

**Independent Auditor's Report****To the Board of Directors of SPS FINQUEST LIMITED****Report on the audit of the Annual Financial Results****Opinion**

We have audited the accompanying the Annual Financial Result of SPS FINQUEST LIMITED ('the company') for the half year ended March 31, 2020 and the year to date results for the period from 01st April 2019 to 31st March 2020, attached herewith, being submitted by the Company pursuant to the requirements of regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulation').

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regards; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standard on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results 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 together with the ethical requirement that are relevant to our audit of financial statement under the provision of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Management's Responsibilities for the Financial Results

These half yearly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Results

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

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

The financial results include the results for Half year ended March 31, 2020 being the balancing figures between the audited figures in respect of full financial year and the unaudited year to date figures up-to the half yearly of the current financial year, which were subject to limited review by us.

For Kochar & Associates Chartered Accountants FRN 105256W

Piyush Shantila
Kochar

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**CA. Piyush Kochar
Partner
M. No. 106049**

UDIN: 20106049AAAACB8312

Place: Mumbai
Date: 24/7/2020

SPS Finquest Limited

Address :- Regt.Office: R-514, Rotunda Building, B S larg.Fort.Mlumbai 400001 Phone 0.022-22722488
CIN L67120MH1996PLC098051 Website: www.spsfinquest.co.in info@Spsfinquest.co.in

Statement of Audited Financial Results for the Half Year and Year Ended March 31,2020

(Amount in Lakhs)

PARTICULARS	Half Year Ended			Year Ended	Year Ended
	31.03.2020	30.09.2019	31.03.2019	31.03.2020	31.03.2019
1 Revenue					
a) Income from Operations	128.26	340.23	188.16	468.48	387.78
b) Other Income	(434.27)	776.87	(1,857.55)	342.60	6.26
Total income	(306.01)	1,117.09	(1,669.39)	811.08	394.04
2 Expenses					
Employee benefit expense	30.03	22.71	12.69	52.74	23.01
Finance Costs	225.46	150.02	153.42	375.47	182.11
Depreciation and amortization expense	2.22	2.09	2.61	4.30	5.25
Other expenses	1,720.23	121.71	742.88	1,841.94	810.01
Total Expenses	1,977.93	296.52	911.60	2,274.45	1,020.38
Profit / (loss) before exceptional items and tax (1-2)	(2,283.94)	820.58	(2,580.98)	(1,463.37)	(626.34)
3 Exceptional items	-	-	-	-	-
5 Profit / (loss) before tax (3-4)	(2,283.94)	820.58	(2,580.98)	(1,463.37)	(626.34)
6 Tax expenses					
Current Tax	(133.54)	263.54	(533.00)	130.00	86.00
Deferred Tax	(159.16)	(0.12)	(11.22)	(159.28)	(11.33)
Tax of earlier years	-	-	0.30	-	0.30
7 Net Profit / (loss) for the period (5-6)	(1,991.24)	557.16	(2,037.07)	(1,434.08)	(701.32)
8 Other Comprehensive Income / (Loss)	-	-	-	-	-
Total Other Comprehensive Income / (Loss) for the period	-	-	-	-	-
9 Total Comprehensive Income / (loss) for the period after tax (7+8)	(1,991.24)	557.16	(2,037.07)	(1,434.08)	(701.32)
Paid-up equity share capital (FV of Rs.10 /-per share)	45,057,000	45,057,000	45,057,000	45,057,000	45,057,000
10 Earnings per share (Basic and Diluted) (Rs.)					
i) before extraordinary items	(44.19)	12.37	(45.21)	(31.83)	(15.57)
ii) after extraordinary items	(44.19)	12.37	(45.21)	(31.83)	(15.57)

Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 24/07/2020. The Statutory Auditors have audited the above results.
- The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2019 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

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Tulshiram
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SPS Finquest Limited

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- 3 The reconciliation of net profit or loss reported in accordance with Indian GAAP to Total Comprehensive Income in accordance with Ind AS is given below :

(Amount in Lakhs.)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Net Profit / (Loss) as per previous GAAP (Indian GAAP)	(1.70)	(18.49)
a) Interest expense recognised on Redeemable Preference Shares	(0.77)	(0.71)
b) Measurement of Investment in Equity Instrument at Fair Value through Profit & Loss	(1,621.96)	(761.33)
c) Measurement of Investment at Fair Value through Profit & Loss	6.58	(0.35)
d) Deferred tax impact on above adjustments	183.77	79.56
Profit / (Loss) for the quarter as per Ind AS	(1,434.08)	(701.32)
Other Comprehensive Income		
Gain/(Loss) on Equity Investment at fair value through Other Comprehensive Income	-	-
Deferred Tax impact of above adjustments	-	-
Total Comprehensive Income / (Loss) as per Ind AS	(1,434.08)	(701.32)

Equity Reconciliation :

(Amount in Lakhs.)

Particulars	As At 31.03.2019	As At 01.04.2018
Equity	2,973.88	2,992.37
Add/ (less) :		
Fair valuation of Investments in Equity Instrument measured at FVTPL	705.96	1,467.29
Fair valuation of Investments	0.92	1.28
Interest on Redeemable 9% Preference Shares	(0.71)	-
Deferred tax on above	(73.39)	(152.95)
Equity component of Compound Financial Instrument	2.32	2.32
Deferred tax on above	(0.65)	(0.65)
Closing Reserves under Ind AS	3,608.34	4,309.66

- 4 Covid -19 has not significantly impacted the business of the entity. In assessing the recoverability of Company assets such as Investments, Loan, etc the company has considered internal and external information upto date of approval of these financial results. The company has performed sensitivity analysis and expects to recover the carrying amounts of the assets.

- 5 Figures of the previous period have been reclassified/ regrouped wherever necessary.

For SPS Finquest Limited

Girish
Tulshiram Jajoo

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Girish Jajoo

Director

DIN No.03108620

Place: Mumbai

Date: 24-07-2020

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Statement of Assets and Liabilities as on March 31, 2020

Rs.)

PARTICULARS	Year Ended 31.03.2020	Year Ended 31.03.2019
ASSETS		
<u>Financial Assets</u>		
Cash and cash equivalents	6,535,712	1,863,150
Trade Receivables	248,544,256	344,304,950
Loans	418,076,574	304,002,366
Investment	66,711	70,390
	673,223,253	650,240,856
Income Tax Asset (Net)	14,137,336	4,931,596
Deferred Tax Asset (Net)	11,054,729	-
Property, Plant & Equipment	1,162,905	1,530,652
	26,354,970	6,462,248
	699,578,223	656,703,104
LIABILITIES AND EQUITY		
<u>LIABILITIES</u>		
<u>Financial Liabilities</u>		
Derivative Financial Instrument	1,060,575	140,023,181
Trade Payable		
- Total Outstanding Dues to Micro, Small and Medium Enterprises	-	-
- Total Outstanding Dues to other than Micro, Small and Medium Enterprises	127,076	170,913
Debt Securities	926,730	849,561
Borrowing (Other than Debt Securities)	427,063,619	50,902,970
Other Financial liabilities	6,688,294	51,877,326
	435,866,293	243,823,951
Non - Financial Liabilities		
Current Tax Liabilities (Net)	-	2,097,112
Deferred tax Liabilities (Net)	-	4,873,427
Other Non-Financial Liabilities	1,229,338	17,555
	1,229,338	6,988,095
<u>EQUITY</u>		
Equity Share capital	45,057,000	45,057,000
Other Equity	217,425,592	360,834,058
	262,482,592	405,891,058
Total Liabilities and Equity	699,578,223	656,703,104

For SPS Finquest LimitedGirish Tulshiram Jajoo Digitally signed by Girish Tulshiram Jajoo
Date: 2020.07.24 11:42:11 +05'30'**Girish Jajoo**

Director

DIN No.03108620

Place: Mumbai

Date: 24-07-2020