



**VK**  
**Global**  
**Group**  
since 1979

29<sup>th</sup>

# Annual Report

2021-22



**SPS International Ltd.**



## COMPANY INFORMATION

**Chairman and Managing Director:**

Surendra Kumar Jain

**Non-Executive Director:**

Shikha Jain

**Independent Directors:**

Ramesh Chand Jain

Shreyansh Kumar Patni

**Chief Financial Officer:**

Tanush Jain

**Company Secretary & Compliance Officer:**

CS Saurabh Gupta

**Statutory Auditors:**

M/s. DSRV & Co. LLP

Chartered Accountants

(FRN: 006993N)

Faridabad-121003

**Secretarial Auditors:**

M/s. P.C. Jain & Co

Company Secretaries

(FRN: P2016HR051300)

Faridabad-121002

**Registrar and Transfer Agent**

Beetal Financial & Computer

Services Private Limited

99, Beetal House, 3rd Floor,

Behind Local Shopping Center

Madangiri, New Delhi-110062

**Bankers:**

HDFC Bank Limited

**Registered Office**

SPS International Limited

CIN: L74140HR1993PLC031900

Plot No. F-6-7, FIT, Sector 57,

Faridabad, Haryana-121004

Mail id: [info@spsintl.co.in](mailto:info@spsintl.co.in)

Website: [www.spsintl.co.in](http://www.spsintl.co.in)

**Equity Share Listed at:**

Bombay Stock Exchange

Scrip Code: 530177

ISIN- INE758B01013

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 29<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF SPS INTERNATIONAL LIMITED WILL BE HELD ON SATURDAY, 10<sup>TH</sup> SEPTEMBER, 2022 AT 3:00 P.M. (IST) THROUGH VIDEO-CONFERENCING (“VC”) OR OTHER AUDIO VISUAL MEANS (“OAVM”), TO TRANSACT THE FOLLOWING BUSINESSES-**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, the Reports of the Board of Directors and Auditors thereon.
2. **To Appoint M/s. Jain Jain and Associates (FRN:009094N), Chartered Accountants as Statutory Auditors in a casual vacancy raised due to resignation of existing Statutory Auditors M/s. DSRV & Co. LLP, Chartered Accountants (FRN: 006993N) and fix their remuneration.**

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 139, 141 and 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, (including any statutory modification or be enactment thereof for the time being in force) and pursuant to recommendation of Audit Committee and the Board of Directors, M/s. Jain Jain & Associates, Chartered Accountants **(FRN: 009094N)** who have offered themselves for appointment and have confirmed their eligibility for appointment as Statutory Auditors of the company, in a casual vacancy aroused due to the resignation of existing statutory auditors M/s. DSRV & Co LLP **(FRN: 006993N)**, Chartered Accountants from the conclusion of this Annual General Meeting, be and is hereby appointed as statutory auditors for the financial year 2022-23 and will hold office till the conclusion of the next Annual General Meeting to be held in the year 2023 upon the remuneration including terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof), be authorized on behalf of the Company, including but not limited to determine role and responsibilities/scope of work of the Statutory Auditors, to negotiate, finalize, amend, sign, deliver and execute the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to the Accounting Standards or the Companies Act, 2013 or Rules framed there under or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other requirements resulting in any change in the scope of work, etc., without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit.”

3. To appoint a Director in place of Mr. Rohit Jain (DIN: 00442319) who retires by rotation and being eligible, offer himself for re-appointment.

**SPECIAL BUSINESS:**

**4. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. RAHUL JAIN (DIN: 00442109) AS AN “EXECUTIVE CHAIRMAN CUM MANAGING DIRECTOR”.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** Mr. Rahul Jain (DIN: 00442109), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 24<sup>th</sup> June, 2022 and who holds office up to the date of the ensuing Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) however being eligible for appointment and has given his consent to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed there under and Regulation 16 and 17 of SEBI (Listing Obligation and Disclosure Requirements), 2015 including any enactment, re-enactment or modifications thereof for the time being in force, subject to provision of the Articles of Association of the Company and upon recommendation of Nomination & Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Rahul Jain (DIN: 00442109) as **“Executive Chairman-cum-Managing Director” of the Company for a period of 5 years with effect from 1<sup>st</sup> August, 2022 to 31<sup>st</sup> July, 2027** upon the remuneration including terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 5 years from the date of his appointment within the ceiling prescribed in Section-II of Part-II of Schedule V), with a liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Rahul Jain.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”



**5. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. ROHIT JAIN (DIN: 00442319) AS A NON- EXECUTIVE DIRECTOR (NON-INDEPENDENT):**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** Mr. Rohit Jain (DIN: 00442319), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 24th June, 2022 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) however being eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the Directorship of the Company, be and is hereby appointed as a Non-Executive Director (Non-Independent) of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

**6. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. AMIT KUMAR JAIN (DIN: 09586092) AS AN INDEPENDENT DIRECTOR (NON-EXECUTIVE) OF THE COMPANY**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** Mr. Amit Kumar Jain (DIN: 09586092), who was appointed as an Additional Director of the Company effective from 1<sup>st</sup> July, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and Regulation 16 (1) (b), 17, 25(8) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), and subject to the provisions of the Articles of Association of the company, and upon the recommendation of Nomination & Remuneration Committee and the Board of Directors of the company, **Mr. Amit Kumar Jain (DIN: 09586092)**, who has given his consent and a



declaration that he meets the criteria of independence as provided under Sections 149(6) and 149(7) of the Act and Regulation 16(1)(b), 17 and Regulation 25(8) of the LODR Regulations and is eligible for appointment as an Independent Director (Non-Executive) of the Company, be and is hereby appointed as an **Independent Director (Non-Executive)** of the Company for a period of five (5) consecutive years with effect from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2027 and who shall not be liable to retire by rotation in terms of Section 149(13) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board (which term shall include any Committee, which the Board of Directors of the company may have constituted or may hereafter constitute and delegated with the powers necessary for the purpose), be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any director(s) and / or officer(s) of the company to give effect to this Resolution.”

**7. TO CONSIDER AND APPROVE THE APPOINTMENT OF MRS. KIRAN ARORA (DIN: 00335638) AS AN INDEPENDENT WOMEN DIRECTOR (NON- EXECUTIVE)**

**To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:**

“**RESOLVED THAT Mrs. Kiran Arora (DIN: 00335638)**, who was appointed as an Additional Director of the Company effective from 1<sup>st</sup> July, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and Regulation 16 (1) (b), 17, 25(8) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), and subject to the provisions of the Articles of Association of the company, and upon the recommendation of Nomination & Remuneration Committee and the Board of Directors of the company, **Mrs. Kiran Arora (DIN: 00335638)**, who has given her consent and a declaration that she meets the criteria of independence as provided under Sections 149(6) and 149(7) of the Act and Regulation 16(1)(b), 17 and Regulation 25(8) of the LODR Regulations and is eligible for appointment as an Independent Director (Non-Executive) of the Company, be and is hereby appointed as an **Independent Women Director (Non-Executive)** of the Company for a period of five (5) consecutive years with effect from 1<sup>st</sup>



July, 2022 to 30<sup>th</sup> June, 2027 and who shall not be liable to retire by rotation in terms of Section 149(13) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board (which term shall include any Committee, which the Board of Directors of the company may have constituted or may hereafter constitute and delegated with the powers necessary for the purpose), be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any director(s) and / or officer(s) of the company to give effect to this Resolution.”

#### **8. TO CONSIDER AND APPROVE THE MATERIAL RELATED PARTY TRANSACTION**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 (“the Act”) read with the rules framed there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary and in terms of Regulation 2 (1) (zc), 23 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“LODR Regulations”), as amended from time to time and company’s policy on related party transaction and based on the omnibus approval granted by the Audit Committee and the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution), approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into / continue with the existing Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) falling within the definition of ‘Related Party Transaction’ under Regulation 2(1)(zc) of the Listing Regulations read with the definition of ‘Related Party’ under Regulation 2(1)(zb) of the Listing Regulations in the course of:

- a) Sale and purchase of any goods and material;
- b) Availing / rendering of any services;
- c) Sharing or usage of each other’s resources and reimbursement of expenses;
- d) Purchase / sale / transfer / exchange / lease of business assets (movable or immovable) to meet the business objectives and requirements;
- e) Purchase / sale / transfer of any security(ies) - equity, debt or otherwise;
- f) Providing fund based and non-fund based support;
- g) Any corporate action including receipt of dividends, tendering securities as a part of buyback offer, receipt of bonus securities, etc., by the Company that are uniformly offered/
- h) Any transfer of resources, services or obligations



with related parties during the financial year 2022-23 for an aggregate value not exceeding to Rs. 2500 lacs and notwithstanding that such transactions may exceed the limits as prescribed under the LODR Regulations or such other threshold limits as may be specified by the Act and / or the Listing Regulations from time to time, up to such extent and on such terms and conditions as specified in the table forming part of the Explanatory Statement annexed to this notice and on such terms and conditions as may be agreed between the Company and the concerned related party, provided however, that the said contracts/ arrangements/ agreements/ transactions with the related parties shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ agreements/ transactions, settle all queries, difficulties, doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit or expedient, file requisite forms with regulatory authorities and to do or cause to be done all such acts, deeds, matters and things as may be necessary and appropriate and to delegate all or any of its powers herein conferred to any person(s), to give effect to this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**By the order of Board  
For SPS International Limited**

**Place: Faridabad  
Date: 10<sup>th</sup> August, 2022**

**Sd/-  
Saurabh Gupta  
Company Secretary & Compliance Officer  
ACS No: 36879**

**NOTES:**

1. The Company believes that Annual General Meeting ("AGM") is a forum which provides to the shareholders an opportunity to interact with the Board of Directors ("the Board") and its Senior Management team. However, in view of the Covid-19 pandemic and pursuant to the Circular No. 21/2021 dated December 14, 2021, which is in continuation of Ministry's General Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 3/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") and other relevant Circulars issued by the Ministry of Corporate Affairs ("MCA") and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other relevant Circulars issued by the Securities and Exchange Board of India ("SEBI") and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has decided to hold its 29<sup>th</sup> AGM





through Video-conference (“VC”) or other audio visual means (“OAVM”) (hereinafter referred to as “electronic means”) i.e. without the physical presence of the members. The deemed venue for the 29<sup>th</sup> AGM shall be the registered Office of the Company.

2. The relevant explanatory statement pursuant to Section 102 of the Act read with relevant rules setting out the material facts and reasons in respect of the special business specified under Item Nos. 4 - 8 of this Notice, is annexed herewith.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM WILL BE HELD THROUGH ELECTRONIC MEANS, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP INCLUDING ROUTE MAP IS NOT ANNEXED TO THIS NOTICE.**
4. Institutional Investors, who are members of the Company and corporate members intending to attend the AGM through VC or OAVM and to vote thereat through remote e-voting are requested to send a certified copy of the Board resolution/ Letter of authorization /Power of Attorney to the Scrutinizer by e-mail at [corporatelegal@cspcjain.com](mailto:corporatelegal@cspcjain.com) with a copy marked to [evoting@cdsl.com](mailto:evoting@cdsl.com)
5. In line with the aforesaid MCA Circulars and SEBI Circulars, the Notice of AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 as amended, and the MCA Circulars,



the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Securities Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by CDSL.

9. The documents referred to in the proposed resolution are open for inspection at the Registered Office of the Company during working hours.
10. Members holding shares in physical form are requested to note that in terms of Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.

In view of the above and in order to eliminate risks associated with physical transfer of securities, members holding equity shares of the Company in physical form are requested to consider converting their holdings to dematerialized form. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile/ phone numbers, PAN, mandates, nominations and bank details etc., to their Depository Participants ("DPs") in case shares are held by them in electronic form and to M/s. Beetal Financial & Computer Services Pvt Ltd (RTA) in Form ISR-1, in case shares are held by them in physical form.

11. To support 'Green Initiative', the shareholders who have not registered their email-id are requested to register the same with their DPs in case shares are held in dematerialized form and with M/s. Beetal Financial & Computer Services Pvt Ltd (RTA) in case shares are held in physical form, which could help the Company for sending paperless communication in future. The Company has also made available an email-id registration facility to its members through Beetal, for the purpose of receiving all the communications including notice of meetings and Annual Report, etc. in electronic mode. Members are requested to access the given link: [beetal@rediffmail.com](mailto:beetal@rediffmail.com) to register their email address.
12. In compliance with the regulatory provisions, the Annual Report of the Company for FY 2021-22 along with the notice of the 29<sup>th</sup> AGM has been sent electronically only to those shareholders who have registered their e-mail address with their DPs/ RTA/ the Company, as applicable, up to the cut-off date i.e. **07<sup>th</sup> August, 2022**. The same is also hosted on the Company's website [www.spsintl.co.in](http://www.spsintl.co.in). and also, on the website of the stock exchanges viz., [www.bseindia.com](http://www.bseindia.com). The relevant details are also hosted on the website of the remote e-voting service provider viz CDSL.

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13. Members seeking any statutory information or any other matter/ documents/ registers, etc. in connection with the 29<sup>th</sup> AGM of the Company, may please send a request to the Company via email id: [info@spsintl.co.in](mailto:info@spsintl.co.in)
14. The voting rights of the members shall be in proportion to their shareholding in the Company as on the cut-off date for e-voting i.e. **03<sup>rd</sup> September, 2022**
15. Any person/ entity, acquires shares of the Company and becomes a member after sending notice of this AGM and holding shares of the Company as on cut-off date for e-voting i.e. **03<sup>rd</sup> September, 2022**, can refer to this notice and remote e-voting instructions, hosted on the Company's website i.e. [www.spsintl.co.in](http://www.spsintl.co.in)
16. Pursuant to Section 152 and other applicable provisions of the Act, only the Non-Independent Directors would be reckoned for the purpose of retirement by rotation. Accordingly, the Company has determined the name of **Mr. Rohit Jain, (DIN: 00442319)**, as director retiring by rotation, and being eligible, offers himself for re-appointment.
17. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/ re-appointment at this AGM are annexed to this notice.
18. As per the provisions of Section 72 of the Act, the facility for registration of nomination is available for the members in respect of the shares held by them. Further, member desires to opt out / cancel the nomination and to record a fresh nomination, requested to submit Form ISR-3 (in case of shares are held in physical form) or SH-14 (in case of shares are held in electronic mode).
19. SEBI has mandated for listed companies to issue securities in dematerialized form only, while processing service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates / folios; and transmission and transposition. In this regards, members are requested to make request in Form ISR – 4. It may be noted that any service request can be processed only after the folio is KYC Compliant.
20. In order to increase the efficiency of the e-voting process, SEBI vide its Circular SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, had decided to enable e-voting to all the demat account holders by way of a single login credential through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers,

thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

## **21. CDSL e- Voting System-For Remote E-voting and E-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.



6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.spsintl.co.in](http://www.spsintl.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**The instructions for shareholders e-voting electronically are as under:**

- (i) The voting period will start on **Wednesday, the 7<sup>th</sup> September 2022 at 9:00 A.M. and ends on Friday, the 9<sup>th</sup> September, 2022 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Saturday, the 03<sup>rd</sup> September, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote on the date of AGM.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

(iv) In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL** is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginorvisitwww.cdslindia.com">https://web.cdslindia.com/myeasi/home/loginorvisitwww.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>



	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the</p>



	remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL:**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30



**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) 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.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
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"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details  <b>OR</b> 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"> <li>• 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.</li> </ul>

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) 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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be linked in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@spsintl.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Instructions for Shareholders attending the AGM through VC/OAVM & e-voting during the meeting are as under:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile



number at company email id. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Process for those shareholders whose email/mobile No. are not registered with the Company/Depositories.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

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All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**By the order of Board For SPS International Limited**

**Place: Faridabad  
Date: 10<sup>th</sup> August, 2022**

**Sd/-  
Saurabh Gupta  
Company Secretary & Compliance Officer  
ACS No: 36879**

**EXPLANATORY STATEMENT  
(UNDER SECTION 102 OF THE COMPANIES ACT, 2013)**

**Item No. 2**

**Appointment of M/s. Jain Jain and Associates (FRN:009094N), Chartered Accountants as Statutory Auditors in a casual vacancy raised due to resignation of existing Statutory Auditors M/s. DSRV & Co. LLP, Chartered Accountants (FRN: 006993N) and fix their remuneration.**

M/s. DSRV & Co. LLP, Chartered Accountants (FRN: 006993N) was appointed as Statutory Auditors of the Company in the 26<sup>th</sup> Annual General Meeting (AGM) of the members held on 30<sup>th</sup> September 2019 for a period of 5 (five) financial years commencing from 2019-20 to 2023-24 until the conclusion of 31<sup>st</sup> AGM to be held in the year 2024. The statutory auditors have submitted their report on the Audited Financial Statement for the Financial Year 2021-22 which is being placed before the members in item no 1 of this notice.

VK Global Group has taken over the management control and became new promoters of the company by way of acquisition of 43.90% equity shares of erstwhile promoters Mr. Surendra Kumar Jain & Family under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 by giving proper open offer to the public under Regulation 3 & 4 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. VK Global Group comprises multiple companies for diversified business. Therefore, in order to alien the statutory auditors across various entities of VK Global Group of companies in context of recent development and takeover, the existing Statutory Auditors, DSRV & Co LLP, Chartered Accountants have resigned from the office of Statutory Auditors of the Company and they will hold office till the conclusion of the ensuing Annual General Meeting.

M/s. Jain Jain & Associates, Chartered Accountants, (FRN: 009094N) has given their consent to act as Statutory Auditors of the company in the casual vacancy aroused due to the resignation of existing statutory auditors i.e. DSRV & Co. LLP, Chartered Accountants. They have also given the confirmation regarding their eligibility and independency as auditor of the company as required under section 139 and 141 of the Companies Act, 2013 and rules made their under and code of ethics issued by the Institute of Chartered Accountants of India (ICAI) relevant to audit. M/s. Jain Jain & Associates, Chartered Accountants will hold office for the financial year 2022-23 till the conclusion of next Annual General Meeting to be held in the year 2023. The Board of Directors has approved the remuneration of Statutory Auditor Rs. 50000/- (Rs. Fifty thousand only) as audit fee for conducting audit for the financial year 2022-23 excluding applicable taxes and reimbursement of out of pocket expenses on actual basis. The remuneration of Jain Jain & Associates for the financial year 2022-23 shall not exceed Rs. 1,50,000/- (Rs. One lacs fifty thousand only) including audit of Annual Financial Statements and financial results, audit of internal financial controls over financial reporting, limited review of quarterly results as per SEBI (Listing Obligation and



Disclosure Requirements) Regulation 2015 and tax audit plus applicable taxes and reimbursement of out of pocket expenses as may be incurred in connection with the aforesaid. There is no change in remuneration and other terms and conditions of proposed statutory auditor in comparison to the remuneration paid to the outgoing auditors.

Pursuant to the recommendation by the Audit Committee and Board of Directors, it is proposed that M/s. Jain Jain & Associates, Chartered Accountants may be appointed as Statutory Auditors of the Company for the Financial year 2022-23 who will hold office as statutory auditors of the company till the conclusion of next Annual General Meeting to be held in the year 2023 on such remuneration and scope of work as mentioned above. A resolution is set out in the item no.2 of the Notice of AGM for the consideration and approval by the members. The Board of Directors recommend for your approval by way of Ordinary Resolution.

None of the Director (s), Key Managerial Personnel (s) and their relative (s) is concerned or interested in the proposed resolution directly or indirectly.

**Item No. 4.**

**Appointment of Mr. Rahul Jain (DIN: 00442109) as “Executive Chairman-Cum-Managing Director” of the Company.**

The Board of Directors in its meeting held on 24<sup>th</sup> June, 2022 appointed **Mr. Rahul Jain (DIN: 00442109)** as an Additional Director (Executive) under section 161 of the Companies Act, 2013 with immediate effect. He holds the office up to the conclusion of this Annual General Meeting of the Company. In terms of section 160 of the Companies Act 2013, one of the member of the Company proposed his name for the appointment as Director of the company in the ensuing Annual General Meeting and who will be liable to retire by rotation.

Pursuant to the provisions of section 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed there under and Regulations 16 and 17 of SEBI (Listing Obligation and Disclosure Requirements), 2015 including any enactment, re-enactment or modifications thereof for the time being in force, subject to provision of the Articles of Association of the Company and upon recommendation of Nomination & Remuneration Committee, the Board of Directors also considered and approved the appointment of **Mr. Rahul Jain (DIN: 00442109) as “Executive Chairman cum Managing Director for a period of 5 (Five) years commencing from 1<sup>st</sup> August, 2022 to 31<sup>st</sup> July 2027** at monthly managerial remuneration as follows-



**(i) Remuneration & Perquisite-**

- a) No remuneration & Perquisite will be paid for a period commencing from 1<sup>st</sup> August, 2022 to 31<sup>st</sup> March, 2024.
- b) Remuneration of Rs. 1,00,000/- (Rupees One Lakh only) per month will be paid for the period commencing from 01<sup>st</sup> April, 2024 to 31<sup>st</sup> July, 2027 subject to the ceiling as prescribed under section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013.

Provided that during the currency of tenure of appointment of Mr. Rahul Jain, Managing Director in any financial from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> July, 2027, if company has no profit or its profits are inadequate, the remuneration shall not exceeding to the ceiling as prescribed in clause (A) of Section II of Part II of Schedule V of the Companies Act, 2013.

- (i) Expense for official purpose will be reimbursed to Managing Director towards any out-of-pocket expenses, Lodging & Boarding expenses, telephone charges, conference expenses etc on actual basis subject to the approval by the Members in the ensuing Annual General Meeting by way of Special Resolution.

Mr. Rahul Jain has provided his consent to act as Director and being eligible to act as “Executive Chairman cum Managing Director” as prescribed under the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and is not disqualified from being appointed as a director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion of the Board, he has fulfilled the conditions for appointment as an Executive “Chairman cum Managing Director”.

**Profile of Mr. Rahul Jain (DIN: 00442109)**

Mr. Rahul Jain is a qualified Bachelor of Arts from Jain College, Ambala. He is having a long experience of more than 30 years in the field of publication, printing and packaging industry. He has played a key role in growth and diversification of VK Global Group. Under his dynamic business leadership VK Global Group has established its footprint in the publication & printing industry in India as well as globally.

Mr. Rahul Jain started his career in Publication & Printing business under the name of M/s. VK Publications, a proprietary firm in the year 1977 under the guidance and direction of his father Late Mr. T.R. Jain, a well renowned educationist and author of Economics & other education books. After the demise of his father, Mr. Rahul Jain carried forward the family business professionally and formed VK Global Publication Pvt Ltd in the year 2009 as Flagship Company of the VK Global Group.



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In his long journey of business, he established the name of “VK” as a leading publication & education house in India.

Towards the diversification of business, VK group entered into printing & Packaging segment of business. Under his leadership, VK Global Group formed VK Global Digital Private Ltd in the year 2014 which established a State of Art manufacturing unit with international technology for printing

& design of packaging films with Fresnel lenses therein for global supply to multinational companies. His dynamic leadership and vision moved him a step further, VK Global Group formed VK Global Learning Pvt Ltd in the year 2018 for e-learning and e-education business globally. Mr. Rahul Jain occupies the position of Chairman & Executive Director of VK Group of Companies.

Presently, he is heading the group as Chairman & Director of the following companies-

Sr. No.	Name of companies	CIN	Percentage of shareholding	Position Held
1	VK Global Publications Private Limited	U22212DL2009PTC194806	41.42	Executive Director
2	VK Global Digital Private Limited	U22100DL2014PTC266084	10.00	Non-Executive Director
3	Future Kids Publications Private Limited	U22110DL1998PTC093487	50.00	Non-Executive Director

He is also holding the position as Member of Audit Committee and Stakeholder Relationship Committee of the company.

Copy of the draft letter of appointment, setting out the terms and conditions of his appointment is available for inspection by the members at the Registered Office of the Company during business hours on any working day, subject to restrictions, if any, that may be imposed by local authorities on account of the pandemic.

Further, On the recommendation of Nomination and Remuneration Committee, Mr. Rahul Jain (DIN No. 00442109) is proposed to be appointed as “Executive Chairman-cum- Managing Director” of the Company with effect from 1st August, 2022 for a period of 5 (five) years till 31st July, 2027, subject to the approval by the members in ensuing Annual General Meeting on such remuneration & terms and conditions including reimbursement of out of pocket expenses and travelling expenses for official purpose as agreed between the Board /Committee thereof. Accordingly, Member’s approval is being sought by way of Special Resolution at the ensuing AGM for his appointment.



Except Mr. Rohit Jain being his relative, none of the Director, Key Managerial Personnel and their relatives is interested in the proposed resolution.

Considering the qualifications, positive attributes, experience and expertise, the Board of Directors and Nomination & Remuneration Committee of the Board recommends that the members may consider and approve the proposed resolution as set forth in Item No. 4 as a SPECIAL RESOLUTION.

**Item 5.**

**Appointment of Mr. Rohit Jain (DIN: 00442319) as Non- Executive Director (Non-Independent) of the Company.**

The Board of Directors in its meeting held on 24<sup>th</sup> June, 2022 appointed **Mr. Rohit Jain (DIN: 00442319)** as an Additional Director (Non-Executive) under section 161 of the Companies Act, 2013 with immediate effect. He holds the office until the conclusion of this Annual General Meeting of the Company. In terms of section 160 of the Companies Act 2013, one of the members of the Company proposed his name for the appointment as Director of the company in the ensuing Annual General Meeting and who will be liable to retire by rotation.

Mr. Rohit Jain has provided his consent to act as Director and being eligible to act as Non-Executive Director (Non-Independent) as prescribed under the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and is not disqualified from being appointed as a director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion of the Board, he has fulfilled the conditions for appointment as a Non-Executive Director (Non-Independent), liable to retire by rotation.

**Profile of Mr. Rohit Jain (DIN: 00442319)**

Mr. Rohit Jain is a qualified Bachelor of Commerce from Jain College Ambala. He is younger brother of Mr. Rahul Jain, the Chairman & Executive Director of the Group. He has long experience of more than 20 years and played an important role in management of manufacturing units, technological advancement in operations & systems, setting up State of Art projects, product development, quality assurance etc in VK Global Group. Under his dynamic leadership & strategic decisions, VK Group has successfully implemented the new ventures, technological advancement and new products in printing & packaging business of the Group.

Presently, he is a Director of the following companies-

<b>Sr. No.</b>	<b>Name of Companies</b>	<b>CIN</b>	<b>Percentage of shareholding</b>	<b>Position Held</b>
1	VK Global Publications Private Limited	U22212DL2009PTC194806	41.42	Executive Director
2	VK Global Digital Private Limited	U22100DL2014PTC266084	26.76	Executive Director
3	Future Kids Publications Private Limited	U22110DL1998PTC093487	50	Non-Executive Director
4	VK Global Learning Private Limited	U80901DL2018PTC333855	50	Non-Executive Director

Mr. Rohit Jain is Chairman of Shareholder Relationship Committee and member of Nomination & Remuneration Committee of the company.

Except Mr. Rahul Jain being his relative, none of the Directors, Key Managerial Personnel and their relatives are interested in the proposed resolution.

Considering the qualifications, positive attributes, experience and expertise, the Board of Directors and Nomination & Remuneration Committee of the Board recommends that the members may consider and approve the proposed resolution as set forth in Item No. 5 as an ORDINARY RESOLUTION.

#### **Item 6.**

#### **Appointment of Mr. Amit Kumar Jain (DIN: 09586092) as an Independent Director of the company**

Mr. Amit Kumar Jain (DIN: 09586092) was appointed as an Additional Director (Independent Director) by the Board of Directors of the Company (“the Board”) with effect from 1<sup>st</sup> July, 2022 under Section 149, 152 and Schedule IV of Companies Act, 2013 and Rules 4, 5 and 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 & 17 of



SEBI (Listing Obligations and Disclosure Requirements), 2015. He holds office as Additional Director (Independent) until the conclusion of the ensuing Annual General Meeting.

Mr. Amit Kumar Jain has provided his consent to act as Director and declaration of independence certifying that he meets all the criteria of independence as prescribed under the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and is not disqualified from being appointed as a director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion of the Board, he has fulfilled the conditions for appointment as an Independent Director and is independent of the management.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr. Amit Kumar Jain for the office of independent Director. Mr. Amit Jain will hold office as Independent Director for a period of 5 (five) years effective from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2027.

**Brief profile of Mr. Amit Kumar Jain (DIN: 09586092)**

Mr. Amit kumar Jain is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and CPA from USA. He begins his career in the Indian Corporates in the area of Finance, Audit, Accounting and Taxation etc. Further, he joined as a Head of Finance & Operations in a company established at USA. After having a rich experience of more than 10 years of Global Business and Corporate Affairs & Operations, he started his business venture in USA. Presently, he is perusing his professional and advisory services from Canada. He has long experience of Global Business, Corporate Affairs, Operations, Commercials and taxations in India as well as aboard.

Mr. Amit Kumar Jain is neither director in any other company nor hold equity shares. He is Chairman of Audit Committee and member of Nomination and Remuneration Committee of the company.

None of the Director, Key Managerial Personnel and their relatives except Mr. Amit Kumar Jain himself is interested in the proposed resolution.

Considering the qualifications, positive attributes, experience and expertise, the Board of Directors and Nomination & Remuneration Committee of the Board recommends that the members may consider and approve the proposed resolution as set forth in Item No. 6 as an **SPECIAL RESOLUTION**.

**Item 7**

**Appointment of Mrs. Kiran Arora (DIN: 00335638) as Women Independent Director of the company**

Mrs. Kiran Arora (**DIN: 00335638**) was appointed as an Additional Director (Independent Director) by the Board of Directors of the Company (“the Board”) with effect from 1<sup>st</sup> July, 2022 under Section 149, 152 and Schedule IV of Companies Act, 2013 and Rules 4, 5 and 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 & 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015. She holds office as Additional Director (Independent) until the conclusion of the ensuing Annual General Meeting.

Mrs. Kiran Arora has provided her consent to act as Director and declaration of independence certifying that she meets all the criteria of independence as prescribed under the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and is not disqualified from being appointed as a director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority. In the opinion of the Board, she has fulfilled the conditions for appointment as an Independent Director and is independent of the management.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mrs. Kiran Arora for the office of independent Director. Mrs. Kiran Arora will hold office as Women Independent Director for a period of 5 (five) years effective from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2027. The brief profile of Mrs. Kiran Arora, in terms of Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India is annexed to this Notice.

**Brief profile of Mrs. Kiran Arora (DIN: 00335638)**

Mrs. Kiran Arora is a qualified Masters of Philosophy in Economics and Political Science. She is having experience of more than 10 years in business entrepreneurship. Currently, she is engaged in family business of real estate development.

None of the Director, Key Managerial Personnel and their relatives except Mrs. Kiran Arora herself is interested in the proposed resolution.

Considering the qualifications, positive attributes, experience and expertise, the Board of Directors and Nomination & Remuneration Committee of the Board recommends that the members may consider and approve the proposed resolution as set forth in Item No. 7 as a **SPECIAL RESOLUTION**.

**Item 08**

**To Approve the Material Related Party Transaction:**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 (‘Rules’), the Company is required to obtain consent of the Board of Directors and approval of the members by way of resolution, in case certain transactions with related parties exceeds such sum as is specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm’s length basis.

However, pursuant to Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), approval of the members through a resolution is required for all material related party transactions, even if they are in the ordinary course of business and on arm’s length basis.

With effect from April 1, 2022, Regulation 23 of SEBI Listing Regulations mandates prior approval of the Shareholders through ordinary resolution for all Material Related Party Transactions. For this purpose, a Related Party Transaction will be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed Rs. 1000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity, whichever is lower.

The Company has in place a balanced and structured policy and process for approval of Related Party Transactions. The Policy provides the details required to be provided to the Audit Committee for the purpose of review of such transactions and grant their approval for the proposed transactions. A justification for each and every related party transaction is provided to the audit committee which enables them to arrive at the right decisions. Additionally, an update on the actual related party transactions entered during every quarter is provided to the Audit Committee.

At the end of financial year under review, the Audit Committee of the Company comprised of only Independent Directors as Members which helps in providing an objective judgment to all transactions proposed for approval.

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Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22<sup>nd</sup> November, 2021 is provided herewith:

Sr. No.	Particulars	Details	Details	Details	Details
1.	Name of the related party	VK Global Digital Private Limited	VK Global Publications Private Limited	VK Global Learning Private Limited	Future Kids Publications Pvt Ltd
2.	Nature of relationship with the company	Group Company Under the same management	Group Company Under the same management	Group Company Under the same management	Group Company Under the same management
3.	Type of transactions	Books, Papers sale and purchase of goods and providing services.	Sale/ purchase of All type of papers, Packaging Material and services.	IT services, e-business.	Children Books sale and purchase. Sale / lease of property and providing services.
4.	Material terms and particulars of proposed transactions	As omnibus approval given by Audit Committee	As omnibus approval given by Audit Committee	As omnibus approval given by Audit Committee	As omnibus approval given by Audit Committee
5.	Tenure of the proposed transactions	For one year	For one year	For one year	For one year
6.	Percentage of Transaction w.r.t. turnover for the immediately preceding financial year that is represented by the value of proposed transaction	Proposed value Rs. 12 cr. p.a.	Proposed value Rs. 5 Cr.	Proposed value 25 lakhs.	Proposed valued of Rs. 5 Cr.
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: a) Details of	NIL	NIL	NIL	NIL



	financial indebtedness incurred  b) Applicable terms including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security the purpose for which the finding will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction				
<b>8.</b>	Justification as to why the RPT is in the interest of the Company	To explore & mobilize the new business opportunities in the company through group companies.	To explore & mobilize the new business opportunities in the company through group companies.	To explore & mobilize the new business opportunities in the company through group companies.	To explore & mobilize the new business opportunities in the company through group companies.
<b>9.</b>	Copy of the valuation or other external party report, if any such report has been relied upon	NA	NA	NA	NA

The Audit Committee and Board is periodically provided with all relevant information required under the law, including material terms & conditions etc. as prescribed under the Companies, Act, 2013 and rules framed there under; and in terms of SEBI Listing Regulations; and the Company's Related Party Transaction Policy, concerning the contracts / arrangements / transactions with related parties. The Audit Committee, after reviewing all necessary information, grants its approval



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and forwards the same to the Board with its recommendations. These are routine business transactions, which were hitherto carried out in accordance with the prescribed procedure of applicable laws / regulations. It is anticipated that in coming years, value of transactions with the aforesaid related parties may exceed the limits prescribed under the SEBI Regulations, hence prior approval of members of the company is sought accordingly for continuance of such transactions.

The proposed transactions shall also be reviewed/ monitored on a periodical basis by the Audit Committee of the Company and shall remain within the proposed limits being placed before the shareholders for approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company and/or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**By the order of Board  
For SPS International Limited**

**Place: Faridabad  
Date: 10<sup>th</sup> August, 2022**

**Sd/-  
(Saurabh Gupta)  
Company Secretary and Compliance Officer  
ACS No. 36879**

## **BOARD'S REPORT**

To,  
The Members,  
SPS International Limited,

The Directors are pleased to present before you 29<sup>th</sup> Annual Report on the Business and Operations of your company along with Audited Financial Statements of the Company for the Financial Year ended March 31, 2022.

### **1. FINANCIAL HIGHLIGHTS**

The Company's financial performance for the year ended March 31, 2022 is summarized below:

**(Rs. In lakhs)**

<b>Particulars</b>	<b>Current Year FY 2021-22</b>	<b>Previous Year FY 2020-21</b>
Revenue from Operations	77.48	174.67
Other Income	52.23	19.53
Profit / (Loss) before Depreciation, Finance Cost Exception item and Taxation	(215.00)	(115.42)
Depreciation & Amortization Expenses	12.15	50.62
Profit / (Loss) before Taxation	(227.15)	(166.04)
Less- Tax Expenses	0	0
Profit / (Loss) for the year	(227.15)	(166.04)
Balance Carry forward.....	(227.15)	(166.04)

The Financial Year 2022 will go down in India's economic history as an unprecedented one with huge gyrations in fortune. The second wave of the pandemic hit lives hard and was way more vicious than the first one. Yet, it was not about Covid in spite of the second wave, it was more about hope and recovery as India successfully navigated its course through turbulent waters. As the wave receded, there was a dramatic surge in the pace of vaccination and India was able to vaccinate most of its eligible population rapidly. There was a rebound in growth as evidenced from high frequency indicators. However, the enthusiasm was disrupted by the third wave of the pandemic which fortunately proved to be less vicious and short lived.

There was no material change in the Business Operations of the Company during the year under review. The Loss for the year before Depreciation, Finance Costs, Exceptional items and Taxation recorded at Rs. 215.00 lacs as against Rs. 115.42 lacs in the previous year. Loss after tax recorded at Rs. 227.15 lacs as against Rs. 166.04 lacs in the previous year.

The operations of the company were badly hit by the uncertain market conditions in covid-19 period. Many States had imposed localized lockdowns and other similar measures in various cities to curb the spread of Covid-19 in their respective regions. This again impacted the overall business

scenario as many markets, educational institutions, etc. remained closed. The management was constraint to scale down the business operations and cut the administrative cost in the company so as to minimize the risk and losses.

**2. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT**

No material changes and commitments have occurred after the close of the year under review till the date of this Report which affects the financial position of the Company except as mentioned Para 5 of this report.

**3. TRANSFER TO RESERVE**

For the year under review, the company has not transferred any amount to Reserve and Surplus.

**4. DIVIDEND**

Keeping in view, the future requirement of funds and current losses in the company, the Board of Directors does not recommend any dividend for the relevant financial year ending as on March 31, 2022.

**5. TAKEOVER OF MANAGEMENT CONTROL BY VK GLOBAL GROUP, NEW PROMOTERS**

Mr. Surendra Kumar Jain & Family (**“the erstwhile promoters & promoter group”**) entered into Share Purchase Agreement (SPA) on 18<sup>th</sup> February, 2022 with Mr. Rahul Jain & Family (**New Promoter & Promoters Group**), **VK Global Group** to sell their entire 14,16,078 equity shares representing 43.90% voting rights and takeover the management control of the company under the SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011 (**“SEBI Regulations”**).

The Board of Directors also allotted 1012000 equity shares @ 10/- each on preferential basis to Mrs. Mugdha Jain (212000 equity shares), VK Global Publications Pvt Ltd (400000 equity shares) and VK Global Digital Pvt Ltd ( 400000 equity shares) in its meeting held on 5<sup>th</sup> April, 2022.

The New Promoter & Promoters Group also made open offer to the Public Shareholders for acquisition of equity shares as required under Regulation 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011. In process of Open offer only 400 equity shares were tendered by the public shareholders to the new promoter and promoters group.

After having all necessary regulatory approvals / compliances under the Companies Act, 2013 and SEBI Regulations, New Promoters and Promoters Group took over the management control of your company on 10<sup>th</sup> June, 2022 from the erstwhile Promoters & Promoters Group.

The new promoters and promoters group has its presence in India as well as globally under its group name- **“VK Global Group”** in the diversified area of business such as Printing, Packaging,

Publication and e-learning since more than four decade. The Board of Directors are confident that with a long experience of industry, business operations and growth record of the VK Global Group, your company under the umbrella of the said group will explore a sustainable business strategy, investment planning and execution so as to continue to protect the interest and enhance the value of all stakeholders in the company in future.

## **6. FUTURE OUTLOOK**

The Board of Directors is optimistic for future, keeping in view the slowdown of the spared of covid-19 and its impact worldwide. Covid-19 restrictions and lockdowns have been gradually lifted from most of the countries worldwide. Markets, Education Institutions and global economy are rebounding to pre- covid level.

The Board of Directors will make all necessary endeavors to bring the business operations on track and explore new business opportunities in consultation with its management team for a long term sustainable business, investment planning and smooth operations in the company. The Board of Directors is confident & optimistic for the future business and growth in the company.

## **7. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY**

The Company neither has any Subsidiary, Joint Venture or Associate Company, nor has any Company become or ceased to be its Subsidiary, Joint Venture or Associate Company, during financial year under review.

## **8. SHARE CAPITAL**

The total paid up share capital of the company as on 31st March, 2022 is Rs. 3,22,59,000/- comprising of 32,25,900 Equity Shares of Rs. 10/- each.

However, after the closing of financial year till the date of this report, the total paid up capital of the company has increased to Rs. 4,23,79,000/- comprising of 42,37,900 equity shares due to allotment of 10,12,000 equity shares on preferential basis on 5th April, 2022 to the new Promoters & Promoters Group.

## **9. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **(i) The size and composition of the Board as on March 31, 2022, is as under:**

During the year under review, there was no change in the composition of the Board of Directors of the Company. As on 31<sup>st</sup> March, 2022, there were total 4 (four) directors on the Board comprising- 1 (One) Executive Chairman-cum- Managing Director, 1(One) Non-Executive Women Director (Non-Independent) and 2 (two) Independent Directors (Non-Executive) .

**(ii) Change in composition of the Board after 31st March 2022 till the date of report is as under:**

- Mr. Surendra Kumar Jain (DIN No. 00088064) Executive Chairman cum Managing Director, Mrs. Shikha Jain (DIN No. 03457584), Non-Executive Women Director, Mr. Ramesh Chand Jain (DIN No. 03208226), Independent Director (Non-Executive) and Mr. Shreyans Kumar Patni (DIN No. 00118269) Independent Director (Non-Executive) have resigned from the Directorship of the Company with effect from 25<sup>th</sup> June, 2022. Resignation of Independent Directors before the expiry of their respective term from the Board of Directors was due to their other professional commitments and reasons they have provided to the company and there is no other material reason other than those provided.

The Board of Directors expressed their sincere thanks for their valuable contribution and guidance during their respective tenure in the company.

- After the takeover of management control of the company by the New Promoters & Promoters Group in the month of June 2022, on the recommendation of Nomination and Remuneration Committee of the Board, the composition of the Board of Directors was re-constituted keeping a proper combination of 1 (one) Executive Director (Promoter), 1 (one) Non-Executive Director (Non-Independent, Promoter) and 2 (two) Independent Directors including one women director on the Board as per the requirement of the Companies Act 2013 and Rules made there under (as amended upto date) and SEBI Regulations as follows-

The Board of Directors in their meeting held on 24<sup>th</sup> June, 2022 appointed **Mr. Rahul Jain (DIN No. 00442109)** as Executive Director (Additional / Promoter), **Mr. Rohit Jain (DIN No. 00442319)** as Non-Executive Director (Additional / Promoter) with immediate effect. Both the Directors will hold office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act 2013. However, the company has received a notice under section 160 of the Companies Act, 2013 from one of the member proposing them for their appointment as Director of the Company in the ensuing Annual General Meeting.

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Board of Directors also appointed **Mr. Amit Kumar Jain (DIN: 09586092)** as an Independent Director (Non-Executive) and **Mrs. Kiran Arora (DIN: 00335638)** as an Independent Woman Director (Non-Executive) with effect from 1<sup>st</sup> July, 2022 for a period of 5 (five) years commencing from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2027, subject to the approval of the members by way of Special Resolution in the ensuing Annual General Meeting. These independent directors shall not be liable to retire by rotation. Accordingly, Member's approval is being sought at the ensuing AGM for their appointment.

Detailed profile of the directors proposed to be appointed in the ensuing Annual General Meeting with their experience, expertise and directorship in other companies are



mentioned in the explanatory statement (under section 102 of the Companies Act, 2013) attached with the Notice of AGM in the Annual Report.

- During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, if any, received by them.
- In accordance with the requirements of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rohit Jain, Director (DIN: 00442319) retires by rotation and is eligible for re-appointment. Member's approval is being sought at the ensuing AGM for his re-appointment.

**(iii) Key Managerial Personnel are as under:**

- Mr. Tanush Jain, Chief Financial Officer and Key Managerial Personnel (KMP) of the Company tendered his resignation w.e.f. close of business hours on 24<sup>th</sup> June, 2022. The Board places on record its appreciation for the valuable contribution and guidance of Mr. Tanush Jain during his tenure as Chief Financial Officer.
- Mr. Ashish Jain has been appointed as Chief Financial Officer and designated as KMP of the Company w.e.f. 24<sup>th</sup> June, 2022.
- Mr. Saurabh Gupta was appointed as Company Secretary & Compliance Officer and designated as KMP of the Company w.e.f. 1<sup>st</sup> July, 2021.
- In terms of Section 203 of the Act, following are the KMP of the Company as on March 31, 2022:
  - ✓ Mr. Surendra Kumar Jain - Managing Director
  - ✓ Mr. Tanush Jain - Chief Financial Officer
  - ✓ Mr. Saurabh Gupta- Company Secretary

**10. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of Companies Act, 2013 and Regulation 16 of the 'Listing Regulations'.

#### **11. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Sections 134(5), the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and are prudent so as to give a true & fair view of the state of affairs of the Company at the end of the Financial Year and of the profits of the Company for the period;
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 preventing and detecting fraud and other irregularities;
4. the Directors have prepared the Annual Accounts on a 'going concern' basis;
5. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating efficiently; and
6. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the company neither gave any loans or guarantee nor made any investments in terms of provisions of Section 186 of the Companies Act, 2013.

#### **13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant material orders passed by the Regulators or Courts or Tribunals, which would impact the 'going concern' status of the Company and its future operations.

#### **14. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Details of Internal Financial Controls and its adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

#### **15. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES**

As per the provisions of Companies Act, 2013 and Regulation 23 of 'Listing Regulations', the Company has formulated a Policy on Related Party Transaction to ensure transparency in transactions between the Company and the related parties. During the year under review, there were no material transactions, as defined under the provisions of 'Listing Regulations', between the Company and related parties. All transactions with related



parties were carried out in the ordinary course of business at arms' length basis and details of such transactions are mentioned in notes attached to the financial statements, appearing elsewhere in the Annual Report. Further, Form AOC-2 containing the necessary disclosure in this regard is attached as **Annexure - "I"** and forms an integral part of this report.

#### **16. PROPOSED MATERIAL RELATED PARTY TRANSACTIONS**

Pursuant to Regulation 23 (1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the company has formulated a policy on materiality of related party transactions. This policy is available on the website of the company [www.spsintl.co.in](http://www.spsintl.co.in)

In terms of the provision of Regulation 23 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the audit committee of the Board has given omnibus approval for material related party transactions proposed to be entered by the company, subject to the prior approval by the members in the ensuing Annual General Meeting. As your company is in phase of entering into new business opportunities and stabilizing the operations, the Audit Committee while giving its omnibus approval foresees that the company may require to entering into material related party transactions. Such omnibus approval shall be valid for a period not exceeding one year. A detailed proposal with resolution in this regard for the approval of the members is sought in the ensuing Annual General Meeting.

#### **17. STATUTORY AUDITOR'S REPORT**

The standalone and the consolidated financial statements of the Company for the financial year 2021-22 have been prepared in accordance with Ind AS notified under Section 133 of the Act.

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee as specified under section 143(12) of the Act, during the year under review. The Statutory Auditors were present in the last AGM.





## **18. AUDITORS**

### **A. Statutory Auditors –**

During the year under review, M/s DSRV & Co. LLP, (FRN:006993N), Chartered Accountants, carried out the Statutory Audit for the financial year ended as on 31<sup>st</sup> March, 2022 and submitted their report.

M/s. DSRV & Co, LLP (FRN: 006993N), Chartered Accountants, the statutory auditor have tendered their resignation and expressed their unwillingness to continue as Statutory Auditors of the Company on the conclusion of the ensuing Annual General Meeting.

Due to their resignation and casual vacancy raised, on the recommendation of Audit Committee, the Board of Directors has recommended the name of M/s. Jain Jain & Associates, Chartered Accountants (FRN: 009094N) for their appointment as Statutory Auditors for the financial year 2022-23 in the ensuing Annual General Meeting and fix their remuneration, in terms of section 139 (8) of the Companies Act, 2013.

M/s. Jain Jain & Associates , Chartered Accountants (FRN: 009094N) has given their consent to act as Statutory Auditors of the Company and confirmed they meet the eligibility criteria, qualifications and independence to the company required under section 141 of the Companies Act, 2013 and rules made there under.

### **B. Internal Auditors –**

During the year under review, M/s. P.C. Jain & Company, Company Secretaries (FRN: P2016HR051300) were appointed as Internal Auditors of your Company to conduct a Internal Audit of the Company for the Financial Year 2021-22.

### **C. Secretarial Auditors –**

During the year under review, M/s. P.C.Jain & Company, Company Secretaries (FRN: P2016HR051300) were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for Financial Year 2021-22.

The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines except the reporting of non-disclosure by the promoters regarding change in shareholding under Regulation 29 (2) of the SEBI (SAST) Regulation 2011. The Secretarial Audit Report is provided in **Annexure-“II”** as an integral part of this Report.

**Explanation on Disqualification in Secretarial Audit Report:**

With regard to the disqualification in the Secretarial Audit Report is concerned, it may be noted that the transfer of shares were inter-se transfer between the erstwhile Promoters & Promoters Group. However, the erstwhile promoters & promoters group have given an undertaking to the SEBI, the Regulator that necessary action will be taken for the rectification of non-compliance / delayed compliance.

**D. Cost Auditors-**

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, the Company was not required to maintain cost records and no cost auditor was required to be appointed.

**19. RISK MANAGEMENT**

The Board confirms that there exists a structure in the Company to identify, assess, evaluate and mitigate various types of risks w.r.t. the operations of the Company. In view of the Board, none of the elements of any such risk threaten the existence of the Company.

**20. CORPORATE GOVERNANCE**

The Company is having its Paid up Capital and Net Worth as on 31st March, 2022 Rs. 3,22,59,000/- and Rs. 3,11,52,052/- respectively. The Compliance of the Corporate Governance provisions as specified in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V shall not be mandatory applicable to the company since its paid up share capital is less than Rs.10 Crore and Net Worth is less than Rs. 25.00 Crore.

The Board of Directors has laid down a Code of Conduct to be followed by all the Directors and members of Senior Management of your Company. The Board of Directors supports the principles of Corporate Governance and lays strong emphasis on transparency, accountability and integrity.

**21. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE  
EARNINGS AND OUTGO**

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. During the year under review, the Company had no earnings and expenditure in foreign exchange.



## **22. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

As the Company does not fall under the Top 1000 listed entities, based on market capitalization, as at 31<sup>st</sup> March, 2022, the provisions of regulation 34(2)(f) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 pertaining to the Business Responsibility and Sustainability Report (BRSR) are not applicable.

## **23. DEPOSITS**

The Company has neither invited nor accepted any deposits from public during the year under review. Accordingly, there are no unclaimed or unpaid deposits lying with the Company for the year under review.

## **24. PARTICULARS OF EMPLOYEES**

- a) In terms of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of employees and their remunerations are as under:
- (i) None of the director got any remuneration during the financial year ended as on at 31<sup>st</sup> March, 2022, therefore the ratio of remuneration of each director to the median remuneration of the employees of the company during the financial year was NIL.
  - (ii) No managerial remuneration was paid to any director except out of pocket expenses on actual basis. There has been no change in the remuneration of Chief Financial Officer and Company Secretary in the financial year under review.
  - (iii) There was no increase in remuneration of maiden employees during the year.
  - (iv) During the financial year under review, total number of employees on the roll of the company was 4.
  - (v) There is no increase in remuneration of employees other than managerial personnel and its comparison with managerial remuneration and justification thereof can't be ascertained.
  - (vi) It is affirmed that Remuneration paid to employees was as per the policy of the company.
  - (vii) There is no employee in the company who was in receipt of salary during the full year or in part year, as the case may be, exceeding the limit of salary prescribed in rule 5(2) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, therefore the particulars of employees as required under rule 5 (3) are not applicable.

## **25. CORPORATE SOCIAL RESPONSIBILITY**

The company does not meet the criteria of net worth or turnover or net profit during the immediate preceding financial year as mentioned in section 135 (1) of the Companies Act, 2013, therefore the provision of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules 2014 are not applicable.

## **26. ANNUAL EVALUATION BY THE BOARD**

The paid share capital of the company is below the threshold limit of Rs. 25 Crore as prescribed under section 134 (3) (p) of the Companies Act, 2013 read with Rule 4 of the Company (Accounts) Rules, 2014. Therefore, a formal annual evaluation of the performance of the Board, its Committees and of Individual Directors is not applicable.

## **27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34(2) (e) of the SEBI (LODR) Regulations, 2015 read with Para B of Schedule V in respect of Management Discussion and Analysis Report is given in **Annexure- "III"** forms part of this Report.

## **28. CORPORATE POLICIES**

We seek to promote and follow the highest level of ethical standards in our business transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All following policies as applicable to the company are available on the website of the Company- [www.spsintl.co.in](http://www.spsintl.co.in) The Policies are reviewed periodically by the Board and updated on the basis of need and legal requirements. The key policies with brief description of each policy are as follows:

<b>Name of the Policy</b>	<b>Brief Description</b>
<b>1. Vigil Mechanism/Whistle Blower Policy</b>	The Company has in place a vigil mechanism in the form of Whistle Blower Policy. It aims at providing avenues for employees to raise complaints and to receive feedback on any action taken and seeks to reassure the employees that they will be protected against victimization and for any whistle blowing conducted by them in good faith. The policy is intended to encourage and enable the employees of the Company to raise serious concerns within the



	organization rather than overlooking a problem or handling it externally. The Company is committed to the highest possible standard of openness, probity and accountability. It contains safeguards to protect any person who uses the Vigil Mechanism (whistle blower) by raising any concern in good faith. The Company does not tolerate any form of victimization and takes appropriate steps to protect a whistle blower that raises a concern in good faith and treats any retaliation as a serious disciplinary action. The Company protects the identity of the Whistle blower if the Whistle blower so desires, however the whistle blower needs to attain any disciplinary hearing or proceedings as may be required for investigation of the complaint. Detailed Policy is available on company's website.
<b>2. Risk Management Policy</b>	The Company has developed and implemented a Risk Management Policy. The details of elements of risk are provided in the Management Discussion and Analysis section of the Annual Report. Detailed Policy is available on company's website.
<b>3. Appointment and Remuneration of Directors, KMP and other Employees Policy</b>	The Board on the recommendation of Nomination and Remuneration Committee has framed a policy on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a director and relating to remuneration for the Directors, Key Managerial Personnel and Other Employees in terms of subsection (3) of section 178 of the Companies Act, 2013. The Remuneration Policy is available on the Company's website
<b>4. Sexual Harassment Policy</b>	As required under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, the Company has policy on prevention of Sexual harassment of women at workplace and matters connected therewith. Detailed Policy is available on company's website.
<b>5. Related Party Transaction Policy</b>	As required under the Section 188 of Companies Act, 2013, and Regulation 23 of SEBI (LODR) Regulations, 2015 the company has formulated a policy on materiality of related party transactions and provided it on the website of the Company.

## **29. NUMBER OF MEETINGS OF THE BOARD AND COMMITTEES THEREOF.**

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two meetings did not exceed 120 days.

During the year under review, Board meetings were held and directors attended the meeting as follows-

Date of Meeting	Attendance				
	Surendra Kumar Jain	Shreyansh Kumar Patni	Ramesh Chand Jain	Radha S Nair	Shikha Jain
12 <sup>th</sup> April, 2021	✓	✓	✓	✓	-
29 <sup>th</sup> April, 2021	✓	✓	✓	-	-
28 <sup>th</sup> July, 2021	✓	✓	✓	-	-
11 <sup>th</sup> November, 2021	✓	✓	✓	-	-
7 <sup>th</sup> January, 2022	✓	✓	✓	-	-
18 <sup>th</sup> February, 2022	✓	✓	✓	-	✓

### 30. COMPOSITION OF COMMITTEES OF THE BOARD & MEETINGS

The composition of the various Committees of the Board & its Meeting held during the financial year 2021-22 are as follows-

(i) **Composition of Audit Committee (under section 177)**

S.No.	Name of Member	Designation	Category
1.	Mr. Ramesh Chand Jain	Chairman	Non- Executive & Independent Director
2.	Mr. Shreyansh Kumar Patni	Member	Non- Executive & Independent Director
3.	Mr. Surendra Kumar Jain	Member	Executive Director

During the year under review, meetings of Audit Committee were held and Committee members attended the meetings as follows-

Date of Meeting	Attendance		
	Ramesh Chand Jain	Shreyansh Kumar Patni	Surendra Kumar Jain
29 <sup>th</sup> June, 2021	✓	✓	✓
28 <sup>th</sup> July, 2021	✓	✓	✓
11 <sup>th</sup> November, 2021	✓	✓	✓
7 <sup>th</sup> January, 2022	✓	✓	✓

(ii) **Composition of Stakeholders Relationship Committee (Section 178 (5) )**

S.No.	Name of Member	Designation	Category
1.	Ramesh Chand Jain	Chairperson	Non- Executive & Independent Director
2.	Shreyansh Kumar Patni	Member	Non- Executive & Independent Director
3.	Surendra Kumar Jain	Member	Executive Director

During the year under review, the meeting of Stakeholder Relationship Committee was held on 16<sup>th</sup> December, 2021 and all the members of Stakeholders Relationship Committee attended the meeting.

(iii) **Composition of Nomination and Remuneration Committee (Section 178 (1) )**

S.No.	Name of Member	Designation	Category
1.	Shreyansh Kumar Patni	Chairman	Non- Executive & Independent Director
2.	Ramesh Chand Jain	Member	Non- Executive & Independent Director
3.	Shikha Jain	Member	Additional Director (Non-Executive)

During the year under review, the meetings of Nomination and Remuneration Committee were held on 28<sup>th</sup> June, 2021 and 15<sup>th</sup> February, 2022 and all the Committee members attended the meetings as follows-

(iv) **Composition of Independent Directors**

S.No.	Name of Member	Designation	Category
1.	Shreyansh Kumar Patni	Chairman	Non- Executive & Independent Director
2.	Ramesh Chand Jain	Member	Non-Executive & Independent Director

During the year under review, the meeting of Independent directors was held on 10<sup>th</sup> December, 2021 and all the Independent directors attended the meeting.

### **31. THE PREVENTION OF SEXUAL HARASSMENT**

In compliance with provision of Section 4 (1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the purpose of the committee is to address the complaints raised by women employee relating to sexual harassment at workplace. The composition of Internal Complaint Committee of the Company is as follows-

<b>S.No.</b>	<b>Name of Member</b>	<b>Designation</b>
1.	Shikha Jain	Chairperson
2.	Tanush Jain	Member
3.	Ankur Jain	Member

During the year under review, the meeting of Internal Compliant Committee was held on 18th March, 2022. and all the members of Internal Compliant Committee attended the meeting. It was noted that no complaint or grievance has been received from any women employee in the company during the period under review.

### **32. SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India (as amended) from time-to time.

### **33. EXTRACT OF ANNUAL RETURN**

As required under the provisions of section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, a copy of the relevant Extract of Annual Return as on 31<sup>st</sup> March, 2022 is made available at company's office website [www.spsintl.co.in](http://www.spsintl.co.in)

### **34. PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

There is no application either pending or admitted against the company in a proceeding under the Insolvency and Bankruptcy Code, 2016 and Regulations made there under during the financial year under review.





**35. APPRECIATIONS**

The Board of Directors wish to place on record its appreciation for the untiring efforts & valuable contributions made by the erstwhile promoters and promoters group since last more than three decades in the company. The Board of Directors also place on record the appreciation for all its existing and past employees, bankers, vendors and other stakeholders for giving their valuable guidance and efforts and reposing trust on the management of the company. The Board of Directors looks forward a continuing support and trust from all stakeholders in future too.

**By the order of the Board  
For SPS International Limited**

**sd/-  
Rahul Jain  
Chairman  
DIN: 00442109**

**Place: Faridabad  
Date: 30<sup>th</sup> July, 2022**

**ANNEXURE- I**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into by the Company with any related party during the financial year ended March 31, 2022, which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

There were no material contracts or arrangements or transactions entered into by the Company with any related party during the year ended March 31, 2022. However, the particulars of related party transactions carried out in the ordinary course of business at arm's length basis, are appearing at Note No. 44 forming part of the financial statements of this annual report.

**By the order of the Board  
For SPS International Limited**

sd/-  
**Rahul Jain**  
Chairman  
DIN: 00442109

**Place: Faridabad  
Date: 30<sup>th</sup> July, 2022**

**ANNEXURE- II**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**SPS International Limited**  
Plot No. 15/1, Ground Floor,  
Main Mathura Road,  
Faridabad, Haryana-121003

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/S SPS INTERNATIONAL LIMITED** (hereinafter called as "**the Company**") **for the financial year ended on 31st March, 2022** (hereinafter called as the "**period under review**"). 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 of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and 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 covering the financial year ended as on **31<sup>st</sup> March, 2022** has complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-Mechanism in place to the extent, in the manner but 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 period under review, checked the applicability of the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable during the period under review)**
- (v) 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;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based employee Benefits) Guidelines, 2014; **(Not Applicable during the period under review)**.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the period under review)**.
  - 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **(Not Applicable during the period under review)**.
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the period under review)**.
  - i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- (vi) On the basis of written representation and detail of Industry provided by the company, we confirm that no other laws are specifically applicable to the company except the followings laws:
- a) Payment of Gratuity Act, 1972;
  - b) Employees Provident Fund Act, 1952;
  - c) Payment of Wages Act, 1936;
  - d) Employee State Insurance Act, 1948;
  - e) The Contract Labour (Regulation and Abolition) Act, 1970.

We have also examined compliance with the applicable clauses of the following:-

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has complied with the provisions of applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following-

- i. There was a delay in filing a disclosure under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, details of which are provided below:-*

<i>Date of transaction</i>	<i>Name of the Buyer</i>	<i>Shares</i>	<i>%</i>	<i>Name of the Seller</i>	<i>Shares</i>	<i>%</i>
<i>23.06.2021</i>	<i>SK Jain HUF</i>	<i>1,50,000</i>	<i>4.65</i>	<i>Mr. Madhur Jain</i>	<i>(1,50,000)</i>	<i>(4.65)</i>

*The Due Date for filing of the disclosure was 25th June, 2021, however, the same was filed on 29th January, 2022.*

**We further report that:**

The Board of Directors of the Company is duly constituted with proper 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 carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings. Also, agenda and detailed notes on Agenda were sent to all the Directors at least seven days in advance. Also, 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 of the decision is carried through while the dissenting member's view, if any, are captured and recorded as part of the minutes.

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 the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period Mr. Rahul Jain, Mrs. Madhuri Jain, Mr. Nikhil Jain, Mr. Namit Jain, Mr. Rohit Jain and Mrs. Anshumala Jain have entered into Share Purchase Agreement (SPA) on February 18, 2022 with Mr. Surendra Kumar Jain & Family, the erstwhile promoters and promoter group ("the Sellers") to acquire 14,16,078 (Fourteen Lakhs Sixteen Thousand and Seventy Eight) Equity Shares representing 43.90% of the Pre-Issue Paid-up Equity Share Capital of the SPS International Limited from the Sellers, which triggered the requirement to make Open

## **29<sup>th</sup> Annual Report 2021-2022**



Offer under Regulation 3(1) and Regulation 4 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 2011.

The Board of Directors of the Company in their meeting held on February 18, 2022 approved the issuance of 10,12,000 (Ten Lakh Twelve Thousand) Equity Shares of face value of INR 10 (Indian Rupees Ten only) each equity shares to Mrs. Mugdha Jain, VK Global Digital Private Limited and VK Global Publications Private Limited on preferential basis.

Post open offer under Regulation 3(1) and Regulation 4 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 2011, Mr. Rahul Jain & Family alongwith the person acting in concert classified as new "Promoter & Promoter Group" of the Company on 10<sup>th</sup> June, 2022 and Mr. Surendra Kumar Jain & Family, the erstwhile promoters and promoter group (the sellers) re-classified as "Public" shareholders under Regulation 31A of the SEBI (LODR) Regulations, 2015.

No other specific events / actions were taken by the company which has a major bearing on the company's affairs in pursuance of the act, rules regulations guidelines, standards etc except as stated above.

**For P.C. Jain & Co.  
Company Secretaries  
(FRN: P2016HR051300)**

**Place: Faridabad  
Date: 20<sup>th</sup> July, 2022  
UDIN: F004103D000656447**

**Sd/-  
(P.C. Jain)  
Managing Partner  
CP No. 3349  
M.No. 4103**

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report



To,  
The Members,  
SPS International Limited  
Plot No. 15/1, Ground Floor,  
Main Mathura Road,  
Faridabad, Haryana-121003

**ANNEXURE-A**

Our report of even date is to be read along with this letter.

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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 Letter 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 procedure on test basis.

**For P.C. Jain & Co.  
Company Secretaries  
(FRN: P2016HR051300)**

**Place: Faridabad  
Date: 20<sup>th</sup> July, 2022  
UDIN: F004103D000656447**

**Sd/-  
(P.C. Jain)  
Managing Partner  
CP No. 3349  
M.No. 4103**

## Management Discussion and Analysis Report

### Industry structure and development

The business of the company is directly connected with the education awareness & initiatives, examination and student activities etc. An effective and strong government education policy also plays a key role in overall education awareness and nationwide literacy which directly impact on the overall education industry.

During the period of Covid-19 pandemic, educational institutions and competitive examinations were completely closed and restricted by the local government authorities for a period of almost two years. Due to such local restrictions on schools, examinations and education activities forced the management to shut down its business activities for a long period to restrict the losses in the company.

The comparison of the sales of the products of the Company over the previous year is as under:

Particulars	Sale Quantity	
	FY 2021-22	FY 2020-21
OMR Sheets (in Lakhs)	-	20
Drawing Sheets (in Lakhs)	-	1
Exercise Books (in Lakhs)	-	38
Printed Answer Booklet (in Lakhs)	-	0
Paper Reel (in Lakhs)	-	149
White Printing Paper (in Lakhs)	5.33	-

The demand of the products and services of the company has remained subdued due to switching over all the major examinations to online method of test. The company is planning to undertake restructuring of its product mix to get its optimum advantages.

### Opportunities and threats

There is always great opportunity for the company due to ever growing number of Educational Institutes, Skilled Development Centers and overall thrust of our Central Government and State Governments to generate and provide more employment. These are the application areas of the products and services of the company. These opportunities are accompanied by threats also due to increasing cases of unfair means being adopted in examinations, recruitment scams, extra ordinary volumes of applicants, a need is arising to switch over the examination system to online method. The biggest user of these services Railway Recruitment Boards have already taken this step in the current year itself. The company at present is not providing any service of online





tests. In addition to this as usual the number of competitors is increasing rapidly thereby posing tough competition in rates and forcing the company to continue this business on narrow margins of profits. The Company is finding it very difficult to maintain its market share as also its costs of production, because of ever increasing labour rates, power charges, transportation charges, cost of materials and on the other hand the smart buying tactics of the customers to buy the products of the company on the prices of all inclusive (that means tax, transportation, loading and unloading etc.).

### **Outlook and future prospects**

In view of the Covid-19 pandemic situation globally, the business of OMR sheets, Scanners and Image Scanners has badly affected. The emphasis by the Government on online examination and tuition will have great impact on the performance of the company in future.

However, the Company is taking necessary steps to maintain its leadership position by maintaining / increasing its growth in all its business areas including that OMR Sheets, Scanners and Image Scanners. The company has envisaged a massive cost effective program to make its products more competitive while maintaining the quality. The business of the confidential printing due to change in examination pattern and policy by the Government will have impact on future prospects on this business segment. The company is also exploring all possibilities to discontinue the present business line altogether and to enter in new areas of business operations. As the company management has recently changed the hands, the new management will make all endeavors to explore the new business opportunities on sustainable basis for future.

### **Risks and concerns**

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

1. Identification of the diverse risks faced by the company.
2. The evolution of appropriate systems and processes to measure and monitor them.
3. Risk management through appropriate mitigation strategies within the policy framework.
4. Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
5. Reporting these risk mitigation results to the appropriate managerial levels.



### **Human resources**

The Company has a system for continuous development of its employees, whereby the performance and competencies of the individuals are measured. The requirements of the organization are matched with profile of the individuals. In case of any improvement areas, on the job training/ special programmes are being organized. This process has helped in career planning and growth of the employees.

### **Internal control systems and their adequacy**

The Company has established internal control systems, which provide reasonable assurance with regard to safeguarding of the Companies assets, promoting operational efficiency and ensuring compliance with various statutory provisions. The internal control systems are reviewed at a reasonable period of time by management and statutory auditors. The Report on the internal control systems is also placed before the Audit Committee regularly. The Statutory Auditors also review the findings with the Senior Management and Audit Committee. The Company is accredited with the ISO 9001- 2008 certification by VINCOTTE.

### **Cautionary statement**

This report describing the company's activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc. may contain "forward looking statements" based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

**By the order of the Board  
For SPS International Limited**

**Place: Faridabad  
Date: 30<sup>th</sup> July 2022**

**Sd/-  
Rahul Jain  
Managing Director  
DIN: 00442109**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s SPS International Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **M/s SPS International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

#### Emphasis of Matter Para

We draw attention to **Note 48** of the Standalone Financial Results as regard to the management evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter specified regarding the management's evaluation of COVID-19 impact on the future performance of the company.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with other accounting principles generally accepted in



India, including Indian Accounting standards specified in Section 133 of the Act. This responsibility also includes 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone 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. The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 risk of material misstatement of the standalone 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 financial controls 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 Company has adequate Internal Financial controls with reference to the Financial statements 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 company’s ability to continue as 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 Standalone 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.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

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- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the Adequacy of Internal Financial Controls with reference to the Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V 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 does not have any pending litigations/ has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company does not have/ has made provision, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors Report) Order 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified on paragraphs 3 and 4 of the order.

**For DSRV AND CO LLP  
Chartered Accountants**

**Sd/-  
Dinesh Agrawal  
(Partner)  
M.No. 085714  
FRN. 006993N**

**Date:-30/05/2022  
Place: - Faridabad  
UDIN: 22085714ALCBEG8303**

**Annexure - A to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **M/s SPS International Ltd.** ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone 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 Companies Act, 2013.

**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 Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.



### **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 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 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.

### **Opinion**

In our opinion, the Company has not established its internal financial controls system over financial reporting, based on 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls system over financial reporting and whether such internal financial controls over financial reporting were operating effectively as at 31st March 2022. The disclaimer does not affect our opinion on the financial statement of the company.

**For DSRV AND CO LLP  
Chartered Accountants**

**Sd/-  
Dinesh Agrawal  
(Partner)  
M.No. 085714  
FRN. 006993N**

**Date:-30/05/2022  
Place: - Faridabad  
UDIN: 22085714ALCBEG8303**



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of M/s SPS International Limited of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- I. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company does not have any fixed assets as on 31<sup>st</sup> March,2022. However, for the period where the company had fixed assets, the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company does not have any intangible assets as on 31<sup>st</sup> March,2022. However, for the period where the company had intangible assets, the Company had maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable properties as on 31<sup>st</sup> March,2022. Hence reporting under clause 3(i)(c) of the Order is not applicable to the company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year ended 31<sup>st</sup> March,2022.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II.
  - (a) The Company does not have any inventory as on 31<sup>st</sup> March,2022. However, for the period where the company had inventory, the physical verification of inventory has been conducted at reasonable intervals by the management.

- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets at any points of time during the year, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- III. During the year the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence reporting under clause 3(iii) of the Order is not applicable.
- IV. The company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- V. The Company has not accepted any deposit or amounts which is deemed to be deposit. Hence, reporting under clause 3(v) of the Order is not applicable.
- VI. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- VII. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) There is no statutory dues referred in foregoing paragraph vii) a) which have not been deposited on account of dispute.
- VIII. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- IX. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.



- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary, associates or joint venture. Hence, reporting on clause 3(ix)(f) of the Order is not applicable.
- X. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- XI. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- XII. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- XIII. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- XIV. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- XV. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- XVI. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

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- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- XVII. The Company has incurred cash losses amounting to Rs. 72,78,107/- during the financial year covered by our audit and Rs. 2,08,22,451/- during the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on clause 3(xviii) of the order is not applicable.
- XIX. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. Since the provisions of Section 135 of the Companies Act, 2013 with regard to Corporate social responsibility are not applicable to the company. Hence, reporting under clause 3(xx)(a) of the Order is not applicable.

**For DSRV AND CO LLP  
Chartered Accountants**

**Sd/-  
Dinesh Agrawal  
(Partner)  
M.No. 085714  
FRN. 006993N**

**Date:-30/05/2022  
Place: - Faridabad  
UDIN: 22085714ALCBEG8303**



SPS INTERNATIONAL LIMITED  
BALANCE SHEET AS AT 31ST MARCH 2022

S. No.	Particulars	Note No.	Amount (Rs.) as at 31.03.2022	Amount (Rs.) as at 31.03.2021
	<b>ASSETS</b>			
1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2	-	1,25,63,470
	(b) Right of Use Asset		-	50,32,440
	(c) Intangible assets	3	-	2,74,097
	(d) Financial Assets			
	(i) Investments	4	-	-
	(ii) Trade receivables	5	-	-
	(iii) Loans	6	-	-
	(iv) Others	7	10,15,000	29,83,000
	(e) Other non-current assets		-	-
2)	<b>Current assets</b>			
	(a) Inventories	8	-	1,55,12,470
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	9	1,00,42,389	1,39,38,319
	(iii) Cash and cash equivalents	10	28,22,942	54,23,722
	(iv) Bank balances other than (iii) above			
	(v) Loans		-	-
	(vi) Others	11	32,18,601	36,71,592
	(c) Current Tax Assets (Net)	12	2,74,669	53,50,716
	(d) Other current assets	13	1,42,50,000	20,937
	<b>Total Assets</b>		<b>3,16,23,601</b>	<b>6,47,70,763</b>



	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	14	3,22,59,000	3,22,59,000
	(b) Other Equity	15	-11,06,948	2,16,07,929
	<b>LIABILITIES</b>			
1)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	-	-
	(ia) Lease Liabilities		-	73,44,405
	(ii) Trade payables	17	-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions	18	-	-
	(c) Deferred tax liabilities (Net)	19	-	20,86,608
	(d) Other non-current liabilities	20	-	-
2)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	21	-	-
	(ia) Lease Liabilities		-	-
	(ii) Trade payables	22	65,720	7,23,787
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	23	-	-
	(b) Other current liabilities	24	4,05,829	7,33,155
	(c) Provisions	25	-	15,877
	(d) Current Tax Liabilities (Net)	26	-	-
	<b>Total Equity and Liabilities</b>		<b>3,16,23,601</b>	<b>6,47,70,763</b>



**SPS INTERNATIONAL LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31st MARCH 2022**

S. No.	Particulars	Note No.	Amount (Rs.) as at 31.03.2022	Amount (Rs.) as at 31.03.2021
I	Revenue from Operations	27	77,48,543	1,74,67,008
II	Other Income	28	52,23,292	19,52,619
III	<b>Total Income(I+II)</b>		<b>1,29,71,835</b>	<b>1,94,19,627</b>
IV	Expenses:			
	Cost of materials Consumed	29	31,98,987	2,30,56,925
	Purchase of Stock in Trade	30	-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	31	1,55,12,470	-70,62,470
	Employee Benefits Expenses	32	4,78,126	19,31,914
	Financial Costs	33	2,86,697	15,92,954
	Depreciation and Amortization Expenses	34	12,15,147	50,61,960
	Other Expenses	35	1,49,95,285	1,14,42,622
V	<b>Total Expenses</b>		<b>3,56,86,712</b>	<b>3,60,23,905</b>
VI	Profit Before Tax (III-V)		<b>-2,27,14,877</b>	<b>-1,66,04,278</b>
VII	Tax Expense			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) MAT Credit		-	-
VIII	Profit for the period (VI-VII)		<b>-2,27,14,877</b>	<b>-1,66,04,278</b>
IX	Other Comprehensive Income		-	-



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	A) (i) Items that will not be reclassified to Profit or loss			
	(ii) Income Tax relating to items that will be not reclassified to profit or loss		-	-
	B) (i) Items that will be reclassified to Profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
X	Total Comprehensive Income for the period (VIII+IX) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<b>-2,27,14,877</b>	<b>-1,66,04,278</b>
				-
XI	Earning per equity share:			
	(1) Basic		-7.04	-5.15
	(2) Diluted		-7.04	-5.15
	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1-2</b>		

"The Schedule referred to above form an integral part of the Profit & Loss Statement. This is the Profit & Loss Statement referred to in our report of even date."

**For DSRV and CO LLP  
Chartered Accountants**

sd/-  
**Dinesh Agrawal  
(Partner)**

M.No. : 085714  
FRN : 006993N

Place : Faridabad  
Date :- 30/05/2022  
UDIN: 22085714ALCBEG8303

**For and on Behalf of Board Of  
Directors**

sd/-  
**Surendra Kumar Jain  
(Chairman & Managing  
Director)**  
DIN:- 00088064

sd/-  
**Saurabh Gupta  
Company Secretary**

sd/-  
**Shikha Jain  
(Director)**  
DIN:- 03457584

sd/-  
**Tanush Jain  
AccountsManager**

**SPS INTERNATIONAL LIMITED**

**Cash Flow Statement for the Year ended 31st March 2022**

Particulars	Amount (Rs.)	Amount (Rs.)
	Year ended 31.03.2022	Year ended 31.03.2021
<b>A. Cash Flow from Operating activities:</b>		
Net profit before Tax & Extraordinary items	- 2,27,14,877	(1,65,22,726)
<b>Adjustments for:</b>		
Provision for Gratuity	-15,372	58,027
Loss on Sale of Fixed Assets	68,81,610	-18,38,958
Depreciation	12,15,147	50,61,960
Interest received	-3,11,514	(13,489)
Interest Expense	2,86,697	2,14,731
Bad Debts Written off	3,76,569	3,90,299
Fixed assets written off		-5,10,238
Gratuity paid	20,63,192	-1,91,205
Profit on sale of Assets	-27,68,924	5,020
Misc Balances Written Off	-19,97,740	
<b>Operating profit before Working Capital Change</b>	<b>-1,69,85,212</b>	<b>(1,33,46,579)</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Sundry Debtors	38,95,930	11,47,110
(Increase) / Decrease in Inventories	1,55,12,470	-70,62,470
Increase / (Decrease) in Sundry Creditors	-6,58,067	-7,31,158
(Increase) / Decrease in Other Current Assets	-1,42,29,063	1,80,888
Increase / (Decrease) in Current Liability (Short Term Provisions)	-15,877	-1,97,878
Increase / (Decrease) in Current Liability (Short Term Borrowings)	-	-
(Increase) / Decrease in Other Financial Assets (Current Assets)	4,52,991	- 6,54,738

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2021-2022**



(Increase) / Decrease in Current Tax Assets	50,76,047	16,50,315
Increase / (Decrease) in Other Current Liability	-3,27,326	-1,53,457
<b>Cash Generated from Operation</b>	<b>(72,78,107)</b>	<b>(1,91,67,967)</b>
Income Taxes paid	-	16,54,484
Cash flow before extraordinary items	(72,78,107)	(2,08,22,451)
<b>Net Cash Generated from Operating activities (A)</b>	<b>(72,78,107)</b>	<b>(2,08,22,451)</b>
<b>B. Cash Flow from Investing activities:</b>		
Purchase of Fixed Assets	-2,71,843	-37,588
Purchase of Intangible Assets	-	-53,550
Sale of Fixed Asset	56,79,000	28,49,416
Sale of Investments	-	-
Interest received	8,014	13,489
Security Deposits	19,68,000	71,57,153
Increase in ROU Asset	46,38,561	1,45,76,035
<b>Net Cash Generated from Investing activities (B)</b>	<b>1,20,21,732</b>	<b>2,45,04,955</b>
<b>C. Cash Flow from Financing activities:</b>		
Proceeds from Long Term Borrowings	-	-
Repayment of Long Term Borrowings	-	-
Repayment of Financial interest	-	-2,14,731
Increase in Lease Liability	-73,44,405	- 1,41,32,867
<b>Net Cash Generated from Financial activities (C)</b>	<b>-73,44,405</b>	<b>(1,43,47,598)</b>
<b>Net increase / (Decrease) in Cash &amp; Cash equivalents</b>	<b>-26,00,780</b>	<b>(1,06,65,094)</b>
<b>Cash &amp; Cash equivalents at beginning of period</b>	<b>54,23,722</b>	<b>1,60,88,816</b>

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2021-2022**



Cash & Cash equivalents at end of period	28,22,942	54,23,722
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**For DSRV and CO LLP  
Chartered Accountants**

**sd/-  
Dinesh Agrawal  
(Partner)**

**M.No. : 085714  
FRN : 006993N**

**Place : Faridabad  
Date :- 30/05/2022  
UDIN: 22085714ALCBEG8303**

**For and on Behalf of Board of Directors**

**sd/-  
Surendra Kumar  
Jain  
(Chairman and  
Managing Director)  
DIN:00088064**

**sd/-  
Shikha Jain  
  
(Director)  
DIN:- 03457584**

**sd/-  
Saurabh Gupta  
(Company  
Secretary)**

**sd/-  
Tanush Jain  
(Accounts  
Manager)**

**SPS International Limited**

**1 COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

**1.1 CORPORATE OVERVIEW**

SPS International Ltd. is a Limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on 18th January 1993 which was originally incorporated under the name of SPS Data Products Private Limited with the main object to act as consultant and advisors for all kinds of accounts, Finance, Issue of Shares, Company Secretarial Work and to undertake all the above and allied jobs on assignment. Consequently, upon name change it was registered under the name of SPS Data Products Limited on 22nd May 1995. The company was engaged since 1996, in Import & Sale of OMR/Image scanners, service & maintenance, sale of spares. Presently It is carrying its printing facilities for printing of OMR Stationery, Confidential & Examination material required for its business. The company is also engaged in scanning of OMR Answer sheets, data processing & result preparation of various Government and alike institutions.

**1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statement have been prepared in accordance with Indian Accounting Standards(Ind AS) under the historical cost convention, on the accrual basis except for the certain financial instruments which are measured at fair vales, the provisions of Companies Act, 2013 ('the act') (to the extent notified) and guidelines issued by the Securities Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted, or a revision of the existing accounting standard requires a change in the accounting policies hereto in use.

As the quarter and year figures are taken from the source and have been rounded off to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the figures reported in this statement.

### **1.3 USE OF ESTIMATES**

The Preparation of the Company's financial statements in conformity with the Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgements and use of assumptions in these financial statements have been disclosed in the Note No. 1.4 . Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the management becomes aware of the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **1.4 CRITICAL ACCOUNTING ESTIMATES**

#### **a. Revenue Recognition**

Sales are net of sales tax/GST. Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stands transferred to the customers

Services are net of service tax/GST. Revenue from services is recognized when services are rendered, and related costs are incurred.

Interest income is recognized on time proportion basis.

#### **b. Income Taxes**

Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantially enacted tax rates. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax assets are recognized, only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

### **Property, Plant and Equipment**

- c.** Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### **1.5 Revenue Recognition**

- a** The company derives its revenue from carrying on printing facilities for printing of OMR Stationery, Confidential & Examination material required for its business. The company is also engaged in scanning of OMR Answer sheets, data processing & result preparation of various Government and alike institutions.
- b** Effective from 1st April 2019 Company adopted Ind AS-115 "Revenue from contract with Customers". The following is a summary of new and/or revised significant accounting policies related to revenue recognition
- c** Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.
- d** Revenues more than invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).
- e** The Company presents revenue net of Indirect Tax in its Statement of Profit & Loss Account.
- f** The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives.
- g** Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

## **1.6 Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. 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 are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. 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. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

## **1.7 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 that 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. Amortization methods and useful lives are reviewed periodically including at each financial year end. Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted as expenses in the Statement of Profit and Loss.



## 1.80 Financial Instruments

### 1.8.1 Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### 1.8.2 Subsequent Measurement

#### a Non-Derivative Financial Instruments

##### i) Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**b. Share Capital**

**Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

**1.8.3 Derecognition of Financial Instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**1.9 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. Refer to Note 2.11 in for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

**1.10 Provision**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**1.11 Foreign Currency**

**Functional Currency**

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

### **Transactions and translations**

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

#### **1.12 Earning per Equity Share**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

#### **1.13 Income Taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on the exercise of employee share options in excess of compensation charged to income are credited to share premium.

#### **1.14 Employee Benefits**

##### **1.14.1 Gratuity**

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the SPS International Ltd Employees' Group Gratuity Assurance Scheme ('the Trust'). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

##### **1.14.2 Defined Contribution Plans (ESI and EPF)**

The Company and its employees both contribute towards the Recognised Provident Fund and Employees State Insurance as a Contribution Towards the Defined Contribution Plans.

**1.15 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit 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 Other Income**

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain / loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

**1.17 Leases**

**1. Initial Recognition of Leases under Ind as 116:-**

The company as a lessee, recognises a Right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the company has substantially all of the economic benefits from the use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall compromise the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct cost incurred. Initially the lessee measures Right of Use Asset at Cost.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit (IRR) in the lease if that rate can be readily determined. In case the rate is not easily determined, the company uses the incremental borrowing rate.

**2. Exemptions from Applying Ind As 116:-**

A Lessee has an option not to apply Ind as 116 with respect to the two types of leases:-

**Short Term Leases:** - General a Term of 12 Months or Less

**Low Value Leases:** - Where the value of Underlying Asset is Low.

### **3. Subsequent Measurement of Leases under Ind as 116:-**

At every Balance Sheet Date shall be measured similar to Financial Liability as per Ind as 109 (Amortized Cost Basis).

At every Balance Sheet Date Right of Use Asset is measured using the Cost Model (Ind as 16).

#### **4 Expenses to be charged by Lessee in the Profit and Loss Account:-**

- Depreciation of the Right of Use Asset
- Interest Expenses on the Lease Liability
- Impairment of Right of Use Asset

#### **5 Re Measurement of Lease Liability:-**

Due to Change in Lease Term or Change in Assessment of an option to purchase the asset or Change in Expected guaranteed Residual Value or Change in the Future Lease Payments the Lease Liability, initially recorded need to be re measured.

#### **6 Modification of Lease Liability:-**

Lease Modification is change in the scope of the Lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease

#### **7 Sub Leases: -**

A Sub Lease is defined as a transaction for which the underlying asset is released by a lessee ("Intermediate Lessor") to a third party and the lease ("Head Lease") between the head lessor and lessee remains in effect. When the head lease is a short-term lease, the sublease is classified as an operating lease.

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**NOTE : 2  
PROPERTY,  
PLANT &  
EQUIPMENT**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

Particulars	Electric Equipment	Office Equipment	Vehicles	Plant & Machinery	Furniture & Fixtures	Computers	Mobile Phone	Total
Gross Carrying value as of April 1, 2021	3,08,966	2,29,201	40,50,715	1,77,09,132	5,92,877	17,86,916	18,981	2,46,96,788
Additions	-	1,89,482	-	-	45,081	37,280	-	2,71,843
Deletions	3,08,966	4,18,683	40,50,715	1,77,09,132	6,37,958	18,24,196	18,981	2,46,96,788
Gross carrying value as of March 31, 2022	-	-	-	-	-	-	-	2,71,843
Accumulated Depreciation as of April 1, 2021	2,45,507	2,29,201	11,43,550	87,94,722	3,53,663	13,58,115	8,560	1,21,33,318
Depreciation	3,123	3,805	1,68,687	3,79,314	12,865	2,24,530	1,581	7,93,905
Accumulated Depreciation on Deletions	2,48,630	2,33,006	13,12,237	91,74,036	3,66,528	15,82,645	10,141	1,29,27,223
Accumulated Depreciation as of March 31, 2022	-	-	-	-	-	-	-	-
Carrying Value as of March 31, 2022								
Carrying Value as of April 1, 2021	63,459	-	29,07,165	89,14,410	2,39,214	4,28,801	10,421	1,25,63,470

**NOTE: 3 Intangible assets**

The changes in the carrying value of acquired intangible assets for the year ended March 31, 2022 are as follows :

Particulars	Software & Licenses
Gross Carrying value as of April 1, 2021	3,92,639
Additions	-
Deletions	3,92,639
Gross carrying value as of March 31, 2022	-
Accumulated Depreciation as of April 1, 2021	1,18,542
Depreciation	27,363
Accumulated Depreciation on Deletions	1,45,905
Accumulated Depreciation as of March 31, 2022	-
Carrying Value as of March 31, 2022	-
Carrying Value as of April 1, 2021	<b>2,74,097</b>

**NOTE: 4 Investments**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Non-Current Investments (a) Investment in Equity Instruments	-	-
	<b>Total</b>	-	-



**NOTE: 5 Trade Receivables (Non-Current Assets)**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Secured, considered good	-	-
2	Unsecured, Considered Good :	-	-
3	Doubtful	-	-
	<b>Total</b>	-	-

**NOTE: 6 Loans**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Other loans	-	-
	<b>Total</b>	-	-

**NOTE: 7 Other Financial Assets**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	<b>Non-Current Security deposits</b>		
	a) Secured, considered good	-	-
	b) Unsecured, Considered Good:	10,15,000	29,83,000
	c) Doubtful	-	-
2	Bank deposits with more than 12 months maturity	-	-
3	Others	-	-
	<b>Total</b>	<b>10,15,000</b>	<b>29,83,000</b>

**NOTE: 8 Inventories**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Raw Material	-	1,55,12,470
2	Work in progress	-	-
3	Stores and Spares	-	-
4	Loose Tools	-	-
	<b>Total</b>	<b>-</b>	<b>1,55,12,470</b>

**NOTE: 9 Trade Receivables**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
	<b>Current</b>		
1	Secured, considered good	-	-
2	Unsecured, Considered Good	1,00,42,389	1,39,38,319
3	Doubtful	-	-
	<b>Total</b>	<b>1,00,42,389</b>	<b>1,39,38,319</b>

**Ageing for trade receivables - current outstanding as at March 31, 2022 is as follows:**

S.No.	Particulars	Receivables ageing schedule				Total
		Less than 6Months	6Months to 1year	1-2 Years	2-3 Years	
i)	MSME	-	-	-	-	-
ii)	Others	64,37,066	28,23,035		7,82,288	1,00,42,389.00
iii)	Disputed Dues-MSME	-	-	-	-	-
iv)	Disputed Dues-Others	-	-	-	-	-

Ageing for trade receivables - current outstanding  
as at March 31, 2021 is as follows:

S.No.	Particulars	Receivables ageing schedule				
		Less than 6Months	6Months to 1year	1-2 Years	2-3 Years	Total
i)	MSME	-	-	-	-	-
ii)	Others	1,25,48,913	5,94,426	12,692	7,82,288	1,39,38,319.00
iii)	Disputed Dues-MSME	-	-	-	-	-
iv)	Disputed Dues-Others	-	-	-	-	-

**NOTE: 10 Cash & Cash Equivalents**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Balance with Banks		
	HDFC Bank 03372560003271	28,22,240	53,37,768
2	Cash in Hand	702	85,954
	<b>Total</b>	<b>28,22,942</b>	<b>54,23,722</b>

**NOTE: 11 Others**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
	<b>Current</b>		
1	Balance with Revenue Authorites	32,18,601	36,71,592
	<b>Total</b>	<b>32,18,601</b>	<b>36,71,592</b>

**NOTE: 12 Current Tax Assets**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Tax Deducted at Source	21,679	22,79,266
2	Income Tax Recoverable	2,52,990	30,71,450
	<b>Total</b>	<b>2,74,669</b>	<b>53,50,716</b>

**NOTE: 13 Other Current Assets**

Sr. No.	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Advances other than Capital Advances		
	a) Secured, considered good	-	-
	b) Unsecured, Considered Good :	1,42,50,000	937
	c) Doubtful	-	-
2	Others		
	Advances to Employees	-	20,000
	Other Recoverable	-	-
	Provision for Bad Debts	-	-
	<b>Total</b>	<b>1,42,50,000</b>	<b>20,937</b>

**NOTE: 14 Equity Share Capital**

Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
<b>AUTHORIZED CAPITAL</b> 10000000 (10000000) Equity Shares of Rs. 10/- each.	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 3225900( 3225900) Equity Shares of Rs. 10/- each, Fully Paid	3,22,59,000	3,22,59,000
<b>Total in INR</b>	<b>3,22,59,000</b>	<b>3,22,59,000</b>

**A) Reconciliation of the shares outstanding as at  
March 31 2022 and March 31 2021**

Particulars	Amount as at 31.03.2022		Amount as at 31.03.2021	
	No. of shares	Amount of shares	No. of shares	Amount of shares
Equity Shares of Rs. 10/- each fully paid				
At the Beginning of the period	32,25,900	3,22,59,000	32,25,900	3,22,59,000
Issued During the Year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>32,25,900</b>	<b>3,22,59,000</b>	<b>32,25,900</b>	<b>3,22,59,000</b>

**B) TERMS/RIGHT ATTACHED TO EQUITY SHARES**

The company has only one class of equity shares having par value of Rs10/- per share. Each holder of equity shares is entitled one vote per Equity share.

**C) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY**

Particulars	31st March 2022		31st March, 2021	
	No. of shares	Percentage of Holding	No of Shares	Percentage of Holding
Equity Shares of Rs. 10/- each fully paid				
SPS Infratech Pvt. Ltd.	5,52,886	17.14	5,74,273	17.80
Madhur Jain	2,38,146	7.38	3,88,146	12.03
Ankur Jain	3,87,146	12.00	3,87,146	12.00

**D) PROMOTERS  
SHAREHOLDING**

Particulars	31st March 2022		31st March 2021		Percentage change during the year
	No. of shares	Percentage of Holding	No. of shares	Percentage of Holding	
	<b><u>Individual</u></b>				
Ankur Jain	3,87,146	12.00	3,87,146	12.00	-
Madhur Jain	2,38,146	7.38	3,88,146	12.03	4.65%
Sarla Jain	14,300	0.44	14,300	0.44	-
Shikha Jain	1,600	0.05	1,600	0.05	-
Surendra Kumar Jain	72,000	2.23	72,000	2.23	-
<b><u>Huf</u></b>					
S K Jain Huf	1,50,000	4.65	-	0.00	4.65%
<b><u>Other - Body Corporate</u></b>					
Sps Infratech Private Limited	5,52,886	17.14	5,52,886	17.14	-
<b>Total Shareholding of Promoter and Promotor Group</b>	<b>14,16,078</b>	<b>43.90</b>	<b>14,16,078</b>	<b>43.90</b>	<b>-</b>

SPS International Limited  
STATEMENT OF CHANGES IN EQUITY

NOTE : -15 Other Equity

Particulars	Other Equity						Total
	Equity Share Capital	Equity component of compound financial instruments	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	
<b>Balance as at April 1, 2021</b>	<b>3,22,59,000</b>	-	<b>24,00,000</b>	<b>1,92,07,929</b>	-	-	<b>5,38,66,929</b>
Changes in Equity for the year March 31, 2021	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	<b>-2,27,14,877</b>	-	-	<b>-2,27,14,877</b>
Irrevocable Other Comprehensive Income							
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>3,22,59,000</b>	-	<b>24,00,000</b>	<b>-35,06,948</b>	-	-	<b>-11,06,948</b>

**NOTE: 16 Borrowings**

Sr. No	Particulars	Non-Current portion		Current maturities	
		Amount as at 31.03.2022	Amount as at 31.03.2021	Amount as at 31.03.2022	Amount as at 31.03.2021
	<b>Non Current</b>				
a)	Term Loans				
	I) from Banks				
	-Secured				
	- HDFC Bank Loan	-	-	-	-
	- Indusland Bank Ltd.	-	-	-	-
	-Unsecured	-	-	-	-
	II) from other Parties	-	-	-	-
b)	Deferred Payment Liabilities	-	-	-	-
c)	Loans from related Parties	-	-	-	-
d)	Others	-	-	-	-
	<b>Total</b>	-	-	-	-

**NOTE : 17 Trade Payables**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
	<b>Non Current</b>		
1	-	-	-
	<b>Total</b>	-	-



**NOTE : 18 Provisions**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
	<b>Non Current</b>		
1	For Employee Benefits	-	-
2	Others	-	-
	<b>Total</b>	-	-

**NOTE: 19 Deferred Tax Liabilities (net)** Amount (Rs.)

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Tax Effect of Items constituting deferred tax assets On Difference between book balance and tax balance of Fixed Assets	-	26,93,968
2	For Difference on account of expenses	-	(6,07,360)
	<b>Total</b>	-	<b>20,86,608</b>

**NOTE: 20 Other Non Current Liabilities** Amount (Rs.)

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Advances	-	-
2	Others	-	-
	<b>Total</b>	-	-



**NOTE : 21 Borrowings**

Sr. No	Particulars	Amount (Rs.)	
		Amount as at 31.03.2022	Amount as at 31.03.2021
a)	Loans repayable on demand		
	I) from Banks		
	-Secured	-	-
	-Unsecured		
	Corporation Bank -CC	-	-
	II) from other Parties	-	-
b)	Loans from related Parties	-	-
c)	Other loans	-	-
d)	Current maturities of long term borrowings	-	-
	<b>Total</b>	-	-

**NOTE : 22 Trade Payable**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Sundry Creditors for Material/Supplies	-	3,58,995
2	Sundry Creditors for Others	65,720	3,64,794
	<b>Total</b>	<b>65,720</b>	<b>7,23,789</b>

Ageing for trade payables – current outstanding as at March 31, 2022 is as follows:

S.NO	Particulars	Payables ageing schedule				Total
		Less than 6Months	6Months to 1year	1-2 Years	2-3 Years	
i)	MSME	-	-	-	-	-
ii)	Others	-	65,720	-	-	65,720
iii)	Disputed Dues-MSME	-	-	-	-	-
iv)	Disputed Dues-Others	-	-	-	-	-

Ageing for trade payables – current outstanding as at March 31, 2021 is as follows:

S.NO	Particulars	Payables ageing schedule				Total
		Less than 6Months	6Months to 1year	1-2 Years	2-3 Years	
i)	MSME	-	-	-	-	-
ii)	Others	-	7,23,787	-	-	7,23,787
iii)	Disputed Dues-MSME	-	-	-	-	-
iv)	Disputed Dues-Others	-	-	-	-	-

**NOTE : 23 Other Financial Liabilities**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Others	-	-
	<b>Total</b>	-	-

**NOTE : 24 Other Current Liabilities**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Statutory Remittancies	1,60,000	2,47,392
2	Liability towards Revenue Expenses	1,37,467	3,77,401
3	Advance from customers	-	-
4	Other's Liabilities		
5	Provision For Bad Debts	1,08,362	1,08,362
6	Balance Payable at Delhi Branch	-	-
	<b>Total</b>	<b>4,05,829</b>	<b>7,33,155</b>

**NOTE : 25  
Provisions**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	For Employee Benefits Contribution to Gratuity Fund	-	8,027
	Contribution to Provident Fund	-	7,850
2	Others	-	-
	<b>Total</b>	<b>-</b>	<b>15,877</b>

**NOTE: 26 Current Tax liabilities (Net)**

Sr. No	Particulars	Amount as at 31.03.2022	Amount as at 31.03.2021
1	Provision for Current Taxation	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

SPS INTERNATIONAL LIMITED

NOTE : 27  
Revenue  
from  
operations

Amount (Rs.)

Sr. No	Particulars	Current Year	Previous Year
1	Sale of Products	77,48,543	1,72,96,462
	(A)	77,48,543	1,72,96,462
2	Sale of Services		1,70,546
	(B)	-	1,70,546
3	Other Operating Revenues	-	-
	(C)	-	-
		77,48,543	1,74,67,008
	Total Tax ( 1+2) (D)	-	-
	<b>Total (A+B+C)</b>	<b>77,48,543</b>	<b>1,74,67,008</b>

NOTE : 28 Other Income

Amount (Rs.)

Sr. No	Particulars	Current Year	Previous Year
1	Interest Income	3,11,514	13,489
2	Other Non Operating Income		
	- Misc Receipts		56,020
	- Freight Charges reimbursed		18,78,090
	-Gratuity Expenses	15,372	
	-Gst Expenses	25,374	
	- Provision Written Back	20,86,608	-



	- Profit on Sale of Fixed Assets	4,37,433	5,020
	- Profit on Sale of Right of U	23,31,491	
	- Current Liabilities Written Back	15,500	-
3	Sub Lease Receipts		-
	<b>Total</b>	<b>52,23,292</b>	<b>19,52,619</b>

**NOTE : 29 Cost of Material Consumed**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
a)	<b>PURCHASES OF RAW MATERIALS</b>		
	Add:- Purchases during the year	31,98,987	2,30,56,925
	Consumption during the year (A)	31,98,987	2,30,56,925
b)	<b>PURCHASES OF CONSUMABLES</b>		
	Purchases during the year	-	-
	Consumption during the year (B)	-	-
	<b>Total of (A+B)</b>	<b>31,98,987</b>	<b>2,30,56,925</b>

**NOTE : 30 Purchase of Traded Goods**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Purchases during the Year		-
	<b>Total</b>		-

**NOTE : 31 Change in Inventories**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
	<b>Inventories at the end of the year</b>		
1	Finished Goods:		
	Paper		1,55,12,470
	Stores & Spares	-	-
	Packing Materials ( Loose Tools)	-	-
2	Work In Progress	-	-
	<b>TOTAL (A)</b>	<b>-</b>	<b>1,55,12,470</b>
	<b>Inventories at the beginning of the year</b>		
1	Finished Goods:		
	Paper	1,55,12,470	40,00,000
	OMR Readers	-	-
	Stores & Spares	-	-
	Packing Materials ( Loose Tools)	-	-
2	Work-in-Progress	-	44,50,000
	<b>TOTAL</b>	<b>1,55,12,470</b>	<b>84,50,000</b>
	Less: Capitalised During the Year	-	-
	<b>Net Opening Stock (B)</b>	<b>1,55,12,470</b>	<b>84,50,000</b>
	<b>Net (A-B) (Decrease)</b>	<b>1,55,12,470</b>	<b>-70,62,470</b>



**NOTE : 32 Employee Benefits Expenses**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Bonus	-	1,41,420
2	Contractor Wages	-	27,723
3	Contribution to ESI	-	8,844
4	Contribution to Provident Fund	375	59,877
5	Conveyance Allowance	-	1,81,163
6	Directors Remuneration	-	2,86,739
7	Ex - Gratia	-	48,431
8	HRA	-	2,37,611
9	Labour Welfare Fund	400	5,136
10	Leave Encashments	-	28,260
11	Medical Allowances	-	79,029
12	Payment/ Provision for Approved Gratuity Fund	-	58,027
13	Salaries	4,66,701	7,03,719
14	Staff Welfare Expenses	10,650	65,935
	<b>Total</b>	<b>4,78,126</b>	<b>19,31,914</b>

**NOTE:33 Financial Cost**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Interest		2,14,731
2	Bank Charges	5,050	71,650
3	Interest on Lease Liability	2,81,647	13,06,573
	<b>Total</b>	<b>2,86,697</b>	<b>15,92,954</b>





**NOTE : 34 Depreciation & Amortisation Expenses**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Depreciation & Amortization	8,21,268	29,73,364
2	Depreciation on ROU Asset	3,93,879	20,88,596
	<b>Total</b>	<b>12,15,147</b>	<b>50,61,960</b>

**NOTE : 35 Other Expenses**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Advertisement Expenses	42,120	47,280
2	<b>Auditor's Remuneration</b>	50,000	50,000
3	Bad Debts Written Off	3,76,569	3,90,299
4	Director's Meeting Fee		34,500
5	Director's Travelling & Conveyance	8,275	97,967
6	Donation		8,000
7	Electricity & Water Charges		2,20,664
8	Freight & Cartage	7,750	15,52,474
9	General expenses		350
10	House Keeping Expenses		1,000
11	Insurance Charges	20,113	1,34,609
12	Income Tax Paid F.Y	20,63,192	-
13	Job work		1,43,285
14	Legal & Professional Charges	36,08,145	7,35,047

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15	Membership Expenses	2,10,000	6,83,000
16	Miscellaneous Expenses	17,850	-
17	Postage, Courier & Telegram		100
18	Printing & Stationery	1,250	90,729
19	Printing Charges		8,26,530
20	Renewal and Subscription Charges	1,03,550	33,050
21	Rent Plant & Machinery		8,500
22	Rent, rates & Taxes	8,13,600	12,95,539
23	Repairs and Maintenance	3,77,260	5,20,027
24	Rounding Off	4	4,563
25	Sales Tax Paid		33,237
26	Scanning / Data Entry Charges		3,75,546
27	Security Charges		5,49,521
28	Software expenses		52,200
29	Telephone, Mobile & Fax Expenses	27,442	1,09,518
30	Covid expenses		3,966
31	Travelling & Conveyance	17,326	62,480
32	Vehicle running and maintenance	78,772	1,66,959
33	VAT Paid	1,25,632	
35	Other Manpower Services		1,20,315
36	Plate Making & Heating Charges		12,000
37	Loss on Sale of Assets	68,81,610	18,38,958

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38	Fixed Assets Written off		5,10,238
39	Water & Electricity Expenses	1,64,825	-
40	Medical expenses		23,518
41	GST Expenses		6,26,845
42	Maintenance Expenses		49,208
	<b>Total</b>	<b>1,49,95,285</b>	<b>1,14,42,622</b>

**Balance with Revenue Authorities**

**Amount (Rs.)**

Sr. No.	Particulars	Current Year	Previous Year
1	IGST	83,379	5,670
2	CGST	6,97,700	750
3	SGST	24,37,522	750
4	CGST RCM	-	9,28,852
5	SGST	-	26,84,399
6	Vat Input Recoverable	-	51,171
	<b>Total</b>	<b>32,18,601</b>	<b>36,71,592</b>

**Advances to Suppliers**

**Amount (Rs.)**

Sr No.	Particulars	Current Year	Previous Year
1	Lift Tech Material Movement	-	937
2	SPS Infratech Pvt Ltd (Advance Against Property)	1,42,50,000	-
	<b>Total</b>	<b>1,42,50,000</b>	<b>937</b>



Security Deposit (Unsecured, Considered Good)

Amount (Rs.)

Sr. No	Particulars	Current Year	Previous Year
1	Security Deposits	8,15,000	27,83,000
2	Security Deposit (Decreed)	2,00,000	2,00,000
	<b>Total</b>	<b>10,15,000</b>	<b>29,83,000</b>

Trade Receivables

Amount (Rs.)

Sr No.	Particulars	Current Year	Previous Year
	<b>-Outstanding for the period exceeding six months from the date they are due for payment</b>		
1	Education Services Organisation- Gurugram		2,35,002
2	Sps Infratech Pvt Ltd	28,23,035	
3	Education Services Organisation-Defense colony		11,200
4	Dr BR Ambedkar University Agra	7,82,288	7,82,288
5	Kasier Appliances		1,492
6	NYSA Communications Private Limited		3,179
	<b>Total (a)</b>	<b>36,05,323</b>	<b>10,33,161</b>
	<b>-Outstanding for the period less than six months from the date they are due for payment</b>		
1	Education Services Organisation-Noida		3,56,246
2	CO-operative Service Examination Board		2,20,017
3	VK Global Digital Pvt Ltd	64,37,066	-

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4	Solitaire Printotech Limited		1,14,96,253
5	Karnataka Psc		8,32,642
	<b>Total (b)</b>	<b>64,37,066</b>	<b>1,29,05,158</b>
	<b>Grand Total (a) + (b)</b>	<b>1,00,42,389</b>	<b>1,39,38,319</b>

**Sundry Creditors for Material**

**Amount (Rs.)**

Sr. No.	Particulars	Current Year	Previous Year
1	IBF	-	3,58,995
	<b>Total</b>	<b>-</b>	<b>3,58,995</b>

**Sundry Creditors Others**

Sr. No.	Particulars	Current Year	Previous Year
1	Dharamraj Logistics (I) (pvt) Ltd	-	1,39,658
2	Grover Ahuja & Associates	-	24,050
3	Beetal Financial & Computer Services P Ltd.	920	686
4	Scan Data Infotech	-	7200
5	DP Printing and Binding	-	1,93,200
6	P.C. Jain & Co.	43,200	-
7	Ajay Kumar Siwach	21,600	-
	<b>Total</b>	<b>65,720</b>	<b>3,64,794</b>

**Revenue Expenses Payable**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	Bonus Payable	-	35,833
2	Exgratia Payable	-	4,040
3	Leave Encashment Payable	-	20,154
4	Salary Payable	10,000	61,940
5	Director Remuneration payable	-	40,925
6	Meeting fee Payable	-	34,500
7	Audit Fess Payable	1,50,000	50,000
	<b>Total</b>	<b>1,60,000</b>	<b>2,47,392</b>

**Statutory Remittances Payable**

**Amount (Rs.)**

Sr. No	Particulars	Current Year	Previous Year
1	ESIC Payable	-	810
2	IGST Payable	-	3,52,734
3	SGST Payable	-	125
4	CGST Payable	-	125
5	VAT Payable	1,25,632	
6	Labour Welfare Fund Payable	-	1446
7	TDS Payable	11,835	18,110
8	IGST RCM	-	4,051
	<b>Total</b>	<b>1,37,467</b>	<b>3,77,401</b>

36 **Payment to Auditors**

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Audit Fees	50,000	50,000

37 **Earning per Share**

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
<b>(A) BASIC</b>		
Net Profit attributable to Shareholders	-2,27,14,877	-1,66,04,278
Weighted average number of Equity Shares (in No.)	32,25,900	32,25,900
Weighted earnings per share of Rs.10/- each	-7.04	-5.15
<b>(B) DILUTED</b>		
Weighted earnings per share of Rs.10/- each	-7.04	-5.15

38 **Information pursuant to provision of Schedule III to the Companies Act, 2013 to the extent applicable:**

a) The Company is MSME industry engaged in the business of printing of confidential materials for competitive examinations, OMR Answer sheets along with other necessary stationery. The company is also engaged in Scanning of OMR Answer sheets and preparation of result for its customers. For the purpose of providing services, the company has installed its own hardware comprising of Optical Mark Reading System/ Image Scanners/ Insight Scanners and other computers etc. It requires stationery, computer stationery, floppies and tapes for the purpose of storing the data which are not treated as raw material and instead termed as stores. The answer sheets are printed as per requirements, drawing and design of the customers. These OMR Sheets are also purchased from outside. The company does not require any industrial license and the capacity of machines also cannot be quantified because of variety of uses of the same. The company uses its own updated software in this process.

39 In the opinion of the management, the value on realisation of current assets, loans and Advances in the ordinary course or business would be less than the amount at which they are stated in the balance Sheet and Provisions for all the known liabilities has been made.

- 40 There were no Employee who was in receipt of remuneration which was in aggregate was not less than Rs. 1,20, 00,000/-, if employed throughout the year or Rs. 10, 00,000/-p.m, if employed for a part of the year.
- 41 In opinion of the board of directors, Current Assets and Loans & Advance have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.
- 42 Depreciation has been computed in accordance with the provision of Companies Act,2013 considering the remaining useful life of the assets and has written of the carrying amount of the assets having NIL useful life.
- 43 Personal accounts are subject to the confirmation of the respective parties.
- 44 **In compliance to the provisions of Ind AS 24 “Related party Disclosures”**

**IND AS-24 "RELATED PARTY DISCLOSURES"**

S.No	Name of Related Party	Nature of Relationship	Nature of Transaction	Amount Involved (In Rs)
1	SPS Infratech Private Limited	Director of Reporting Entity is Director of the M/s SPS Infratech Private Limited	Sale of Fixed assets	43,23,035
			Rent paid	2,09,404
			Payment of maintenance charges	98,659
			Advance against immovable property	1,42,50,000
2	Tanush Jain	Chief Financial Officer	Remuneration	54,975
			Bonus and leave encashment	20,388
3	Radha S Nair	Whole Time Director	Managerial Remuneration	2,18,130
			Bonus and leave encashment	37,667
4	Saurabh Gupta	Company Secretary	Remuneration	90,000
5	Solitaire Printotech Private Limited	Relative of Director has Substantial Interest in the Entity	Sale of fixed assets and raw material	41,02,554



- 45 The company has de-recognised its lease liabilities and right of use asset due to termination in the lease agreement between the lesser and the lessee. Further, all the impact on account of termination of lease and lease liabilities have been taken into consideration through profit and loss account.
- 46 The company has de-recognised its deferred tax liabilities as the assets and liabilities on which such Deferred tax liabilities have been created no longer exists. Thus, deferred tax liabilities have been de-recognised and therefore written off through profit and loss account.
- 47 As per Ind-38 "Intangible Assets" the slave value of the Intangible assets are assumed as NIL.
- 48 Impacts of Covid 19 on the Future Performance of the Company

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC**

<b>Details of impact of CoVID-19 based on certain performance parameters:</b>		
a.	<b>Capital and financial resources</b>	The Company's capital and Banking facilities remain the same. There are not significant liquidity concerns as some resources are available in-house to settle all the liabilities and resume operations normally.
b.	<b>Liquidity Position</b>	There are no liquidity concerns as we have sufficient internal resources. The receivables are being collected although with some delays. We are sure to manage the situation well.
c.	<b>Ability to service debt and other financing arrangements</b>	The Company does not have any debts as on date nor intend to borrow unless it gets the business orders.
d.	<b>Assets</b>	Plants and Machineries installed in Scanning and Processing division and OMR Sheets Printing Division have been sold.
e.	<b>Internal Financial reporting and Control</b>	All the internal financial controls are in place as they were in the normal periods. The reporting requirements are being fulfilled as stipulated and are being complied. The key day to day financial parameters of the Company are being closely monitored and controlled by the Management on a regular basis.
f.	<b>Supply Chain</b>	We do not expect any significant issues with respect to supply chain.
g.	<b>Demand for its products/services</b>	It has been seriously affected due to Government Policies and continuous deferment of conducting the Exams by major customers. The demand in next 1-2 years will also be under pressure due the paucity of funds and rescheduling of priorities of the Governments.



h.	<b><i>Existing contracts/ agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business</i></b>	The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfilment of obligations by any party would lead to any material financial claim by or against the Company.
i.	<b><i>Other relevant material updates about the listed entity's business.</i></b>	No other material matter can be identified at present. We will continue to follow the recommendations/advisories as may be issued from time to time by the relevant authorities.

49 Company is a Trading Concern, hence the requirement to give details in respect of the Quantity of Goods manufactured, Licensed Capacity, Installed Capacity or Actual Production is not applicable.

50

As of 31 March 2022, the Company does not have any amount outstanding towards share application money.

**For DSRV and CO LLP  
Chartered Accountants**

**For and on Behalf of Board of Directors**

sd/-

**Dinesh Agrawal  
(Partner)  
M.No. : 085714  
FRN : 006993N**

**Place : Faridabad  
Date :- 30/05/2022  
UDIN: 22085714ALCBEG8303**

sd/-

**Surendra Kumar  
Jain  
(Chairman &  
Managing Director)  
(DIN: 00088064)**

sd/-  
**Saurabh Gupta  
(Company  
Secretary)**

sd/-

**Shikha Jain  
(Director)  
DIN:- 03457584**

sd/-  
**Tanush Jain  
(Accounts  
Manager)**

51 **Financial ratios**

S.No	RATIOS/MEASURE	METHODOLOGY	NUMERATOR	DENOMINATOR	CURRENT YEAR	PREVIOUS YEAR	EXPLANATION FOR VARIANCES IN RATIOS EXCEEDING 25%
1	<b>Current ratio (in times)</b>	Current assets over current liabilities	Total current assets	Total current liabilities	64.91	29.82	Improvement in current ratio due to reduction in Current liabilities
2	<b>Debt-Equity Ratio (in times)</b>	Debt over total shareholders' equity	Debt consists of borrowings and lease liabilities	Total equity	0	0.14	Debt-equity ratio is zero for FY 21-22, as the company has settled off all its liabilities.
3	<b>Debt service coverage ratio (in times)</b>	EBITDA over current debt	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0	-1.08	Debt-service coverage ratio for the FY 21-22 is Zero, as the company has settled off all its liabilities.
4	<b>Return on equity ratio (in %)</b>	Profit after taxes over total average equity	Profit for the year less Preference dividend (if any)	Average total equity	-72.92	-30.82	Adverse impact on ratio due to losses incurred by the company during the year
5	<b>Trade receivables turnover ratio (in times)</b>	Revenue from operations over average trade receivables	Revenue from operations	Average trade receivables	0.65	0.81	Variance on account of decrease in revenue.



6	<b>Trade payables turnover ratio (in times)</b>	Revenue from operations over average trade payables	Revenue from operations	Average trade payables	18.12	48.27	Variance on account of decrease in revenue and payables.
7	<b>Net capital turnover ratio (in times)</b>	Revenue from operations over average working capital	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.26	0.41	Variance on account of decrease in revenue.
8	<b>Net profit ratio (in %)</b>	Net profit over revenue	Profit for the year	Revenue from operations	-293.15	-95.06	Adverse impact on ratio due to losses incurred by the company during the year
9	<b>Return on capital employed (in %)</b>	PBIT over average capital employed	Profit before tax and finance costs	Capital employed = Total fixed assets less current liabilities	-72.00	-23.72	Adverse impact on ratio due to losses incurred by the company during the year
10	<b>Return on investment (in %)</b>	Interest income, net gain on sale of investments and net fair value gain over weighted average investments	Income generated from invested funds	Average invested funds in treasury investments	-72.92	-30.82	Adverse impact on ratio due to losses incurred by the company during the year

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2021-2022**



52 All amounts in the financial statements are rounded off to the nearest Rupee, except as otherwise stated.

53 Notes 1-52 are annexed to and form an integral part of the Balance sheet as at 31.03.2022 and statement of profit and loss for the year ended as on that date.

**For DSRV and CO LLP  
Chartered Accountants**

**sd/-  
Dinesh Agrawal  
(Partner)**

**M.No. : 085714  
FRN : 006993N**

**Place : Faridabad  
Date :- 30/05/2022  
UDIN: 22085714ALCBEG8303**

**For and on Behalf of Board of Directors**

**sd/-  
Surendra Kumar  
Jain  
(Chairman and  
Managing Director)  
DIN:00088064**

**sd/-  
Shikha Jain  
(Director)  
DIN:- 03457584**

**sd/-  
Saurabh Gupta  
(Company  
Secretary)**

**sd/-  
Tanush Jain  
(Accounts  
Manager)**