reserve Fund(NBFC)	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	25,00,000	75,13,469	11,81,52,497	59,29,347	-	-	13,40,95,313

See accompanying notes to the financial statements.

For and on behalf of the Board

As per our report of even date attached

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 049277

CA Deep Chand Garg
Partner
Membership No.076117
Place : Gurugram
Date : 12th August, 2020



Sandeep Parwal
Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025833

Honey Parwal
Honey Parwal
Director
DIN No. 00025835

Kajal Gupta
Kajal Gupta
Company Secretary

Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer

**Schedule to the Consolidated Balance Sheet
of SPA Capital Services Limited
For Financial Year 2019-20**

(as required in terms of Paragraph 18 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016)

		(Rs. in lakhs)	
Particulars			
Liabilities side:			
(1)	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	-	-
	: Unsecured (other than that falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	444.08	-
	(d) Inter-Corporate Loans and Borrowings	1,750.46	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (Loan on hypothecation of vehicles, Loan against property owned by group company and Bank Overdraft)	205.19	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured Debentures		
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
	(c) Other Public Deposits		
Assets side:			
		Amount outstanding	
(3)	Break up of loans and Advances including bills receivable (other than those included in (4) below):		
	(a) Secured		-
	(b) Unsecured		4,805.36
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(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:		-
(5)	Break up of Investments:		
	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted:		
	(i) Shares: (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-



Long Term Investments			
1. Quoted:			
(i) Shares: (a) Equity			
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
2. Unquoted:			
(i) Shares: (a) Equity			111.24
(b) Preference			415.00
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
(6) Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties			
Total	-	-	-
(7) Investor group-wise classification all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/Break up or fair value/NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	-	-	
(b) Companies in the same group	488.70	488.70	
(c) Other related parties	-	-	
2. Other than related parties			
Total	37.54	37.54	
	526.24	526.24	
(8) Other information			
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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1 Company overview and Significant Accounting Policies

1.1 Corporate Information

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

1.2 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The IndAS are prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as Current and Non-Current as per company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within one year and Current Liabilities do not include items which are due after one year, the period of one year being reckoned from the reporting date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Rounding off

All amounts in the financial statement and accompanying notes are presented in Lacs and have been rounded-off to two decimal place unless stated otherwise.

1.3 Use of Estimates and Judgement

The preparation of financial statements requires management to exercise judgement and make estimates and assumptions that affects the reported amounts of revenue, expenses, assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the results are known/materialise.

The areas involving significant estimates and judgement include determination of useful life of Property, Plant and Equipment (Refer note 1.4), measurement of defined benefit obligations, and recognition of deferred tax assets/liabilities (Refer note 5).

1.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All Upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

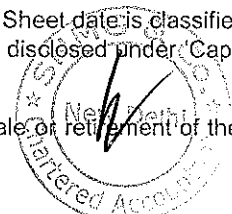
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

S. No.	Particulars	Estimated Useful Life
1	Leasehold land	Over lease term
2	Building other than factory	60 years
3	Computers	
	- Computers and other peripherals	3 years
	- Servers and networking	6 years
4	Furniture & Fixtures	10 years
5	Vehicles	8 years
6	Other equipment	5 - 15 years

The useful lives have been determined based on technical evaluation done by the expert's which are in line those specified by Schedule II to the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The depreciation methods, assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress'.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1.5 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

1.6 Investments :

Investments are classified as Current or Non-Current based upon management intent at the time of acquisition. Investments that are intended to be held for not more than one year from the date of acquisition are classified as Current Investments. All other investments are classified as Non-Current Investments.

1.7 Inventories

The shares and securities acquired with the intention of trading are considered as Stock in trade and disclosed as Current Assets. The stock in trade of securities is valued at lower of aggregate cost or aggregate market price / aggregate net asset value in case of unquoted, as per the provisions of ICDS. The cost is determined on First in First Out (FIFO) basis.

1.8 Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments

Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

Amortised cost

Where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in Other Comprehensive Income.

Fair Value Through Profit or Loss (FVTPL)

Where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Measurement

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Derecognition of Financial Assets

A financial asset is derecognised only when

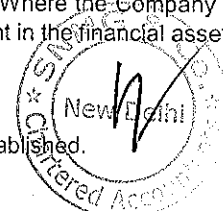
- The Company has transferred the rights to receive cash flows from the financial asset; or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income Recognition

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Financial Liabilities

i) Trade Payables and Other Financial Liabilities

Trade Payables and Other Financial Liabilities are initially recognised at the value of the respective contractual obligations. Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and presented as current liabilities unless payment is not due within 12 months after the reporting period.

ii) Borrowings

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Equity Instruments

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

1.9 Revenue Recognition

(a) Sale of Shares & Securities

Revenue from sales is recognized at the completion of each settlement of the capital market segment of the Stock Exchange.

In respect of non-delivery based transactions in capital market segment, the profit/loss is accounted for at the end of each settlement.

Revenue from derivative market segment:-

- in respect of settled contracts the difference between the transaction price and settlement price is recognized in the Statement of Profit and Loss; and

- in respect of open interests as on the balance sheet date, the derivatives are valued at fair value, and the difference between the fair value and the transaction price, is recognized in the Statement of Profit and Loss.

Income from Dividend is recognized when the right to receive payment is established.

(b) Other Income

Gain on Sale of Investment is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.

The revenue from Interest & Other Income is recognized on accrual basis as part of Other Income in the Statement of Profit and Loss.

1.10 Employee Benefits

a. Short-term Obligations

Liabilities for wages, salaries and bonus, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b. Post-Employment Obligations

The Company operates the following post-employment schemes:

- defined benefit plans for gratuity, and
- defined contribution plans for provident fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.11 Impairment of Non-Financial Assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

1.12 Borrowing Costs

Borrowings are measured at amortized cost. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.13 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

(i) Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

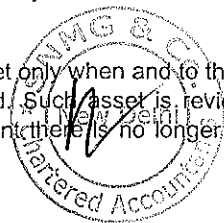
Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are generally recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax assets is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.



SPA Capital Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Ind AS 12 Appendix C, Income Tax

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

1.14 Earnings Per Share

a. Basic Earnings Per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

b. Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.16 Events occurring after the Balance Sheet date

There have been no material events other than disclosed in the financial statements after reporting date which would require disclosure or adjustments to the financial statements as of and for the year ended 31 March 2020.



SPA Capital Services Limited
Notes to the Financial Statements as at and for the financial year ended March 31, 2020

1(i). Property Plant and Equipment

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2019	Addition during the year	Deletions	As on 31-03-2020	As on 01-04-2019	for the year	Dep. Written off against sold assets	Total	As on 31-03-2020	As on 31-03-2019
Tangible Assets										
Computers	1,92,55,862	48,814	-	1,93,04,676	1,54,45,252	13,49,867	-	1,67,95,119	25,09,557	38,10,610
Motor Vehicles	2,48,74,593	-	54,47,518	1,94,27,075	1,57,42,668	18,67,021	45,15,274	1,30,94,415	63,32,660	91,31,925
Furniture and Fixtures	86,07,206	-	-	86,07,206	69,13,424	1,83,230	-	70,96,654	15,10,552	16,93,782
Plant and Machinery	95,33,741	2,26,691	-	97,60,432	73,15,328	5,51,910	-	78,67,238	18,93,193	22,18,413
Total	6,22,71,402	2,75,505	54,47,518	5,70,99,389	4,54,16,672	39,52,028	45,15,274	4,48,53,426	1,22,45,962	1,68,54,730
Previous Year Details	6,00,78,115	63,49,610	41,56,323	6,22,71,402	4,32,28,907	45,91,880	24,04,116	4,54,16,671	1,68,54,730	



Notes to the Financial Statements for the year ended 31st March, 2020

1(ii) Intangible Assets

The changes in the carrying value of Intangible Assets are as follows:

Particulars		Computer Software
As At 1st April 2019		75,15,901
Additions		-
As At 31st March 2020		75,15,901
Accumulated Amortisation		
As At 1st April 2019		59,91,215
Amortisation for the period		6,18,368
As At 31st March 2020		66,09,583
Net carrying amount as at 31st March 2020		9,06,318
Net carrying amount as at 31 March 2019		15,24,686

2 Investments

Particulars	As at 31st March 2020	As at 31st March 2019
2.1 Investment in equity instruments – fully paid up		
Unquoted, fully paid-up		
i) Investment in equity shares of subsidiaries		
Impetus Analytic E solutions Pvt Ltd 13,10,000)	37,12,790	1,31,00,000
ii) Investment in equity shares of Associates		
IFAN Finserv Private Limited (4,41,32,608 Shares)	74,11,420	-
(Goodwill of Rs. 831857/- has been included in the Investments)		
Add: Profit/ (Loss) Share of Associate	(41,574)	-
Total Investment in Equity Shares	1,10,82,636	1,31,00,000
2.2 Investment in Preference Shares		
SPA ComTrade Private Limited 135,000 (Previous year 135,000) Shares of Rs. 10 each fully paid-up @	54,00,000	54,00,000
SPA Securities Limited 361,000 (Previous year 361,000) Shares of Rs. 10 each fully paid-up	3,61,00,000	3,61,00,000
Total of Investments in Preference Shares	4,15,00,000	4,15,00,000
Total Non-Current Investments	5,25,82,636	5,46,00,000
Quoted, Fully Paid-up		
ii) Investment in Equity Shares of Other Companies		
Total Current Investments		
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	5,25,82,636	5,46,00,000
Aggregate amount of impairment in the value of investments		

3 Loans

Particulars	As at 31st March 2020	As at 31st March 2019
Loans to Body Corporates		
Unsecured, Considered Goods	42,71,42,394	40,59,21,553
Unsecured, Considered Doubtful	35,00,000	35,00,000
Loans to Others		
Unsecured, Considered Goods	13,73,335	-
Total Loans	43,20,15,729	40,94,21,553



Notes to the Financial Statements for the year ended 31st March, 2020

4 Other Financial Assets

Particulars	As at 31st March 2020	As at 31st March 2019
Advance Recoverable in Cash or Kind	7,44,000	13,00,499
Prepaid	1,57,691	5,98,020
Advances with Revenue Authorities	1,11,82,113	1,22,54,980
Security Deposit	1,21,81,435	1,23,30,435
Interest Receivable from Staff Advances	39,446	-
Total Current Other Financial Assets	2,43,04,685	2,64,83,934

5 Movement in Deferred tax Asset/ liabilities(Net)

Particulars	As at 31st March 2020	As at 31st March 2019
At the beginning of the year	49,18,817	57,47,875
Credit/ (Charge) to Statement of Profit and Loss (refer	(28,20,648)	(8,29,058)
Credit/ (Charge) to Other Comprehensive income	-	-
Movement in MAT Credit	-	-
At the end of the year		
- to Other Comprehensive Income		
At 31st March 2020	20,98,169	49,18,817

6 Other Non Current Asset

Particulars	As at 31st March 2020	As at 31st March 2019
Deferred Lease Rental	1,79,65,743	2,64,45,036
	1,79,65,743	2,64,45,036

7 Inventories

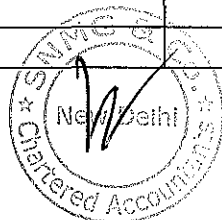
Particulars	As at 31st March 2020	As at 31st March 2019
Stock of Shares & Securities	25,001	25,001
Total Inventories	25,001	25,001

8 Trade Receivable

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Receivable - Letter Of Credit	92,817	99,613
Trade Receivable - Mutual Fund	2,27,48,222	3,31,90,862
Trade Receivable - Others	51,73,874	1,54,11,397
Advances with Vendors	5,04,995	-
Total Trade Receivables	2,85,19,908	4,87,01,872

9 Cash and Cash Equivalents

Particulars	As at 31st March 2020	As at 31st March 2019
Balances with Banks-Current Account	17,11,134	21,31,630
Cash on Hand	11,80,231	10,62,619
Total Cash and Cash Equivalents	28,91,365	31,94,249



Notes to the Financial Statements for the year ended 31st March, 2020

10 **Income Tax Assets (Net)**

The detail of Income Tax Assets and Liabilities are as follows:

Particulars	As at	As at
	31st March 2020	31st March 2019
Non-Current		
Advance Tax	-	10,00,000
Income Tax Refund Due	-	-
Tax Deducted at Source	36,98,142	68,12,180
Total Non-Current Income Taxes	36,98,142	78,12,180
Current Income Tax Assets/(Liability)		
Income Tax Assets		
Current Tax Liability	(22,50,000)	(40,50,000)
Net Current Income Tax at the end	(22,50,000)	(40,50,000)
Total Income Tax (Net) at the end	14,48,142	37,62,180



SPA Capital Services Limited

11 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Equity Shares of ₹ 10 each (March 31, 2020: 50,00,000 Equity Shares of Rs. 10 each)	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed & Paid Up 30,74,225 Equity shares of Rs.10/- each fully paid up (March 31, 2019: 30,74,225 Equity shares of Rs.10 each)	30,74,225	3,07,42,250	30,74,225	3,07,42,250
Total	30,74,225	3,07,42,250	30,74,225	3,07,42,250

A) Reconciliation of number of Ordinary Shares outstanding:

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
As at beginning of the year	30,74,225	3,07,42,250	30,74,225	3,07,42,250
Issue of Shares	-	-	-	-
Shares bought back during the year	-	-	-	-
As at end of the year	30,74,225	3,07,42,250	30,74,225	3,07,42,250

Terms and rights attached to Equity Shares

The Company has only one class of equity share with voting rights having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The shareholders have equal right in dividend as and when declared by the Company subject to approval of the shareholders in the ensuing Annual General Meeting. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid-up equity capital of the Company held by the shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

B) Details of Shareholders Holding more than 5% shares in the Company

Name of Shareholders	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Percentage holding	Number of shares	Percentage holding
Dhruvtara Trading Private Limited	5,86,250	19.07%	5,86,250	19.07%
Defiant Enterprises Private Limited	5,68,750	18.50%	5,68,750	18.50%
Sandeep Parwal	2,52,525	8.21%	2,52,525	8.21%
Kamal Kishore Somani	2,10,175	6.83%	2,10,175	6.83%
Honey Parwal	1,75,000	5.69%	1,75,000	5.69%

As per records of the company, including its register of shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The Company has not allotted any shares without payment being received in cash and has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.



SPA Capital Services Limited

12 Other Equity		
Particulars	As at 31st March 2020	As at 31st March 2019
Securities Premium	25,00,000	25,00,000
Capital Reserve	-	-
General Reserve	11,81,52,497	11,81,52,497
Reserve Fund (NBFC)	59,29,347	59,29,347
Retained Earnings	75,13,469	1,53,63,905
Total Other Equity	13,40,95,313	14,19,45,749

Securities Premium

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	25,00,000	25,00,000
Received/Utilized during the Year	-	-
Closing Balance	25,00,000	25,00,000

General Reserve

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	11,81,52,497	10,81,52,497
Add : Transferred from Retained Earnings	-	1,00,00,000
Less: Amount Utilised for Issue of Bonus Share	-	-
Less: Provisions made for Loss Asset	-	-
Closing Balance	11,81,52,497	11,81,52,497

Reserve Fund (NBFC)

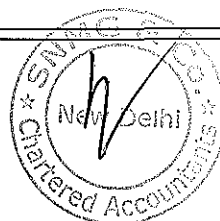
Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance	59,29,347	50,20,555
Add : Transferred from Retained Earnings	-	9,08,792
Closing Balance	59,29,347	59,29,347

Retained Earnings

Particulars	As at 31st March 2020	As at 31st March 2019
Opening balance	1,53,63,905	2,05,39,892
Net Profit /(Loss) for the period	15,36,774	57,32,805
Less: Amount Transferred to Reserve Fund (NBFC)	-	(9,08,792)
Less: Amount Transferred to General Reserve	-	(1,00,00,000)
Closing Balance	1,69,00,679	1,53,63,905
Items of other Comprehensive Income (Net of Tax)		
- Change in Fair Value of FVOCI Equity instrument	(93,87,210)	-
- Tax Impact on above	-	-
Closing Balance	75,13,469	1,53,63,905

13 Borrowings

Particulars	Effective interest rate	As at 31st March 2020	As at 31st March 2019
Secured from Banks <i>(Repayable on Demand)</i>			
i) Bank Overdrafts		1,90,35,593	6,37,19,227
ii) Working Capital Loan		3,63,64,133	4,44,08,252
iii) Car Loan		7,19,459	14,83,076
Unsecured Loans <i>(Repayable on Demand)</i>			
i) From Body Corporate		17,50,45,982	-
Total Current Borrowings		23,11,65,167	10,96,10,555
Secured Borrowings and Assets Pledged as Security			



SPA Capital Services Limited

14 Trade and Other Payables

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
Trade Payable	11,65,53,100	21,45,82,731
Lease Rental Payable	1,92,18,165	2,72,16,626
Salary Payable	69,98,809	66,21,619
Expenses Payable	4,77,170	28,33,769
Staff Advance	61,000	-
Total Trade and Other Payable	14,33,08,244	25,12,54,746

15 Other Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Secured from Banks <i>(Repayable on Demand)</i>		
i) Car Loan	7,63,618	11,57,917
ii) Working Capital Loan	80,44,119	2,97,88,740
Unsecured Loans		
i) From Related Parties	1,27,72,802	-
Total Non Current Borrowings	2,15,80,539	3,09,46,657

16 Other Non Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
(a) Statutory Liability	14,48,268	1,39,60,466
Total Other Financial Liabilities	14,48,268	1,39,60,466

17 Provisions

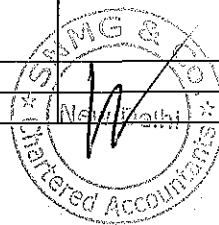
Particulars	As at 31st March 2020	As at 31st March 2019
17.1 Current		
Provision for Gratuity	4,32,771	7,15,806
Contingent Provision against Standard Assets	10,73,087	10,18,051
Contingent Provision against Doubtful Debts	35,00,000	35,00,000
Total (A)	50,05,858	52,33,857
17.1 Non - Current		
Provision for Gratuity	67,51,702	1,07,13,102
Contingent Provision against Standard Assets	-	-
Contingent Provision against Doubtful Debts	-	-
Total (B)	67,51,702	1,07,13,102
Total	1,17,57,560	1,59,46,959

*In accordance with the Master Direction DNBR.PD.007/03.10.119/2016-17 issued by The Reserve Bank of India (RBI) vide its directions to all NBFC's to make a general provision of 0.25% on the Standard assets, the Company has made a provision of Rs. 10,73,087/- (Previous Year Rs. 10,18,051/-)

** A provision of 100% made against Unsecured, Considered Doubtful assets

Employee Benefit Obligations

Particulars	As at 31st March 2020	As at 31st March 2019
Current		
Gratuity	-	-
Bonus	-	17,598
Total Current Employee Benefit Obligations	-	17,598
Total Employee Benefit Obligations	-	17,598



SPA Capital Services Limited

Post-Employment Obligations - Gratuity

Particulars	As at 31st March 2020
Present Value of Obligation at Beginning of the Year	1,14,28,902
Current Service Cost	5,89,929
Past Service Cost	
Interest Expense/(Income)	8,00,023
Total Amount Recognized in Profit or Loss	1,28,18,854
Re-measurements	
Actuarial (Gain)/loss	(56,34,381)
- Experience (gains)/losses	-
Total Amount recognized in Other Comprehensive Income	(56,34,381)
Benefit Payments	-
Present Value of Obligation at end of the year	71,84,473
Provision for the Current Year	71,84,473

Significant actuarial assumptions:

The significant actuarial assumptions were as follows

Particulars	As at 31st March 2020 (%)
Discount Rate	7.0
Withdrawal Rate	5.0
Salary Growth Rate	5.5

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31st March 2020	
	Increase (%)	Decrease (%)
Discount Rate (1% movement)	7.00	7.00
Withdrawal Rate (1% movement)	0.00	0.00
Salary Growth Rate (1% movement)	7.00	6.00

Defined Contribution Plans

The Company has defined contribution plan of provident fund for employees for which contribution at the rate of 12% of basic salary were made as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation.



SPA Capital Services Limited

18 Revenue From Operations

Particulars	As at 31st March 2020	As at 31st March 2019
Sale of Shares & Securities	-	50,36,38,727
Sale of Services	32,07,67,264	45,44,17,745
Net Gain on Settlement of Forward / Trade Contract	-	-
Total Revenue From Operations	32,07,67,264	95,80,56,473

19 Other Income

Particulars	As at 31st March 2020	As at 31st March 2019
Rental Income	22,500	90,000
Interest on IT Refund	-	2,61,246
Earlier Year Income	27,140	-
Dividend Income	1,08,300	-
Interest Income	58,43,743	2,69,94,637
Miscellaneous Income	2,97,610	23,259
Total Other Income	62,99,293	2,73,69,142

20 Changes in Inventories of Stock-in-Trade of Shares & Securities

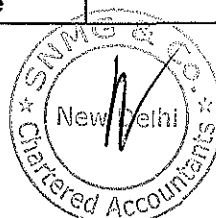
Particulars	As at 31st March 2020	As at 31st March 2019
Opening Balance		
Shares & Securities - Bonds	25,000	25,02,58,836
Shares & Securities - Equity	1	2,294
Shares & Securities - Mutual Funds	-	-
Total Opening Balance	25,001	25,02,61,130
Closing Balance		
Shares & Securities - Bonds	25,000	25,000
Shares & Securities - Equity	1	1
Shares & Securities - Mutual Fund	-	-
Total Closing Balance	25,001	25,001
Total Changes in Inventories of Stock-in-Trade	-	25,02,36,129

21 Employee Benefit Expense

Particulars	As at 31st March 2020	As at 31st March 2019
Salaries, Wages and Bonus	4,85,76,269	7,82,24,200
Directors Remuneration	43,50,000	48,00,000
Contribution to Provident and Other Funds	14,29,089	18,42,769
Staff Welfare Expenses	5,67,108	5,93,862
Provision for Gratuity Written Off	(42,44,429)	-
Total Employee Benefit Expense	5,06,78,037	8,54,60,831

22 Depreciation and Amortisation Expense

Particulars	As at 31st March 2020	As at 31st March 2019
Depreciation on Property, Plant and Equipment	33,33,660	38,39,477
Amortization of Intangible Assets	6,18,368	7,52,403
Total Depreciation and Amortisation Expense	39,52,028	45,91,880



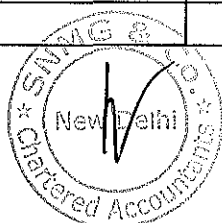
SPA Capital Services Limited

23 Finance Cost

Particulars	As at 31st March 2020	As at 31st March 2019
Bank Charges	34,800	44,803
Interest Expenses	1,02,10,981	2,03,41,773
Total Finance Cost	1,02,45,781	2,03,86,575

24 Other Expenses

Particulars	As at 31st March 2020	As at 31st March 2019
Operational Expenses		
Depository Transaction Charges	-	20,000
Demat Charges	2,455	2,514
Brokerage Expense	23,47,95,414	29,60,14,516
Power and Fuel	19,22,283	19,79,611
License Fee	1,23,896	-
Fees & subscription	2,360	-
Membership Fees	36,737	1,16,173
	23,68,83,145	29,92,41,105
Administrative & Selling Expenses		
Advertising & Publicity Expenses	77,320	4,05,591
Computer & Software Expenses	5,15,196	3,86,914
Bad Debts written off	1,84,515	1,923
Books and Periodicals	32,157	43,930
Business Promotion	15,56,918	29,51,353
Donation	-	1,21,000
Filing Fees	20,900	-
Insurance	2,48,301	2,90,355
Legal & Professional Charges	7,28,000	3,33,11,342
Miscellaneous Expenses	42,979	2,61,408
Internal Audit Fees	-	50,000
Postage, Telephone & telex etc.	11,95,658	22,98,825
Penalty	58,840	-
Office Expenses	69,588	1,43,841
Repair and maintenance - Building	-	56,70,128
Repair and maintenance - Others	5,10,711	-
Repair and maintenance - PNM	10,50,523	-
Repair and Maintenance - COMP	1,01,573	-
Travelling and Conveyance	15,64,003	46,36,198
Rent, Rates and Taxes	77,25,058	73,91,812
Printing and Stationary	5,28,776	7,86,503
Rates and taxes	9,960	2,82,843
Service Charges	2,12,301	-
Audit Fees	1,87,500	1,87,500
Tax Audit Fees	62,500	62,500
Listing Fees	3,00,000	2,70,000
Maintenance Charges	-	4,800
Contingent provision against Doubtful Asset	-	-
Contingent provision against Standard Asset	55,042	6,71,176
Ferrel Expenses	41,314	98,437
Deferred Lease Rental	12,52,422	9,40,864
	1,83,32,055	6,12,69,243
Total Other Expenses	25,52,15,200	36,05,10,348



SPA Capital Services Limited

25 Exceptional Item

This note provides an analysis of the Company's income tax expense, shows amount that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	As at 31st March 2020	As at 31st March 2019
Loss on sale of Asset	81,756	8,31,090
Less: Profit on Sale of Fixed Asset	512	1,38,683
Exceptional Item	(81,244)	(6,92,407)

26 Income Tax Expense

This note provides an analysis of the Company's income tax expense, shows amount that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	As at 31st March 2020	As at 31st March 2019
Current Tax		
Current Tax on Profits for the year	22,50,000	40,50,000
Adjustments for Current Tax of prior periods	-	-
Total Current Tax Expense	22,50,000	40,50,000
Deferred tax		
Increase / (Decrease) in Deferred Tax Liabilities	28,20,648	8,29,058
Excess Provision for earlier years reversed	-	-
Income Tax Paid for earlier years	-	-
Total Deferred Tax Expense / (benefit)	28,20,648	8,29,058
Income tax expense	50,70,648	48,79,058



SPA Capital Services Limited

Note 27(i) : CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March, 2020	As at 31 March, 2019
i) Bank Guarantees	-	-
ii) Disputed tax amounts		
- GST	-	-
- Income tax	-	-

Note 27(ii) : PENDING LITIGATION

The company has given a cheque amounted for Rs.2,96,13,013 to Aradhana Bartar Pvt Ltd bearing cheque No. 971127 for the purpose of loan settlement, but the cheque was dishonoured due to insufficient fund in bank account and the counter party give legal notice against the company for recovery of claims.

Note 28 :

Balances of trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are subject to reconciliation and confirmation from respective parties. The balance of said trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.



Note 29 : EMPLOYEE BENEFIT OBLIGATIONS**1) Post-Employment Obligations - Gratuity**

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary (take 26 day in month) multiplied by the number of years of completed services. Company does not fund the liability based on estimations of expected gratuity payments.

The amounts recognised in the Statement of Financial Position and the movements in the net defined benefit obligation over the year are as follows:

A.		
Reconciliation of present value of defined benefit obligation and the fair value of plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Fair Value of Plan Assets as at the end of the year	-	-
Present Value of Obligation as at the end of the year	4,32,771	7,15,806
Net liability (assets) recognised in balance sheet	(4,32,771)	(7,15,806)

B.		
Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Current liability	4,32,771	7,15,800
Non-current liability	67,51,702	1,07,13,102
Total	71,84,473	1,14,28,902

C.		
Changes in present value of obligation	AS AT 31.03.2020	AS AT 31.03.2019
Present value obligation as at the beginning of the year	1,14,28,902	1,02,81,267
Current Service cost	5,89,929	12,05,646
Past Service cost (including curtailment Gains / Losses)	-	-
Interest cost	8,00,023	7,96,798
Benefits paid	-	(1,81,731)
Actuarial loss/(gain) on obligations	(56,34,381)	-6,73,078
Present value obligation as at the end of the year	71,84,473	1,14,28,902

D.		
Changes in fair value of plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Fair value of plan assets as at the beginning of the year	-	-
Actual Return on plan assets	-	-
Employer Contribution	-	-
Benefits paid	-	-
Fair value of plan assets as at the end of the year	-	-

Note: The Fair value of plan assets is Nil since defined benefits plans are wholly unfunded as on 31st March, 2020 (P.Y. Rs. Nil)

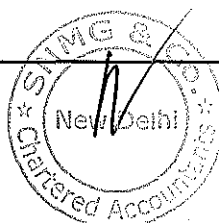
E.		
Actuarial Gain/(Loss) on plan assets	AS AT 31.03.2020	AS AT 31.03.2019
Expected Interest income	-	-
Actuarial Income on Plan Asset	-	-
Actuarial Gain/(Loss) for the year on plan assets	-	-

F.		
Amount recognized in the Statement of profit and loss	AS AT 31.03.2020	AS AT 31.03.2019
Service cost	5,89,929	12,05,646
Net Interest cost	8,00,023	7,96,798
Amount recognized in the Statement of profit and loss	13,89,952	20,02,444

G.		
Other Comprehensive Income	AS AT 31.03.2020	AS AT 31.03.2019
Opening amount recognised in OCI outside P&L Account	9,67,728	-
Actuarial gain/(loss) on liabilities For the Current Year	60,37,602	9,67,728
Actuarial gain/(loss) on Assets	-	-
Closing amount recognised in OCI outside P&L Account	70,05,330	9,67,728

H.		
Economic Assumptions	AS AT 31.03.2020	AS AT 31.03.2019
Discount Rate	7.00%	7.75%
Rate of Increase in Compensation level	5.50%	5.50%
Rate of Return on Plan assets	NA	NA

I.		
Demographic Assumptions	AS AT 31.03.2020	AS AT 31.03.2019
Withdrawal Rate	5%	5%
Mortality rates inclusive of provision for disability Ages	IALM [2012-2014]	IALM [2006-2008] - Ultimate
Rate of Return on Plan assets	NA	NA



J.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in discount rate		
Present value of obligation at the end of th year		
a) Impact due to increase of 1%	67,14,943	1,06,23,587
b) Impact due to decrease of 1%	77,11,181	1,23,38,471

K.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in Salary inflation		
Present value of obligation at the end of th year		
a) Impact due to increase of 1 %	76,60,847	1,22,14,614
b) Impact due to decrease of 1 %	67,56,180	1,07,31,295

L.

Sensitivity analysis for gratuity liability	AS AT 31.03.2020	AS AT 31.03.2019
Impact of the change in Withdrawal Rate		
Present value of obligation at the end of th year		
a) Impact due to increase of 1 %	72,15,562	1,15,28,651
b) Impact due to decrease of 1 %	71,48,957	1,13,15,293

M.

The Major categories of plan Assets are as follows: (As percentage of total Plan Assets)	AS AT 31.03.2020	AS AT 31.03.2019
Government of India Securities	-	-
State Government Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of Listed Company	-	-
Property	-	-
Special Deposit Scheme	-	-
Fund Managed by Insurer	-	-
Bank Balance	-	-
Other Investments	-	-

2) Leave Encashment

No Provision is made for leave encashment in respect of unavailed leaves standing to the credit of employees as no unavailed leaves stands at the end of the year. The Company does not maintain any fund to pay for leave encashment

3) Defined Contribution Plans

The Company also has defined contribution plan i.e. contributions to provident fund in India for employees. The company makes contribution to statutory fund in accordance with Employees Provident Fund and Misc. Provision Act, 1952. This is post employment benefit and is in the nature of defined contribution plan. The contributions are made to registered provident fund administered by the government.

Note 30 : LEASES**Operating leases – Assets taken on lease**

a. The Company has taken premises on non-cancellation operating lease. The future minimum lease payments are as follows:-

Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Within one year	79,98,460	73,91,812
After one year but not later than five years	1,18,05,456	1,82,56,935
More than five years	-	-
Total	1,98,03,916	2,56,48,747

b. The lease agreements provide for an option to the Company to renew the lease period at the end of period. There are no exceptional / restrictive covenants in the lease agreement.

c. Lease rent expenses in respect of operating lease debited to statement of profit and Loss Rs. 12,52,422/- (PY Rs.9,40,864/-).

Note 31 : AUDITOR'S REMUNERATION

Particulars	AS AT 31.03.2020	AS AT 31.03.2019
Audit fees	1,87,500	1,87,500
Tax audit fees	62,500	62,500
Total	2,50,000	2,50,000

Note 32 : SEGMENT INFORMATION

The business activities of the Company is engaged in one segment (i.e. Financial Services) only



Note 33 : FAIR VALUE MEASUREMENTS

(i) Financial Assets by category

Particulars	As at 31 March, 2020			As at 31 March, 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Asset						
Investments in equity instruments	-	74,11,420	4,51,71,216	-	-	5,46,00,000
Trade Receivables	-	-	2,85,19,908	-	-	4,87,01,872
Cash & Cash Equivalents	-	-	28,91,365	-	-	31,94,260
Loans*	-	-	43,20,15,729	-	-	40,94,21,553
Other Financial Assets	-	-	2,43,04,685	-	-	2,64,83,934
Total Financial Assets	-	74,11,420	53,29,02,904	-	-	54,24,01,618
Financial Liabilities						
Borrowings	-	-	23,11,65,167	-	-	10,96,10,555
Trade Payable	-	-	14,33,08,244	-	-	25,12,54,746
Other Financial Liabilities	-	-	2,15,80,539	-	-	3,09,46,657
Total Financial Liabilities	-	-	39,60,53,950	-	-	39,18,11,958

* Interest on loans have not been charged by the company on the request of the parties due to business slow down and Covid 19 Impact. Agreement between the parties has been executed in this regard.

(Investment in Subsidiaries are measured at cost as per Ind AS 27 ' Separate financial Statements')

(ii) Fair Value of financial assets and liabilities at amortised cost

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial Asset				
Investments in equity instruments	5,25,82,636	5,25,82,636	5,46,00,000	5,46,00,000
Trade Receivables	2,85,19,908	2,85,19,908	4,87,01,872	4,87,01,872
Cash & Cash Equivalents	28,91,365	28,91,365	31,94,260	31,94,260
Loans	43,20,15,729	43,20,15,729	40,94,21,553	40,94,21,553
Other Financial Assets	2,43,04,685	2,43,04,685	2,64,83,934	2,64,83,934
Total Financial Assets	54,03,14,324	54,03,14,324	54,24,01,618	54,24,01,618
Financial Liabilities				
Borrowings	23,11,65,167	23,11,65,167	10,96,10,555	10,96,10,555
Trade Payable	14,33,08,244	14,33,08,244	25,12,54,746	25,12,54,746
Other Financial Liabilities	2,15,80,539	2,15,80,539	3,09,46,657	3,09,46,657
Total Financial Liabilities	39,60,53,950	39,60,53,950	39,18,11,958	39,18,11,958

The carrying amounts of trade receivables, trade payables, Other financial assets, cash and cash equivalents and other bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short term nature of such balances.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 34 : RISK MANAGEMENT

The Company activities expose it to liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management**Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

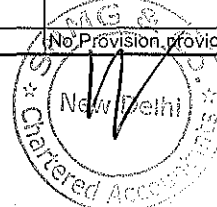
A: Low credit risk on financial reporting date

B: Moderate Credit Risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Credit risk	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, Investment and other financial assets	No Provision provide
Moderate credit risk	Trade receivables and other financial assets	No Provision provide



SPA Capital Services Limited

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

Credit rating	Particulars	As at 31 March, 2020	As at 31 March, 2019
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, Investment and non current other financial assets	48,74,89,730	46,72,15,813
B: Moderate credit risk	Trade receivables and current other financial assets	5,28,24,593	7,51,85,806

Concentration of Trade receivables

Trade receivables consists of a large number of customers spread across various states in india with no significant concentration of credit risk.

Credit risk exposure

Provision for expected credit losses

The Company not provides any provision for any expected credit losses due to low credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity pattern based on their contractual maturities.

Particulars	Less than 1 year	1-2 yeras	2-3 yeras	3-5 years	Total	Carrying Amount
As at 31 March 2020						
Long term borrowings				23,11,65,167	23,11,65,167	23,11,65,167
Short term borrowings (Current Mat)	-				-	-
Trade Payables	14,33,08,244				14,33,08,244	14,33,08,244
Other Financial Liabilities	2,15,80,539	-	-	-	2,15,80,539	2,15,80,539
Total	16,48,88,783	-	-	23,11,65,167	39,60,53,950	39,60,53,950
As at 31 March 2019						
Long term borrowings	-	-	-	10,96,10,555	10,96,10,555	10,96,10,555
Short term borrowings (Current Mat)		-	-	-	-	-
Trade Payables	25,12,54,746	-	-	-	25,12,54,746	25,12,54,746
Other Financial Liabilities	3,09,46,657	-	-	-	3,09,46,657	3,09,46,657
Total	28,22,01,403	-	-	10,96,10,555	39,18,11,958	39,18,11,958

Note 35 : CAPITAL MANAGEMENT POLICIES

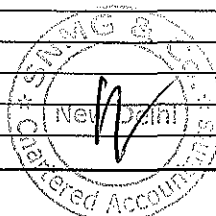
(a) Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognised in other comprehensive income.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarised as follows:

Particulars	As at 31 March, 2020	As at 31 March, 2019
Long term borrowings	23,11,65,167	10,96,10,555
Short term borrowings (Current Maturity)	-	-
Total debt	23,11,65,167	10,96,10,555
Less: Bank Balance other than cash & cash equivalents	-	-
Less: Cash & Cash equivalents	28,91,365	31,94,260
Net debt	22,82,73,801	10,64,16,295
Total equity	16,48,37,563	17,26,87,999
Net debt to equity ratio	1.38	0.62



Related Party Disclosures:

A. List of Related Parties and Relationships

(a) Key Management Personnel

- | | |
|--------------------------------|--|
| 1. Mr. Sandeep Parwal | Chairman Cum Managing Director |
| 2. Mr. Ramesh Menon | Independent Director |
| 3. Mr. Mahaveer Prasad Mundhra | Whole Time Director (upto 30 th September, 2019) |
| 4. Mr. Vikas Dhingra | Independent Director (upto 30 th September, 2019) |
| 5. Mr. Kamal Kishore Somani | Director (upto 2 nd September, 2019) |
| 6. Mr. Kamal Binani | Independent Director (upto 3 rd September, 2019) |
| 7. Ms. Sugeeta Upadhyay | Independent Director (w.e.f. 27 th July, 2020) |
| 8. Mrs. Honey Parwal | Woman Director |
| 9. Mr. Sanjay Kumar Jain | Chief Financial Officer |
| 10. Ms. Kajal Gupta | Company Secretary and Compliance Officer |
| 11. Mr. Amit Kumar Jakhotia | Independent Director (upto 19 th March, 2020) |

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

1. SPA Constructions Private Limited
2. Defiant Enterprises Private Limited
3. Dhruvtara Trading Private Limited
4. R.P. Computer Forms Private Limited
5. Vijay Shree Builders Private Limited
6. Bluemoon Financial Services Private Limited (Previously known as Pinkcity Skyliners Developers Private Limited)
7. Penguin Developers Private Limited
8. Wintech Marketing Private Limited
9. Simplex Construction Private Limited
10. Niveshak MPowered Private Limited
11. NAKS Tutorials Private Limited
12. Bhoopati Trading Private Limited
13. Jagriti Buildtech Private Limited
14. Parth Infracon Private Limited
15. SPA Com Trade Private Limited
16. SPA Capital Advisors Limited
17. I Play I Learn Private Limited
18. Sandeep Parwal Advisors Private Limited
19. SPA Valuation Advisors Private Limited (Previously known as ZenSPAa Capital Services Private Limited)
20. ZenSPAa Capital Advisors Private Limited
21. Haryana Sultans Promotions Private Limited
22. Sansaar Warehousing & Logistic Parks Private Limited
23. SPA Insurance Broking Services Limited
24. IFAN Finserv Private Limited
25. New Age Knowledge Solutions Limited



B. Transactions with Related Parties

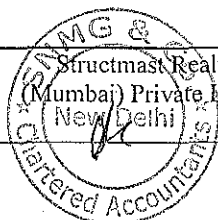
(a) Transactions with Key Management Personnel & their relatives

(Amount in Rs.)

Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2019-2020	2018-2019	31-Mar-20	31-Mar-19
1	Sandeep Parwal	Directors Remuneration	36,00,000	33,00,000	14,06,400	3,44,800
2	Mahaveer Prasad Mundhra	Directors Remuneration	7,50,000	15,00,000	-	1,25,000
		Reimbursement of Exp.	22,370	1,28,788	-	-
3	Sanjay Kumar Jain	Salary Paid	25,75,000	19,35,500	-	2,04,700
			31,374	2,36,687	-	2,36,687
4	Ms. Kajal Gupta	Reimbursement of Exp.				
		Salary Paid	5,56,264	-	42,472	-
		Reimbursement of Exp.	2,448	-	-	-

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

Sr. No.	Name of Related Party	Nature of Transaction	During the year		Balance Outstanding as on	
			2019-20	2018-19	2019-20	2018-19
1	Bhoopati Trading Private Limited	Advance Taken & Repaid	31,569	-	-	-
		Rent Paid#	1,27,440	1,27,440	-	-
2	R P Computer Forms Private Limited	Advance Taken & Repaid	5,628	-	-	-
		Rent Paid#	2,70,000	2,70,000	-	-
		Security Deposit for Office	-	-	20,00,000	20,00,000
3	Simplex Construction Private Limited	Advance Taken & Repaid	2,814	-	2,814	-
		Rent Paid#	2,72,580	4,67,280	-	-
		Purchase of Shares	64,52,729	-	-	-
		Security Deposit for Office	-	-	10,35,000	10,35,000
4	SPA Insurance Broking Services Limited	Rent Received#	-	1,06,200	-	-
		Advance Taken & Repaid	2,08,896	4,12,342	-	-
5	SPA Securities Limited	Demat Expenses#	2,897	2,967	-	-
		Advance Taken & Repaid	-	84,274	-	-
6	Structmast Realtors (Mumbai) Private Limited New Delhi	Rent Paid#	-	-	-	-



7	IFAN Finserv Pvt.Ltd.	Loan Paid	55,22,809	6,48,00,000	-	6,48,45,542
		Advance Taken & Repaid	37,049	54,585	37,049	-
		Loan Received	1,27,72,802.30	-	1,27,72,802.30	-
		Interest Received	56,90,902	45,25,364	-	-
8	Vijay Shree Builders Private Limited	Rent Paid#	14,16,708	18,73,368	-	-
		Advance Taken & Repaid	2,814	-	2,814	-
		Brokerage Received	51,829	-	7,694.98	-
		Security Deposit for Office	-	-	37,57,500	37,57,500
		Rent Paid#	3,54,000 s	3,54,000	-	-
9	Wintech Marketing Private Limited	Rent Advance	27,000	-	27,000	-
		Advance Taken & Repaid	18,195	-	-	-
		Security Deposit for Office	-	-	20,00,000	20,00,000
		Advance Taken & Repaid	72,700	5,13,31,539	-	-
10	SPA Capital Advisors Limited	Rent Paid#	1,80,000	-	1,65,000	-
11	Penguin Developers Pvt Ltd	Security Deposit for Office	-	45,000	45,000	45,000
		Loan Taken and Repaid	5,20,00,000	-	-	-
12	Bluemoon Financial Services Private Limited	Purchase of Shares	9,58,691	-	-	-
		Advance Taken & Repaid	23,876	4,016	23,876	-
13	Niveshak M Powered Private Limited	Brokerage Paid	24,70,085	26,62,080	6,27,295	2,52,080

#Inclusive of GST

Significant accounting policies and notes to the Financial Statements

As per our report of even date attached

For and Behalf of the Board of Directors

For SNMG & Company
Chartered Accountants
ICAI FRN No. : 04921N



CA Deep Chand Garg
Partner
Membership No.076117

Place : Gurugram
Date : 12th August, 2020

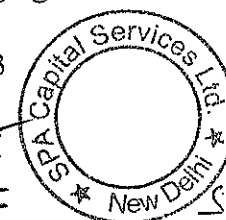
Sandeep Parwal
Sandeep Parwal
Chairman cum Managing
Director
DIN No. 00025803

Kajal Gupta
Kajal Gupta
Company Secretary

Honey Parwal
Honey Parwal

Honey Parwal
Director
DIN No. 0002583

Sanjay Kumar Jain
Sanjay Kumar Jain
Chief Financial Officer



Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.....)

Name of the Subsidiary	N.A
The date since when subsidiary was acquired	N.A
Reporting period for the subsidiary concerned, if different from the holding companies reporting period	N.A
Reporting currency & exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A
Share Capital	N.A
Reserves & Surplus	N.A
Total Assets	N.A
Total Liabilities	N.A
Investments	N.A
Turnover	N.A
Profit before taxation	N.A
Provision for taxation	N.A
Profit after taxation	N.A
Proposed dividend	N.A
Percentage of shareholding	N.A

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	SPA Investment Adviser Private Limited (erstwhile IFAN Finserv Private Limited)
1. Latest audited Balance Sheet Date	31-03-2020
2. Date on which the Associate or Joint Venture was associated or acquired	29-03-2020
3. Shares of Associate or Joint Ventures held by the company on the year end	N.A
No. of Shares	4,41,32,608
Amount of Investment in Associates or Joint Venture	74,11,420



Extent of Holding (in percentage)	40.2%
4. Description of how there is significant influence	The total shareholding is more than 20%
5. Reason why the associate / joint venture is not consolidated	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	67,23,048
7. Profit or Loss for the year	
i. Considered in Consolidation	-41574
ii. Not Considered in Consolidation	


For and Behalf of the Board of Directors

For SNMG & Company
Chartered Accountants
ICAI FRN No.: 04921N




CA Deep Chand Garg
Partner
Membership No. 076117

Place : Gurugram
Date : 12th August, 2020


Sandeep Parwal
Chairman cum Managing Director
DIN No. 00025803


Kajal Gupta
Company Secretary


Honey Parwal
Director
DIN No. 00025835


Sanjay Kumar Jain
Chief Financial Officer

