

35th Annual Report

&

Accounts

2014 - 2015



CIN: L65993WB1980PLC033060

Board of Directors :

Mr. Prakash Kumar Jajodia	Whole-Time Director
Mr. Kishan Kumar Jajodia	Non-Independent Director
Mr. Amit Jajodia	Non- Independent Director
Mr. Bijay Kumar Agarwal	Independent Director
Mr. Rabindra Kumar Hisaria	Non-Independent Director
Mrs. Jyoti Lohia	Independent Director

Audit Committee :

Mr. Bijay Kumar Agarwal	Chairman
Mr. Rabindra Kumar Hisaria	Non-Independent Director
Mrs. Jyoti Lohia	Independent Director

Nomination And Remuneration Committee :

Mr. Bijay Kumar Agarwal	Chairman
Mrs. Jyoti Lohia	Independent Director
Mr. Rabindra Kumar Hisaria	Non-Independent Director

Stakeholder's Relationship Committee :

Mr. Bijay Kumar Agarwal	Chairman
Mr. Kishan Kumar Jajodia	Non-Independent Director
Mr. Amit Jajodia	Non- Independent Director

Chief Financial Officer :

Mr. Rabindra Kumar Hisaria

Registered Office :

"Centre Point",
2nd Floor, Room No. 230,
21, Hemanta Basu Sarani
Kolkata – 700 001
Phone No.- (033) 3028 7790
E-Mail Id – investorsquestfinancial@yahoo.co.in
Website - www.questfinancial.in

Registrar and Transfer Agent :

Niche Technologies Pvt. Ltd.
D-511, Bagree Market,
71, B.R.B. Basu Road
Kolkata-700 001

Bankers :

Canara Bank

Auditors :

M/s. Arun Jain & Associates
Chartered Accountants
2B, Grant Lane, 2nd Floor,
Room No. 74, Kolkata – 700 012

CIN: L65993WB1980PLC033060

"Centre Point", 21, Hemanta Basu Sarani, Room No.230,
2nd Floor, Kolkata-700 001

Phone No. (033) 3028 7790, Fax No. (033) 3028 7789,

E-Mail Id : investorsquestfinancial@yahoo.co.in,

Website : www.questfinancial.in



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting before you 35th Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2015.

1. Financial Summary or Highlights.

(in `)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Total Revenue	16,06,17,605	25,15,17,162	16,06,17,605	25,15,17,162
(Less): Total Expenditure	19,76,19,628	25,07,03,439	19,76,46,050	25,07,92,754
Profit before Exceptional & Extraordinary Items	(3,70,02,023)	8,13,723	-	7,24,408
Add/(Less): Exceptional Items	-	-	-	-
Add/(Less): Extraordinary Items (Loss on Sale of Fixed Assets)	-	-	-	-
Profit Before Tax	(3,70,02,023)	8,13,723	(3,70,28,445)	7,24,408
(Less): Provision for Current Tax	-	(2,51,440)	-	(2,51,440)
(Less): Contingent provision for Standard Assets	-	-	-	-
Net Profit after Tax	(3,70,02,023)	5,62,282	(3,70,28,445)	4,72,967
(Less): Transfer to Statutory Reserve	-	(1,12,456)	-	(1,12,456)
Add/(Less): Brought forward from previous year	26,11,261	21,61,435	25,21,946	21,61,435
Balance carried to Balance Sheet	(3,43,90,762)	26,11,261	(3,45,06,499)	25,21,946

2. Consolidated Financial Statements.

In accordance with the Companies Act, 2013 (hereinafter referred to as "the Act") and Accounting Standard (AS) – 21 on Consolidated Financial Statements read with AS – 23 on Accounting for Investments in Associates the audited consolidated financial statement is provided in the Annual Report.

3. Change in Share Capital.

During the year under review, there has been no change in the Authorised or Paid-up Share Capital. The Authorised Share Capital of the Company stands at ` 1,23,34,00,000/- divided into 12,33,40,000 Equity Shares of ` 10 each. The Paid-up Share Capital of the Company is ` 1,23,31,65,000/- divided into 12,33,16,500 Equity Shares of ` 10/- each.

4. Corporate Governance.

The Company has been complying with all the requirements of the Corporate Governance norm as stipulated in Clause 49 of the Listing Agreement, as amended from time to time.

A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from the Statutory Auditor regarding compliance with the condition of Corporate Governance is annexed to the said Report.

5. Extract of Annual Return

The Extract of the Annual Return as on the financial year ended on 31st March, 2015, in Form MGT-9 pursuant to section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended to the Directors' Report in **Annexure-1**.

6. Number of Meetings of the Board.

The Board of Directors of the Company met six (6) times during the Financial Year under review, i.e. on 30/04/2014, 30/05/2014, 04/08/2014, 14/11/2014, 13/02/2015 and 31/03/2015.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Act and Clause 49(II)(B)(6) of the Listing Agreement was held on 31st March, 2015.

All the meetings were held in accordance with the provisions of the Act and the Listing Agreement.

The Details of the above meetings are given in Corporate Governance Report which is annexed in the Annual Report.

7. Disclosure pursuant to Section 177(8) of the Act-Composition of the Audit Committee.

Pursuant to section 177(8) of the Act disclosure of the Composition of Audit Committee is given below:-

The Audit Committee of the Company comprises of two Non-Executive Independent Directors and one Executive Non-Independent Director as on 31st March, 2015 and is chaired by Mr. Bijay Kumar Agarwal (DIN: 00634259), Non-Executive Independent Director. The details of the same are morefully provided in the Corporate Governance Report.

During the Financial Year under review, the Committee met four (4) times and all such meetings were held in accordance with the provisions of the Act and the Listing Agreement.

Further, the Board of Directors has accepted all the recommendations of the Audit Committee in the Financial Year 2014-15.

8. Composition of the Nomination and Remuneration Committee.

Pursuant to the requirements of Section 178 of the Act, the Nomination and Remuneration Committee of the Company comprises of two Non-Executive Independent Directors and one Executive Non-Independent Director.

The details of the Committee are provided in the Corporate Governance Report.

9. Composition of the Stakeholders Relationship Committee.

Pursuant to the requirements of Section 178 of the Act, the Stakeholders Relationship Committee of the Company consists of one Non Executive Independent Director and two Non-Executive Non-Independent Directors as on 31st March, 2015.

The details of the Committee are provided in the Corporate Governance Report.

10. Directors' Responsibility Statement.

Pursuant to Section 134(3)(c) read with section 134 (5) of the Act, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors of the Company hereby make the following statements :

- a. In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- b. The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on the Financial Year ended on 31st March, 2015 and of the profit of the company for the year under review.
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Declaration by the Independent Directors.

Pursuant to Section 149(7) of the Act, all the independent directors have submitted the statement at their first Board Meeting of the financial year under review that they meet the criteria of independence as laid down under section 149(6) of the Act, read with clause 49 of listing agreement.

12. Policy on Directors' Appointment & Remuneration.

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director and has further formulated a policy relating to the remuneration for directors, key managerial personnel and other employees, which has

been duly approved by the Board of Directors.

While formulating the Policy, the Nomination and Remuneration Committee has assured that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. The relationship of remuneration to performance is clear and meets appropriate benchmarks; and
- c. The remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The details of the same have been provided in the Corporate Governance Report for the Financial Year 2014-15. The shareholders may also visit the Company's website, viz; **www.questfinancial.in** for the detailed Nomination and Remuneration Policy of the Company on Directors appointment and remuneration.

13. Auditors & Auditors' Report.

A. Statutory Auditors

M/s. Arun Jain & Associates, Chartered Accountants of 2B, Grant Lane, 2nd Floor, Room No-74, Kolkata – 700 012, was appointed as the Statutory Auditor of the Company for a period of five years from the conclusion of the 34th Annual General Meeting, held on 29th September, 2014, till the conclusion of the 39th Annual General Meeting, subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing Annual General Meeting.

B. Independent Auditors' Report

The Self Explanatory Independent Auditors' Report does not contain any adverse remarks or qualification.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder, Mr. Praveen Sharma (C.P. No. 14501, Membership No. A30365), Company Secretary in whole-time Practice, was appointed for the issuance of the Secretarial Audit Report for the Financial Year 2014-15.

D. Secretarial Audit Report

The Secretarial Audit Report does not contain any adverse remark. The Secretarial Audit Report is annexed herewith as *Annexure-2*.

14. Particulars of Loans, Guarantees or Investments under Section 186 of the Act.

The provisions of section 186 are not applicable upon a Non-Banking Financial Company. Therefore, the Company is not required to provide any disclosure pursuant to Section 134(3)(g) of the Act.

15. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form.

All related party transactions, contracts or arrangements that were entered into, during the financial year under review, were on an arms-length basis and in the ordinary course of business.

The Company has adhered to its "Policy on Related Party Transactions and Materiality of Related Party Transactions" while pursuing all Related Party transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

During the year under review, the Company has not entered into any material related party transaction as defined in Clause 49 of the Listing Agreement. All Related Party Transactions were placed before the Audit Committee and the Board for approval. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with the Rules made thereunder.

16. State of Company Affairs & Future Outlook.

During the Financial year under review, the Company has recorded a total income of ` 16,06,17,605/- (standalone) for the current financial year as compared to ` 25,15,17,162/-, for the previous financial year.

The Loss After Tax on a standalone basis amounted to ` (3,70,02,023) as against profit of ` 5,62,282 in the previous year.

17. The amount proposed to be carried to reserves.

The detail of the amounts apportioned to the reserves has been provided under the category "Financial Summary or Highlights" in this Directors Report.

18. Dividend

Due to loss, your Directors do not recommend any dividend for the financial year under review.

19. Material changes and commitments affecting the financial position of the company between the end of the financial year and the date of the Report.

No Material Changes and commitments affecting the financial position of the Company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of this Directors' Report.

Disclosure pertaining to the effect on the financial results of material changes in the composition of the Company, if any, pursuant to Clause 41(iv)(m) of the Listing Agreement.

There has not been any material change in the composition of the Company and therefore the Disclosure of Clause 41(IV)(m) of the Listing Agreement pertaining to material changes in the composition of the Company, is not applicable upon the Company.

20. Conservation of Energy, Technology absorption, Foreign exchange earnings and outgo.

In terms of Section 134 (3) (m) of the Act read with the Rules made there under, the Company has no activity relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo during the financial year under review.

21. Risk Management Policy

During the year, the Company constituted a Risk Management Committee in accordance with Clause 49 of the Listing Agreement which has been entrusted with the responsibility of:

- a) Overseeing and approving the Company's enterprise wide risk management framework; and
- b) Overseeing that all the risks that the organization faces.

Accordingly, the Company has in place a Risk Management Policy in accordance with Clause 49 of the Listing Agreement provisions and in compliance with Section 134(3)(n) of the Act. The Policy provides for the identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

Pursuant to Schedule IV (II)(4) of the Act, the Independent Directors, inter-alia amongst others, review the system from time to time to ensure that Risk Management is resilient.

Further, in compliance with Clause 49(I)(D)(2)(a) of the Listing Agreement, the Board of Directors have also been reviewing on a periodical basis the Risk Management Policy of the Company to make it at par with the Company's objectives.

22. Policy on Corporate Social Responsibility (CSR) Initiatives.

Pursuant to provisions of Section 135 of the Act, the Company is not required to constitute a Corporate Social Responsibility Committee or to undertake any CSR activities.

Therefore, the Company is not required to make any disclosure as specified in Section 134(3) (o) of the Act.

23. Manner of Formal Annual Performance Evaluation of the Board, Individual Directors And Committees.

Pursuant to Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, other applicable provisions of the Act, and various applicable clauses of the Listing Agreement, the manner in which annual performance of individual directors and the committees was evaluated in the reported year is described hereunder:-

- a. Pursuant to Clause 49(IV)(B)(1), the Nomination & Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The details of the same are described in the Corporate Governance Report.
- b. The Nomination & Remuneration Committee also identifies persons qualified to become directors and

who may be appointed in senior management in accordance with the criteria laid down, and recommends to the Board their appointment and removal and carries out the evaluation of every director's performance in accordance with Section 178(2) of the Act read with the Rules framed thereunder and Clause 49(IV)(B)(4) of the Listing Agreement.

- c. The performance evaluation criteria of the Board and Independent Directors has been formulated by the Nomination and Remuneration Committee Pursuant to Clause 49(IV)(B)(2) of the Listing Agreement.
- d. Pursuant to section 178(2) of the Act, the Nomination and Remuneration Committee of the Company carries out the performance evaluation of the individual directors.
- e. Further, the Committee has also devised a Policy on Board Diversity as provided in Clause 49(IV)(B)(3) of the Listing Agreement.
- f. Pursuant to Clause VIII of Schedule IV to the Act and Clause 49(II)(B)(5) of the Listing Agreement, the performance evaluation of the Independent Directors is persued by the entire Board of Directors, excluding the director being evaluated. On the basis of the report of performance evaluation, the extension of the term of appointment or its continuance in respect of the independent directors is considered.
- g. Pursuant to Clause VII of Schedule IV to the Act and Clause 49(II)(B)(6) of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 31st March, 2015 to Review the performance of the non-independent directors and the Board as a whole and that of the Chairman of the company, taking into account the views of the executive directors and non-executive directors. The parameters of evaluation was as per the criteria formulated by the Nomination and Remuneration Committee.
- h. Further, the board monitors and reviews the board evaluation framework in compliance with Clause 49 (I)(D)(2)(i) of the Listing Agreement and evaluates the performance of all the Committees.

24. Nomination and Remuneration Policy.

Section 178 of the Act, read with Rules made thereunder and Clause 49(IV)(B) of the Listing Agreement, defines the role of the Nomination and Remuneration Committee to include, inter alia amongst others, the following:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The shareholders may also visit the Company's website www.questfinancial.in for the detailed Nomination and Remuneration Policy of the Company on Directors appointment and remuneration.

25. Change in the nature of business.

There has been no change in the nature of business of the Company in the Financial Year under review.

26. Directors and Key Managerial Personnel.

a. Non-Executive, Independent & Executive Directors

Mr. Amit Jajodia (DIN-02291113), being Non-Independent Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as the Director of the Company without any variation in the terms of his appointment.

Mr. Prakash Kumar Jajodia (DIN-00633920), being Whole-Time Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as the Whole-Time Director of the Company without any variation in the terms of his appointment.

Pursuant to Section 149 of the Act read with the Rules made thereunder, the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each. In terms of revised clause 49 of the listing agreement applicable from 1st October, 2014, in case the Independent Director has already served for 5 or more years, he can be appointed for only one term of 5 years.

In this connection, all the Independent Directors of the Company, were appointed for a term of five consecutive years commencing from the conclusion of 34th Annual General Meeting of the Company, keeping in view their educational / professional qualifications, working experience, expertise in line with Company's business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment.

Further, the Board of Directors of the Company has appointed Mrs. Jyoti Lohia (DIN-07113757) as an Additional Director of the Company with effect from 31st March, 2015. She is holding office as an Independent Director of the Company and is entitled to hold office as additional director up to the date of ensuing Annual General Meeting. Accordingly, it is proposed to appoint Mrs. Jyoti Lohia as a non-retiring Independent Director of the Company in accordance with Section 149 of the Act, to hold office till the conclusion of 40th AGM, i.e. for tenure of 5 years.

b. Chief Financial Officer

Mr. Rabindra Kumar Hisaria is the Chief Financial Officer of the Company.

27. Names of Companies which have become or ceased to be the Company's Subsidiaries, Joint Ventures or Associate Companies during the year under review.

Name of the Companies which became subsidiaries in the financial year under review are as follows:

- i. Campbell Builders Limited
- ii. Campbell Constructions Limited
- iii. Campbell Consultants Limited
- iv. Campbell Developers Limited
- v. Campbell Homes Limited
- vi. Campbell Housing Limited
- vii. Campbell Marketing Limited

- viii. Campbell Projects Limited
- ix. Campbell Real Estates Limited
- x. Campbell Residency Limited

Further, the business of above mentioned companies have not been commenced during the year under review. Further, no subsidiary of the Company ceased to be Company's Subsidiaries.

Further, the Company does not have any associate companies (as defined in Section 2(6) of the Act) nor is associated with any joint ventures and therefore disclosure requirement pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable for the Company.

28. Annual Accounts of the Subsidiaries.

In accordance with Section 129(3) of the Act, and rules thereunder, the Consolidated Financial Statement is presented in the Annual Report 2014-15. The audited financial statements together with the Consolidated Financial Statements and related information of the Company and audited accounts of each subsidiary company are available on the Company's Website www.questfinancial.in. It shall also lay down the Separate Financial Statements of the Subsidiaries with the Financial Statement of the Company in its Annual General Meeting.

Having regards to the first proviso to Section 136 of the Act read with the Rules made thereunder, a separate statement containing the salient features of the financial statement i.e., Form AOC-1 is disclosed in *Annexure-3*. The Company will provide a copy of the annual accounts in respect of each Subsidiary to the shareholders on request and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and the respective Subsidiary Companies. Any member interested in obtaining the said information may write to Mr. Prakash Kumar Jajodia, Whole-Time Director at 'Centre Point', 21, Hemanta Basu Sarani, 2nd Floor, Room No. 230, Kolkata-700 001, E-Mail ID: investorsquestfinancial@yahoo.co.in and the same shall be furnished on request.

As per Listing Agreement, a policy on material subsidiaries as approved by the board may be assessed on the Company's Website www.questfinancial.in.

29. Details relating to deposits covered under Chapter V of the Act.

The Company has not accepted any deposits during the financial year under review. No public deposits are outstanding or held by the Company as on 31st March, 2015.

30. Details of deposits which are not in compliance with the requirements of Chapter V of the Act.

Since the Company has neither accepted any deposits during the financial year under review nor has any outstanding deposits as on 31st March, 2015, therefore there are no disclosures as specified in Rule 8(5)(vi) of the Companies (Accounts) Rules, 2014, for non-compliance with the requirements of Chapter V of the Act.

31. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

There were no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations in the concerned financial year.

32. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

Pursuant to the section 177(4)(vii) of the Act and the SEBI Circular No. CIR/CFD/POLICY CELL/2/2014, dated 17th April, 2014 regarding the amendment of Clause 49 of the Listing Agreement, applicable with effect from 1st October, 2014, the Audit Committee has been empowered by the Board in its meeting to review the adequacy of internal financial controls and the risk management systems of the Company.

Thus, the audit committee ensures that there is a direct relationship between the Company's objectives and the internal financial controls it implements to provide reasonable assurance about their achievement.

33. Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company has no employee whose remuneration exceeds the limit prescribed under section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, Various disclosures pursuant to the section 197 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided herein below:

I. Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year

Directors	Ratio of Remuneration to Median Remuneration
Mr. Prakash Kumar Jajodia -Whole-Time Director	1.88
Mr. Bijay Kumar Agarwal -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Rabindra Kumar Hisaria -Non Independent Director	- No remuneration or sitting fees was paid
Mr. Kishan Kumar Jajodia -Non-Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mr. Amit Jajodia -Non-Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mrs. Jyoti Lohia - Non-executive Director w.e.f. 31.03.2015	Since this information is for part of the year, the same is not comparable. It be further noted that no remuneration or sitting fees was paid to her.

II. The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Mr. Prakash Kumar Jajodia -Whole-Time Director	- No increase in remuneration
Mr. Bijay Kumar Agarwal -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Rabindra Kumar Hisaria -Non Independent Director & CFO	- No remuneration or sitting fees was paid
Mr. Kishan Kumar Jajodia -Non-Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mr. Amit Jajodia -Non-Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mrs. Jyoti Lohia - Non-executive Director w.e.f. 31.03.2015	Since this information is for part of the year, the same is not comparable. It be further noted that no remuneration or sitting fees was paid to her.

III. The percentage increase in the median remuneration of the employees in the financial year

There has been no increase or decrease in the median remuneration of the employees during the financial year under review.

IV. The number of permanent employees on the rolls of the company

As on 31st March, 2015, there are 5 employees on the roll of the Company.

V. The explanation on the relationship between average increase in remuneration and company performance

There has been no increase in remuneration of any of the Directors or employees.

VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company

Comparative Parameter	Amount (in `)
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2014-15.	1,80,000
Total Revenue	16,06,17,605
Remuneration of KMP's as a percentage of Total Revenue	0.11%
Profit before tax	(3,70,02,023)
Remuneration of KMP's as a percentage of Profit before Tax	-0.49%
Profit after tax	(3,70,02,023)
Remuneration of KMP's as a percentage of Profit after Tax	-0.49%

VII. Variations in:

A. The market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	31st March 2015	31st March, 2014	% Change
Market Capitalisation	` 10,62,98,82,300 (Equity Shares has not been traded in CSE Platform in the F.Y. 2014-15)	` 10,62,98,82,300	0.00
Price Earnings Ratio	287.33	0.00	100%

B. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last public offer

Particulars	31st March, 2015	(IPO)	% Change
Market Price	86.20	The Company has not made any Public Issue or Rights issue of securities in the last 15 years, so comparison have not been made of current share price with public offer price.	0.00

VIII. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.

There were no exceptional circumstances or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for the managerial personnel and all the other employees.

IX. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.

Comparative Parameter	Mr. Prakash Kumar Jajodia Whole-Time Director
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2014-15.	1,80,000
Total Revenue	16,06,17,605
Remuneration of KMP's as a percentage of Total Revenue	0.11%
Profit before tax	(3,70,02,023)
Remuneration of KMP's as a percentage of Profit before Tax	-0.49%
Profit after tax	(3,70,02,023)
Remuneration of KMP's as a percentage of Profit after Tax	-0.49%

X. The key parameters for any variable component of remuneration availed by the directors.

Any variable component of remuneration payable to the Directors is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination and Remuneration Committee. The said parameters are set considering the provisions of applicable regulations and Nomination & remuneration Policy of the Company.

XI. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

None of the employees' remuneration is more than that of the highest paid director for the Financial Year under review.

XII. Affirmation that the remuneration is as per the remuneration policy of the company.

The Board of Directors hereby affirm that the remuneration paid to all directors, Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

34. Vigil Mechanism / Whistle Blower Policy.

Pursuant to the provisions of Section 177(9) and 177(10) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of Equity Listing Agreement (as amended by the Securities and Exchange Board of India (SEBI) vide Circular nos. CIR/CFD/POLICY CELL/2/2014, dated 17th April, 2014 and CIR/CFD/POLICY CELL/7/2014, dated 15th September, 2014, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The details of the Vigil Mechanism/Whistle Blower Policy is explained in the Corporate Governance Report and also disclosed on the website of the Company.

35. Insider Trading

The Company has put in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code was applicable to all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14th May, 2015 & thereafter repealed with the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to Regulate, Monitor and Report Trading", pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from 15th May, 2015.

The aforesaid Codes have been disclosed on the website of the Company.

36. Transfer of amount to The Investor Education And Protection Fund.

There is no amount pending for transfer to the Investor Education and Protection Fund, in accordance to the provisions of Section 205A(5) and 205C of the Act.

37. Listing

The Company's shares are listed on the Calcutta Stock Exchange Limited. The Company has paid the annual listing fee.

38. Prudential Norms for NBFC's.

The Company has been complying with all the requisite norms prescribed by the Reserve Bank of India for income recognition, accounting standards, capital adequacy, credit rating, provisioning & all other requirements.

39. Green Initiative.

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail with M/s. Niche Technologies Private Ltd., D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001, E- mail: nichetechpl@nichetechpl.com, if shares are held in physical mode or with their DP if the holding is in electronic mode.

Electronic Copies of the Annual Report and Notice of the Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). Physical copies of Annual Report and Notice of the Annual General Meeting are sent in the permitted mode to the members who have not registered their email address.

Pursuant to Section 108 of the Act read with the Rules made thereunder, the Company is providing e-voting facility to all the members to enable them to cast their votes electronically on all the resolutions set forth in the Notice.

40. Compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013.

The Company believes in creating a safe environment for the employees which is free from any discrimination. Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013, the Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. Mrs. Jyoti Lohia is the Presiding Officer to the Committee.

The Directors of the Company state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

41. Management's Discussion and Analysis.

In accordance with the listing requirement, the Management's Discussion and Analysis is presented in a separate section and forms part of the Annual Report 2014-15.

42. Acknowledgement

The Directors of the Company would like to express their appreciation for the continued co-operation and support by the banks, customers and business associates. The Board takes this opportunity to place on record

its deep sense of appreciation for the total commitment, dedication and hard work put in by the employees of the Company. Lastly, the Board of Directors is deeply grateful for the continuous confidence and faith shown by the members of the Company.

Place : Kolkata
Dated : 29.05.2015

**On Behalf of the Board of Directors
For Quest Financial Services Limited**

**Bijay Kumar Agarwal
Chairman
DIN - 00634259**

Annexure to the Directors' Report-1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L65993WB1980PLC033060
ii.	Registration Date	21/10/1980
iii.	Name of the Company	Quest Financial Services Ltd.
iv.	Category/Sub-Category of the Company	Public Company, Limited By Shares, NBFC
v.	Address of the Registered office and contact details	Centre Point, 21, Hemanta Basu Sarani, 2nd Floor, Room No. 230, Kolkata - 700001
vi.	Whether listed company	Yes/ No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5th Floor, 71, B.R.B.Basu Road, Kolkata – 700 001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Sarees Trading	5131	36.10
2	Interest on Loan	65923	19.74
3	Trading in Shares	6599	44.16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section (Companies Act, 2013)
1.	QFS Gem and Jewelleries Limited****	U51909WB2014PLC201268	Subsidiary	100%	2(87)(ii)
2.	QFS Properties Limited***	U70102WB2014PLC201347	Subsidiary	100%	2(87)(ii)
3.	QFS Textiles Limited*	U51909WB2014PLC201273	Subsidiary	100%	2(87)(ii)
4.	QFS Papers Limited*	U51909WB2014PLC201308	Subsidiary	100%	2(87)(ii)
5.	Campbell Builders Limited**	U70102WB2015PLC205837	Subsidiary	100%	2(87)(ii)
6.	Campbell Constructions Limited**	U70102WB2015PLC205838	Subsidiary	100%	2(87)(ii)
7.	Campbell Consultants Limited**	U74900WB2015PLC205839	Subsidiary	100%	2(87)(ii)
8.	Campbell Developers Limited**	U70102WB2015PLC205840	Subsidiary	100%	2(87)(ii)
9.	Campbell Homes Limited**	U70102WB2015PLC205849	Subsidiary	100%	2(87)(ii)
10.	Campbell Housing Limited**	U70102WB2015PLC205841	Subsidiary	100%	2(87)(ii)
11.	Campbell Marketing Limited**	U51909WB2015PLC205844	Subsidiary	100%	2(87)(ii)
12.	Campbell Projects Limited**	U70102WB2015PLC205845	Subsidiary	100%	2(87)(ii)
13.	Campbell Real Estates Limited**	U70102WB2015PLC205846	Subsidiary	100%	2(87)(ii)
14.	Campbell Residency Limited**	U70102WB2015PLC205848	Subsidiary	100%	2(87)(ii)

*Incorporated on 24th March, 2014

**Incorporated on 27th March, 2015

***Incorporated on 25th March, 2014

****Incorporated on 21st March, 2014

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	2387500	0	2387500	1.94	2387500	0	2387500	1.94	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	90000	0	90000	0.07	90000	0	90000	0.07	0.00
e) Banks / FI									
f) Any Other									
Sub-total (A)(1):-	2477500	0	2477500	2.01	2477500	0	2477500	2.01	0.00
2) Foreign									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other									
Sub-total (A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	2477500	0	2477500	2.01	2477500	0	2477500	2.01	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance									

[illegible]

ii. Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at beginning of the year			Shareholding at end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Virtuous Holdings Pvt. Ltd.	90000	0.07	0.00	90000	0.07	0.00	0.00
2.	Anita Jajodia	575000	0.47	0.00	575000	0.47	0.00	0.00
3.	Kishan Kumar Jajodia	705000	0.57	0.00	705000	0.57	0.00	0.00
4.	Prakash Kumar Jajodia	598000	0.49	0.00	598000	0.49	0.00	0.00
5.	Sabita Jajodia	509500	0.41	0.00	509500	0.41	0.00	0.00
	Total	2477500	2.01	0.00	2477500	2.01	0.00	0.00

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	% of total shares of the company
1.	Virtuous Holdings Pvt. Ltd.	At the beginning of the year	90000	% of total shares of the company	0.07	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL	NIL
	At the End of the year			90000	0.07	
2.	Anita Jajodia	At the beginning of the year	575000			
	Date wise Increase / Decrease in Promoters Share holding during	NIL	NIL	NIL	NIL	NIL

		the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):					
		At the End of the year			575000		0.47
3.	Kishan Kumar Jajodia	At the beginning of the year	705000	0.57			
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL	NIL
		At the End of the year			705000		0.57
4.	Prakash Kumar Jajodia	At the beginning of the year	598000	0.49			
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL	NIL
		At the End of the year			598000		0.49
5.	Sabita Jajodia	At the beginning of the year	509500	0.41			
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL	NIL
		At the End of the year			509500		0.41

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. no	Name	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anurodh Infrastructure Pvt. Ltd.	At the beginning of the year	5874652	4.76		
		Decrease in shares on 31/03/2015 (Sale of shares in Open Market)	(1397120)	1.13	4477532	3.63
		At the End of the year (or on the date of separation, if separated during the year)			4477532	3.63
2.	Innova Auto Distributors Pvt. Ltd.	At the beginning of the year	4889565	3.97		
		Increase in shares on 06/03/2015 (Purchase of shares in Open Market)	36000	0.03	4925585	3.99
		Increase in shares on 31/03/2015 (Purchase of shares in Open Market)	668740	0.54	5594325	4.54
		At the End of the year (or on the date of separation, if separated during the year)			5594325	4.54
3.	Ashirwad Suppliers Pvt. Ltd.	At the beginning of the year	4708241	3.82		

	Increase in shares on 30/06/2014 (Purchase of shares in Open Market)	120000	0.1	4828241	3.92
	Increase in shares on 04/07/2014 (Purchase of shares in Open Market)	15000	0.01	4843241	3.93
	Increase in shares on 18/07/2014 (Purchase of shares in Open Market)	10000	0.01	4853241	3.94
	Increase in shares on 01/08/2014 (Purchase of shares in Open Market)	35000	0.03	4888241	3.96
	At the End of the year (or on the date of separation, if separated during the year)			4888241	3.96
4.	Glorious Vincom Pvt. Ltd.	4504500	3.65		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)			4504500	3.65
5.	Keynote Painting Dealers Pvt. Ltd.	4500000	3.65		
	Date wise Increase / Decrease in Share holding during the year specifying the	-	-	-	-

	reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the Year (or on the date of separation, if separated during the year)						
6.	Victoria Cloth Merchants Pvt. Ltd.	At the beginning of the year	4323450	3.51		4500000	3.65
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		-	-
		At the End of the year (or on the date of separation, if separated during the year)				4323450	3.51
7.	Fastner Machinery Dealers Pvt. Ltd	At the beginning of the year	3992359	3.24			
		Decrease in shares on 31/03/2015 (Sale of shares in Open Market)	(2593000)	2.10		1399359	1.14
		At the End of the year (or on the date of separation, if separated during the year)				1399359	1.14
8.	Multifold Plastic Marketing Pvt. Ltd.	At the beginning of the year	3693343	3.00			
		Decrease in shares on 31/03/2015 (Sale of shares in Open Market)	(1424553)	1.16		2268790	1.84
		At the End of the year (or on the date of separation, if separated during the year)				2268790	1.84
9.	Viewlink Fashion Pvt. Ltd.	At the beginning of the year	3324760	2.70			
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		-	-
		At the End of the year (or on the date of separation, if separated during the year)				3324760	2.70

10.	Crown Iron Merchants Pvt. Ltd.	At the beginning of the year	3111750	2.52			
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-	-
		At the End of the year (or on the date of separation, if separated during the year)			3111750	2.52	
11.	Spice Merchants Pvt. Ltd.	At the beginning of the year	2919517	2.37			
		Increase in shares on 11/07/2014 (Purchase of shares in Open Market)	1119	0.00	2920636	2.37	
		At the End of the year (or on the date of separation, if separated during the year)			2920636	2.37	
12.	Foremost Textiles Pvt. Ltd.	At the beginning of the year	2615453	2.12			
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus sweat equity etc):	-	-	-	-	-
		At the End of the year (or on the date of separation, if separated during the year)			2615453	2.12	

v. Shareholding of Directors and Key Managerial Personnel

Sr. no	Name	For Each of the Directors and KMP At the beginning of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Bijay Kumar Agarwal(Director)	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
		At the End of the year				
2.	Kishan Kumar Jajodia(Director)	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	7,05,000	0.58	NIL	NIL
		At the End of the year			7,05,000	0.58
3.	Rabindra Kumar Hisaria(Director & CFO)	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
		At the End of the year				

	At the End of the year					
4.	Amit Jajodia (Director)	At the beginning of the year	NIL	NIL	NIL	NIL
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
		At the End of the year		NIL	NIL	NIL
5.	Prakash Kumar Jajodia (Whole – time Director)	At the beginning of the year	5,98,000	0.48	NIL	NIL
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
		At the End of the year		5,98,000	0.48	0.48

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	7831960	-	-	7831960
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	7831960	-	-	7831960
Change in Indebtedness during the financial year	-	-	-	-
- Addition	-	-	-	-
- Reduction	822928	-	-	822928
Net Change	822928	-	-	822928
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	7009032	-	-	7009032
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7009032	-	-	7009032

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(in `)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Prakash Kumar Jajodia (Whole time Director)				
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income- tax Act,1961	1,80,000 NIL NIL				1,80,000
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
6.	Total (A)	1,80,000	Nil	Nil	Nil	1,80,000
	Ceiling as per the Act					60,00,000

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Bijay Kumar Agarwal	Rabindra Kumar Hisaria	Kishan Kumar Jajodia	Amit Jajodia	Jyoti Lohia	
	<u>Independent Directors</u>	Nil	Nil	Nil	Nil	Nil	
	- Fee for attending board Committee meetings						
	- Commission						
	- Others, please specify						
	Total(1)	Nil	Nil	Nil	Nil	Nil	
	<u>Other Non-Executive Directors</u>	Nil	Nil	Nil	Nil	Nil	
	- Fee for attending board committee meetings						
	- Commission						
	- Others, please specify						
	Total(2)	Nil	Nil	Nil	Nil	Nil	
	Total(B)=(1+2)	Nil	Nil	Nil	Nil	Nil	
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil	
	Over all Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil	

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTd

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil

4.	Commission - as%of profit -others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total	Nil	Nil	Nil	Nil

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Co mpounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company			NONE		
Penalty					
Punishment					
Compounding					
B. Director					
Penalty					
Punishment					
Compounding					
C. Other Officer in default					
Penalty					
Punishment					
Compounding					

Annexure to the Directors' Report - 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015.

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015.

To,
The Members,
Quest Financial Services Ltd.
'Centre Point', 21, Hemanta Basu Sarani,
Room no – 230, 2nd Floor,
Kolkata -700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Quest Financial Services Ltd. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s Quest Financial Services Ltd. books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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 and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Quest Financial Services Ltd. ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 1956 (the Old Act) and the rules made thereunder
- (ii) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The Reserve Bank of India Act, 1934;
- (vi) 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, 1992;
- (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Companies Act and dealing with the client;

I further report that, there were no action / events in pursuance of;

- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2009;
- (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified during the period under Audit)
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited.

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

I 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 notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.:

During the audit period under review, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

*This Report is to be read with the Auditor's Note on the Maintenance of Secretarial Records of the Company as provided in **ANNEXURE I** & which forms an integral part of this Secretarial Audit Report.*

Place : Kolkata
Date : 29.05.2015

CS PRAVEEN SHARMA
Practising Company Secretary
M. No. A30365
C P No. 14501

ANNEXURE – I

[Auditor's Note on the Maintenance of Secretarial Records of Quest Financial Services Limited for the financial year ended 31st March' 2015]

**To,
The Members,
Quest Financial Services Ltd.
'Centre Point', 21, Hemanta Basu Sarani,
Room no – 230, 2nd Floor,
Kolkata -700 001**

My Report of even date is to be read alongwith this letter.

1. The Company's Management is responsible for the maintenance of Secretarial Records in a manner to ensure compliance by the Company of applicable laws and to take adequate steps for the existence of proper and adequate systems and processes in this regard. Our responsibility is to express an opinion on such secretarial records based on our audit.
2. I have followed the Audit practices and processes as where 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
4. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations is the responsibility of the management. This Secretarial Audit Report is not an assurance of the effectiveness with which the Management has conducted the affairs of the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 29.05.2015

CS PRAVEEN SHARMA
Practising Company Secretary
M. No. A30365
C P No. 14501

Annexure to the Directors' Report - 3

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

Statement containing salient features of the Financial Statement of Subsidiaries

PART-"A": Subsidiaries

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

1. Sl. No.	: i.
2. Name of the Subsidiary	: QFS Gem & Jewelleries Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (28,903)
7. Total assets	: ` 12,69,215
8. Total Liabilities	: ` 7,98,118
9. Investments	: ` 7,92,500
10. Turnover	: NIL
11. Profit before taxation	: ` (6,718)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (6,718)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

1. Sl. No.	: ii.
2. Name of the Subsidiary	: QFS Papers Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (28,903)
7. Total assets	: ` 46,24,715
8. Total Liabilities	: ` 41,53,618
9. Investments	: ` 41,48,000
10. Turnover	: NIL
11. Profit before taxation	: ` (6,718)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (6,718)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

1. Sl. No.	: iii.
2. Name of the Subsidiary	: QFS Properties Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (28,903)
7. Total assets	: ` 42,24,715
8. Total Liabilities	: ` 37,53,618
9. Investments	: ` 37,48,000
10. Turnover	: NIL
11. Profit before taxation	: ` (6,268)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (6,268)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

1. Sl. No.	: iv.
2. Name of the Subsidiary	: QFS Textiles Limited
3. Reporting period for the subsidiary concerned, If different from the holding company's reporting period	: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	: Not Applicable
5. Share capital	: ` 5,00,000
6. Reserves & surplus	: ` (29,028)
7. Total assets	: ` 50,74,590
8. Total Liabilities	: ` 46,03,618
9. Investments	: ` 45,98,000
10. Turnover	: NIL
11. Profit before taxation	: ` (6,718)
12. Provision for taxation	: NIL
13. Profit after taxation	: ` (6,718)
14. Proposed Dividend	: NIL
15. % of shareholding	: 100%

Notes:

1. Name of Subsidiaries which are yet to commence operations:
 - i. Campbell Builders Limited
 - ii. Campbell Constructions Limited
 - iii. Campbell Consultants Limited
 - iv. Campbell Developers Limited
 - v. Campbell Homes Limited
 - vi. Campbell Housing Limited
 - vii. Campbell Marketing Limited
 - viii. Campbell Projects Limited
 - ix. Campbell Real Estates Limited
 - x. Campbell Residency Limited
2. Name of Subsidiaries which have been liquidated or sold during the year: Nil

PART-“B”: Associates and Joint Ventures

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

Name of Associates/Joint Ventures	Nil
1. Latest Audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the Company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
(i) Considered in Consolidation	
(ii) Not Considered in Consolidation	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC AND INDUSTRY OVERVIEW

In the past few years, the increased competition from banks in the retail finance segment has created thrust for diversification by NBFCs from their core business activities. The sector has witnessed introduction of various innovative products such as used vehicles financing, small personal loans, three-wheeler financing, IPO financing, finance for tyres & fuel, asset management, mutual fund distribution and insurance advisory, etc. Besides these, NBFCs are aspiring to emerge as a one-stop shop for all financial services.

Given the significant slowdown in the Indian economy, NBFCs were encountering structural challenges such as increased refinancing risk, short-term asset-liability mismatch leading to decelerating growth and declining margins. This is expected to have a bearing on the profitability of NBFCs in the medium term.

Credit requirements of rural population are primarily met by banks from organized sector or local money lenders. Though, in recent years there has been some penetration of NBFCs in this segment, the market still remains largely untapped. There is a large section of rural population which does not have access to credit either because of their inability to meet the lending covenants of banks or due to high interest rates of local money lenders. This provides a huge opportunity for NBFC sector to spread their business in the rural & semi-urban markets.

BUSINESS OVERVIEW

The core financial activities of the Company which comprises of providing of business loan to corporate and individuals have witnessed a tough time in the past. However, the Company has diversified its financial business portfolio to stay competitive and focusing on the untapped financial needs of rural population.

Your Company has also diversified into the business of automatic computerized embroidery on various apparels, clothing, caps, leather garments, and other leather items. The embroidery unit of the Company is growing at a rapid pace on an excellent marketing exposure. Our products are mainly supplied to retailers based at Kolkata and adjacent territories.

REVIEW OF OPERATIONAL AND FINANCIAL PERFORMANCE

The Company on standalone basis earned revenue of ` 16,06,17,605 /- during the Financial Year under review as against revenue of ` 25,15,17,162/- in the last year. The net profit after tax on standalone basis recorded by the Company was ` (3,70,02,023)/- for the Financial Year under review as against profit of ` 8,13,723 /- .

DEBT STRUCTURE

During the year under review your Company has not raised any amount.

FUTURE OUTLOOK

The overall performance for the year under review was better than performance of the previous corresponding year. Company is now focusing on financing conservatively to the customers after closely assessing their profile. The Company is trying to explore new areas which can be developed and marketed to leverage its performance and growth.

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The company is cautiously optimistic in its outlook for the year 2015-16.

OPPORTUNITIES AND THREATS

To survive and sustain our self in the present recessionary global scenario has been a very challenging task. Appropriate changes are done to face these challenges. Company is trying to grab all the opportunities on its way which would enhance the company's performance.

The biggest challenges before NBFCs are that they are facing stiff competition from banks and financial institutions, due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by RBI for NBFCs which is making difficult for them to give cheaper finance.

RISK MANAGEMENT

NBFCs are exposed to credit and market risks in view of Asset Liability transformation. Intense competition for business involving both the assets and liabilities has brought pressure on the management of NBFCs to maintain a good balance among spreads, profitability and long term viability. NBFCs are exposed to major risks in the course of their business viz; credit risk, interest rate risk, liquidity risk and operational risk. The Company is guarding itself against these risks by laying down appropriate strategy for product positioning which is supplemented by business plans, review mechanism and action plans.

The Risk Management policies of the Company aim to identify analyze and manage the risk faced by the Company, to set appropriate risk limits & controls, and to continuously monitor risk levels and adherence to limits.

RISK AS OPPORTUNITIES AND UNCERTAINTIES

The interpretation of the word 'risk' will determine the approach to risk management. The word 'risk' is interpreted in two distinct senses namely risk as opportunity and risk as uncertainty.

Risk as an opportunity means taking risks and earning adequate returns on them. This implies the trade-off between risk and return. Here risk management, becomes risk optimization meaning maximizing the upside potential and minimizing the downside. Here capacity and ability to manage risk is used to increase shareholders' value and achieve a competitive advantage.

Risk, as uncertainty is basically a statistical concept, which assumes a normal distribution for future outcomes. Here risk management means narrowing the difference between the expected outcomes and actual results. Company need to manage the risk inherent in the entire portfolio as well as the risk in individual credits or transactions. The effective management of risk is a critical component of a comprehensive approach to risk management and essential to the long-term success.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control and Audit is an important procedure and the Audit Committee of your Company reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal

control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

The Company has put in place internal control systems and processes commensurate with its size and scale of operations. In addition, the Company has an Internal Audit function, which oversees the implementation and adherence to various systems and processes and preparation of Financial Statements. The internal audit report along with implementation and recommendations contained therein are constantly reviewed by the Audit Committee of the Board.

The system of internal control also ensures compliance with policies and procedures and helps in mitigating material business risks. The internal control is supplemented by internal audits, review by management, documented policies, guidelines and procedures.

HUMAN RESOURCE DEVELOPMENT

Human resources play a key role in helping the Company deal with the fast-changing competitive environment. So, the company endeavors to provide individual development and growth to the employees that motivate them to give high performance helping the Company to achieve its goals.

The Company has been working towards institutionalizing a Performance Oriented Culture. The Entire HR system including recruitment, performance management system, reward and recognition has been aligned with the business objectives. The total employee's strength of the Company was 5 as on March 31, 2015.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and analysis describing the Company's objectives, projections, estimates, predictions and expectations may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results might differ materially from those either expressed or implied.

Important factors that could influence the Company's operations include economic and political conditions in which the Company operates interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors.

Arun Jain & Associates

chartered accountants

2b, grant lane
2nd floor, room no. 74
kol kata - 700 012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

To
The Members of
Quest Financial Services Limited

We have examined the compliance of conditions of Corporate Governance by **Quest Financial Services Limited** for the year ended on **31st March, 2015** as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges, with relevant records and documents maintained by the Company and furnished to us.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Arun Jain & Associates
Chartered Accountants
[FRN - 325867E]

**2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012**

Date : 29th May, 2015

(CA ARUN KUMAR JAIN)
Proprietor
Membership No. 053693

CORPORATE GOVERNANCE REPORT

1. Brief Statement on Company's Philosophy on Code of Corporate Governance:

Corporate Governance is a value based framework to manage our Company's affairs in a fair and transparent manner. The Governance process should ensure that these resources are utilized in a manner that meets stakeholder's aspirations and societal expectations.

Your Company also believes that the practice of each of these creates the right corporate culture that fulfils the true purpose of Corporate Governance. At Quest Financial Services Ltd., Corporate Governance practices are based on the principles of adoption of transparent procedures and practices and complete and timely disclosures of corporate, financial and operational information to its stakeholders.

2. Board of Directors

The Company's Board of Directors as on **31st March, 2015** comprises of Two Executive Directors and Four Non-Executives Directors.

Six Meetings of the Board of Directors of the Company were held during the financial year 2014-2015 i.e. on 30/04/2014, 30/05/2014, 04/08/2014, 14/11/2014, 13/02/2015 and 31/03/2015.

As is evident, the maximum time gap between any two Board Meetings was not more than four months.

The composition of the Board of Directors and their attendance at the Board Meetings held during the year and at the last Annual General Meeting and also the number of Directorship and Committee Membership /Chairmanship held by them in other Companies are given below :-

Name of Director	Category	No. of Board Meetings Attended	Whether last AGM attended	No. of other Directorship		No. of other) Committee(s) Membership/ Chairmanship	
				Public	Private	Member	Chairman
Mr. Bijay Kumar Agarwal	Non-Executive Independent Director	6	Yes	0	2	0	0
Mr. Kishan Kumar Jajodia	Non-Executive Non-Independent Director	6	Yes	13	4	2	0
Mr. Rabindra Kumar Hisaria	Non-Independent Director & Chief Financial Officer	6	Yes	0	0	0	0
*Mrs. Jyoti Lohia	Non-Executive Independent Director	0	No	11	0	0	0
Mr. Prakash Kumar Jajodia	Whole Time Director	6	Yes	13	4	2	0
Mr. Amit Jajodia	Non-Executive Non-Independent Director	6	Yes	4	2	0	0
**Mr. Dinesh Kumar Pandey	Non-Executive Independent Director	6	Yes	0	2	0	0

*Mrs. Jyoti Lohia (holding DIN-07113757) was appointed as an Additional and Independent w.e.f. 31st March 2015.

** Mr. Dinesh Kumar Pandey (holding DIN-02367150) resigned from the Directorship on 31st March, 2015.

None of the Directors on the Board is a member of more than 10 Committees & Chairman of more than 5 Committees across all the Companies in which he is a Director.

Mr. Bijay Kumar Agarwal (DIN- 00634259), Non-Executive Independent Director is the Chairman of the Board.

3. Independent Directors' Meeting

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.

One exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement was held on 31st March, 2015 inter alia to discuss the following:

- i. review the performance of non-independent directors and the Board as a whole;
- ii. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Tenure & Formal Letter of appointment to Independent Directors

All the Independent Directors of the Company were re-appointed for a term of five years at the 34th Annual General Meeting of the Company with effect from 29th September, 2014 & were issued Appointment Letters in this regard. Further, Mrs. Jyoti Lohia (DIN-07113757) was appointed as an Additional Independent Director w.e.f. 31st March, 2015 till the date of the ensuing Annual General Meeting.

The appointment letters containing the terms and conditions of appointment have been disclosed on the website of the Company: www.questfinancial.in.

5. Annual Performance Evaluation of Committees and Individual Directors

Pursuant to the provisions Section 134 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, board shall evaluate the performance of individual Directors and of the Committee on annual basis. Thus, an exercise was carried out by the board to evaluate the same. Individual Directors, including the Chairman and the Committees were evaluated on parameters such as contribution made and level of engagement with the Company throughout the year and independence of judgments made for safeguarding the interest of the Company. The performance evaluation of the Independent Directors and the Chairman (Independent Director) was carried out by the entire Board and the performance evaluation of the Non Independent Director was carried out by the Independent Directors.

The performance of the non-independent directors and the Board as a whole was evaluated in a separate meeting of the Independent Directors. Further, in the same meeting, the performance evaluation of the Chairman was perused, taking into account the views of the executive directors and non-executive directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors, excluding the director being evaluated.

The performance of the Board Committees was evaluated by the entire Board.

6. Familiarisation Programme and Training for Independent Directors

The Company has taken up the initiative pursuant to the directive of the Securities and Exchange Board of India and Clause 49(II)(B)(7) of the Listing Agreement effective from 1st October, 2014 and has introduced a Familiarisation Programme and formal training for all the existing as well as new Non-executive and Independent Directors. The programme has been formulated with the objective of making the Independent Directors of the Company accustomed to their roles and responsibilities. The policy on same as approved by the Board is uploaded on the Company's website via link <http://questfinancial.in/familiarisation-program-for-independent-directors.html>

7. Code of Conduct

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company and separate Code of Conduct has also been incorporated for assigning the duties of Independent Directors.

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

The Company has put in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulations, 1992. This code was applicable to all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14th May, 2015 & thereafter repealed with the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information", made effective from 15th May, 2015 pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code has been disclosed on the website of the Company via the link: <http://questfinancial.in/code-of-conduct.html>.

8. Profile of the Directors appointed/Re-appointed

Profile of the Directors appointed/Re-appointed alongwith the shareholding in the Company is provided below:

Name of the Director	Category	Work experience	Date of Appointment shareholding in the Co.	No of shares held & % of	Qualification
Mr. Prakash Kumar Jajodia	Whole Time Director	20 Years of Experience in Finance & embroidery designing & textile sector.	30.11.2010	5,98,000	Higher Secondary
Mrs. Jyoti Lohia	Additional Director	5 years experience in the field of administration	31.03.2015	Nil	B.Com(Hons.)
Mr. Amit Jajodia	Non Executive Non Independent Director	7 years of experience in the field of finance, stock broking, commodities and currency marketing	30.11.2010	Nil	B.Com(Hons.) and CS

9. Audit Committee

(a) Composition :

The Audit Committee comprises of three Independent Directors and one Non Independent Director as on 31st March, 2015. The Committee met 4 (Four) times during the year i.e. on 30/05/2014, 04/08/2014, 14/11/2014, 13/02/2015. The attendances of the members were as follows:

Sl. No.	Name	Status	No. of Meetings
1	Mr. Bijay Kumar Agarwal	Non-Executive Independent Director - Chairman of the committee	4
2	Mr. Rabindra Kumar Hisaria	Non-Independent Director	4
3	**Mr. Dinesh Kumar Pandey	Independent Director	4
4	*Mrs. Jyoti Lohia	Independent Director	0

* Mrs. Jyoti Lohia (DIN-07113757) became member w.e.f. 31st March, 2015.

** Mr. Dinesh Kumar Pandey (holding DIN-02367150) resigned from the Directorship on 31st March, 2015.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

(b) Terms of Reference:

The terms of reference of the Committee is in accordance with that specified in clause 49 of the Listing Agreement with Stock Exchanges and also confirms to the requirements of provision of Section 177 of the Companies Act, 2013.

10. Nomination And Remuneration Committee

(a) Composition of the Committee:

The Committee comprises of:

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Non-Executive Independent Director - Chairman of the committee
2	Mr. Rabindra Kumar Hisaria	Non-Independent Director
3	**Mr. Dinesh Kumar Pandey	Independent Director
4	*Mrs. Jyoti Lohia	Non-Executive Independent Director

*Mrs. Jyoti Lohia (DIN-07113757) became member w.e.f. 31st March, 2015.

** Mr. Dinesh Kumar Pandey (holding DIN-02367150) resigned from the Directorship on 31st March, 2015.

During the year, three meetings of the erstwhile Remuneration Committee was held as on 30/05/2014, 04/08/2014 and 31/03/2015.

(b) Terms of Reference:

The terms of reference and the scope of Nomination and Remuneration Committee of the Board of Director are in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Clause 49 of the Listing Agreement.

11. Remuneration Policy

Remuneration to Non-Executive / Independent Directors:

Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof only by the approval of Board for the same. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

At present the Directors are not receiving any Sitting Fees for attending the Board Meeting or any Committee Meeting.

Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

Remuneration to Managing/Whole-time / Executive / KMP, Senior Management Personnel and Other Employees:

The Remuneration/ Compensation/ Commission etc. to be paid to Managing Directors and Whole-Time Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The Remuneration shall be broadly divided into the following components:

- The Fixed Components: Salary, allowances, perquisites, etc.
- The Variable Components: Performance based promotion and bonus.

Further, in determining remuneration of other executive Directors, Senior Management and Other Employees will comprise of above two components and other factors as deemed fit by the Board, based on the recommendation of the committee and subject to statutory approvals, if any. In determining the Director's remuneration their performance evaluation as duly carried out by the board and/or Independent Directors, shall also be given due weightage.

12. Policy on Appointment of Directors

The Nomination and remuneration Committee evaluates the appropriate balance of skills, experience, expertise, gender, age etc. on the Board and Senior Management and in the light of this evaluation, prepares and recommend to the board the role and capabilities required for a particular appointment.

The shareholders may also visit the Company's website www.questfinancial.in for the detailed Nomination and Remuneration Policy of the Company on Directors appointment of the Company.

13. Details of Remuneration paid to the Directors and Key Managerial Personnel

During the reported financial year, the Non-Executive and Independent Directors of the Company were not paid

any sitting fee or any other remuneration or commission during the reported financial year.

The details of remuneration paid to the Executive Director of the Company during the F.Y. 2014-15 is given below:

Name	Designation	Salary Rs.	Perquisite & Allowances Rs.	Sitting Fees Rs.	Total Rs.
Mr. Prakash Kumar Jajodia	Whole Time Director	1,80,000/-	0.00	0.00	1,80,000/-

14. Policy on Board Diversity

Pursuant to Clause 49(IV)(B)(3) of the Listing Agreement, the Nomination and Remuneration Committee has formulated a Policy on Board Diversity, which sets out the approach to attain and maintain optimum diversity on the Board. This Policy shall be reviewed and amended by the Committee as and when required, subject to the approval of the Board of Directors.

15. Stakeholders' Relationship Committee

The Committee comprises of one Independent Director and two Non-Independent Directors. The Committee deals with matters, inter-alia, relating to approval of Share Transfers and Transmissions, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialization and Rematerialization requests, monitoring of shareholder complaints /requests and also to resolve the grievances of security holders of the Company. The composition of the committee members is as under:-

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Non-Executive Independent Director Chairman of the committee
2	Mr. Kishan Kumar Jajodia	Non-Independent Director
3	Mr. Amit Jajodia	Non-Independent Director

Mr. Prakash Kumar Jajodia was the Compliance Officer during the year under review.

During the year, no meeting of the Stakeholders' Relationship Committee was held.

During the year no requests/complaints were received from the shareholders

Sl. No.	Nature of request	Nos.
1	Issue of Duplicate Share Certificates	Nil
2	Rematerialisation of Shares	Nil

16. Risk Management Committee

The Risk Management Committee of the Company monitors and reviews the risk management plan of the Company. It is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.

All the members of the Committee are Board members. The Committee comprises of two Independent Directors and one Non-Independent Director .

The details are as follows:

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Non-Executive Independent Director Chairman of the committee
2	Mr. Kishan Kumar Jajodia	Non-Independent Director
3	Mrs. Jyoti Lohia	Independent Director

17. Subsidiary Companies Monitoring Framework

The Company have four subsidiaries and none of the subsidiaries is a “material non-listed Indian Subsidiary” as defined in the Clause 49 of the Listing Agreement. All subsidiaries companies of your the Company are managed by their respective Board of Directors in the best interest of their stake holders.

Further, during the year under review, 10 subsidiary companies were formed but the company has not invested in the share capital of the above mentioned companies during the Financial Year. Moreover, the subsidiary companies have not commenced their business during the Financial Year 2014-15.

The Company monitors the performance of its subsidiary companies using, inter alia, the following means:

- Financial Statement, in particular the investment made by the unlisted subsidiary companies are reviewed by the Audit Committee of the Company.
- Minutes of the Board Meeting of all subsidiary companies are placed before the Board of Directors of the Company at their Meetings.
- A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company at their meetings.

Pursuant to Clause 49(V)(D) of the Listing Agreement, the Audit committee recommended a Policy for Determining Material Subsidiaries to the Board of Directors. The same was subsequently approved and disclosed in the Company's website www.questfinancial.in

18. Related Party Transaction

During the reported financial year, the Company entered into transactions with Related Parties defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement and were done on arm's length basis and in the ordinary course of business as per the Related Party Transaction Policy of the Company, which was amended from time to time to align with the applicable laws/regulations. The policy in relation to Related Party Transaction is adopted by the board and has been disclosed in Company's website www.questfinancial.in

19. General Body Meetings:

A. Location and time for last three Annual General Meetings were:

Financial Year	Date of AGM	Venue	Time
2013-2014	29-09-2014	"Centre point", 21 Hemanta Basu Sarani, Room No. 230, 2nd Floor, Kolkata- 700 001	11.00 A.M.
2012-2013	30-09-2013	"Centre point", 21 Hemanta Basu Sarani, Room No. 230, 2nd Floor, Kolkata- 700 001	11.30 A.M.
2011-2012	28-09-2012	454, Dum Dum Park, Kolkata-700 055	2.00 P.M.

B. SPECIAL RESOLUTIONS AT THE LAST THREE ANNUAL GENERAL MEETINGS:

One Special resolution has been passed during the Financial Year 2012-2013 in Annual General Meeting for appointment of Mr. Prakash Kumar Jajodia as Whole-Time Director of the Company.

C. SPECIAL RESOLUTIONS BY POSTAL BALLOT LAST YEAR:

No Special resolution has been put through by postal ballot so far by the Company.

D. WHETHER ANY SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

20. Disclosures

- There are no materially significant transactions with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large were held during the year.
- The Company has complied with all the requirements of the listing agreement with the Stock Exchange as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange on matters related to Capital Market so far.
- Certificate as stipulated in Clause 49 of the listing Agreement was obtained and placed before the Board.
- The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. Company has established Vigil Mechanism and formulated a policy for the same under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Vigilance Officer who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. Further, during the year under review, no employee was denied access to the Audit Committee. No personnel have been denied access to the Audit Committee.

- e. The Company has in place a Risk Management Committee which has framed a Risk Management framework and which lays down the procedures for risk management and minimization monitors and reviews the risk management plan of the Company. Company has also formulated Risk Management Policy and the same is disclosed on the website of the Company.
- f. The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The Board - Non-Executive Chairman's Office:

The Board of Directors is chaired by Mr. Bijay Kumar Agarwal (DIN- 00634259), who is a Non-executive Independent Director;

Audit Qualifications :

There are no audit qualifications in the Company's financial statements for the year under review.

21. CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in the Annual Report.

22. Means of Communications

Quarterly unaudited financial results and annual financial result of the Company were published in accordance the Listing Agreement with stock exchange in the Business Standard (English Daily) and Arthik Lipi (Bengali Daily) and are displayed on the Company's website i.e. www.questfinancial.in.

The quarterly and the annual results of the Company are submitted to the Calcutta Stock Exchange Limited. The Annual Reports are posted to every shareholder of the Company at their registered address.

Section on Management Discussion and Analysis form part of this Annual Report.

23. General Shareholders Information

- **Annual General Meeting:**
- **Date :** 29th September, 2015
- **Time :** 11.00 A.M.
- **Venue :** Centre Point 21, Hemanta Basu Sarani, Room No. 230, 2nd Floor, Kolkata-700 001

• **Financial Calendar : (Tentative)**

Financial Year – 1st April, 2015 to 31st March, 2016	Relevant Dates
Board Meeting for consideration of annual accounts	29th May, 2015
Book closure dates	23rd September, 2015 to 29th September, 2015
Unaudited results for the quarter ended June 30, 2015	On or before 14th August, 2015
Unaudited results for the quarter ended September 30, 2015	On or before 14th November, 2015
Unaudited results for the quarter ended December 31, 2015	On or before 14th February, 2016
Unaudited results for the quarter ended March, 31, 2016	On or before 30th May, 2016

• Listing on Stock Exchanges at:

- i. The Calcutta Stock Exchange Ltd. (Stock code: 10027006)
 , Lyons Range, Kolkata 700 001.

- The Company has paid the listing fee to The Calcutta Stock Exchange Ltd. for the year 2014-2015.

• Stock Market Price for the Financial Year 2014-2015:

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2014	Not Traded	Not Traded	Not Traded
May, 2014	Not Traded	Not Traded	Not Traded
June, 2014	Not Traded	Not Traded	Not Traded
July, 2014	Not Traded	Not Traded	Not Traded
August, 2014	Not Traded	Not Traded	Not Traded
September, 2014	Not Traded	Not Traded	Not Traded
October, 2014	Not Traded	Not Traded	Not Traded
November, 2014	Not Traded	Not Traded	Not Traded
December, 2014	Not Traded	Not Traded	Not Traded
January, 2015	Not Traded	Not Traded	Not Traded
February, 2015	Not Traded	Not Traded	Not Traded
March, 2015	Not Traded	Not Traded	Not Traded

- **Share Transfer System:** The Company' shares are in compulsory demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects. Shares under objection are returned within two weeks. No physical shares were transferred during the year ended 31st March, 2015.
- **Dedicated email ID for Investors** For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e **investorsquestfinancial@yahoo.co.in**
- **Registrar & Share Transfer Agent :**
 M/s. Niche Technologies Pvt. Ltd.
 D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata 700 001,
 Phone Nos. (033) 2235-7270/7271/2234-3576.

- Dematerialisation of Shares and Liquidity:

The Company' shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE064D01012. 87.56% (Approx.) of total equity shares are in dematerialized form as on 31.03.2015

- Distribution of Shareholding & shareholding pattern :

Distribution of Shareholding as on 31/03/2015

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	385	12.30	88,252	0.07
501-1000	334	10.67	2,72,524	0.23
1001-5000	873	27.89	25,23,172	2.05
5001-10000	441	14.09	36,42,273	2.95
10001 -50000	831	26.55	1,92,24,364	15.59
50001-100000	154	4.92	1,06,22,445	8.61
100001 and above	112	3.58	8,69,43,470	70.50
Total	3,130	100.00	12,33,16,500	100.00

Shareholding Pattern as on 31/03/2015

Sl. No.	Category	No. of shares held	% of shareholding
1	Promoters & Promoter Group	2,477,500	2.01
2	Public - Bodies Corporate	72,876,484	59.10
3	Public – Individuals	47,961,816	38.89
4	Clearing Member	700	0.00
	TOTAL	123,316,500	100.00

- Outstanding ADRs/GDRs : Not Applicable
- Address for matters related to shares, any correspondence:

M/s.Niche Technologies Private Ltd.,
 D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata 700 001,
 Phone Nos. (033) 2235-7270/7271/3070.

- Address for any kind of assistance/clarification :

Mr. Prakash KumarJajodia Compliance Officer
C/o. Quest Financial Sevices Ltd.
Centre Point, 21, Hemanta Basu Sarani,
2nd Floor, Room No. 230,
Kolkata –700 001

25. DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchange, the Board of Directors and senior management employees have confirmed Compliance with the code of conduct.

Place : Kolkata
Dated : 29th May, 2015

For and on behalf of the Board of Directors

Mr. Bijay Kumar Agarwal
Chairman
DIN-00634259

CEO & CFO CERTIFICATION

To
The Board of Directors,
Quest Financial Services Ltd.
"Centre Point",
21, Hemanta Basu Sarani,
Room No. 230, 2nd Floor,
Kolkata – 700 001

Re: CEO and CFO Certification on Financial Statements for the year ended on 31st March, 2015

We, Mr. Prakash Kumar Jajodia , Managing Director & Mr. Tanumay Laha, CFO, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2015 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transaction entered into by the company during the year ending on 31st March, 2015 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We further certify that:
1. There have been no significant changes in the internal control over financial reporting during this year;
 2. There have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements; and
 3. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control system over financial reporting.

Mr. Prakash Kumar Jajodia
Whole-Time Director
DIN: 00633920

Mr. Rabindra Kumar Hisaria
CFO

Place : Kolkata
Date : 29.05.2015

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted Code of Conduct for its Directors and senior management employees including the Whole Time Director. The Company has also adopted the Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has for the financial year ended 31st March, 2015, received from the senior management employees of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Employees means the Members of the Management one level below the Managing Director as on 31st March, 2015.

Place : Kolkata
Date : 29.05.2015

Prakash Kumar Jajodia
Whole-Time Director
DIN-00633920

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF QUEST FINANCIAL SERVICES LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements QUEST FINANCIAL SERVICES LIMITED ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information .

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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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 statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its Loss and its cash flows for the year ended on that date.

Arun Jain & Associates

chartered accountants

2b, grant lane
2nd floor, room no. 74
kol kata - 700 012

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i.) The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For Arun Jain & Associates
Chartered Accountants
[FRN - 325867E]

**2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012**

Date: 29th May, 2015

(CA ARUN KUMAR JAIN)
Proprietor
Membership No. 053693

Arun Jain & Associates*chartered accountants*

2b, grant lane
2nd floor, room no. 74
kol kata - 700 012

The Annexure referred to in our Independent Auditors" Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015,

we report that :

(i) In respect of its Fixed Assets :

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- b) As explained to us, the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(ii) In respect of its Inventories :

- a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

(iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:

(a) According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control

(v) The Company has not accepted any deposits from the public.

(vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

(vii) In respect of statutory dues:

(a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted

Arun Jain & Associates*chartered accountants*

2b, grant lane
2nd floor, room no. 74
kol kata - 700 012

at sources, Tax collected at source, Professional Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.

- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time by the company.
- (viii) The accumulated losses of the company are not more than 50% of its Net Worth. The company has incurred Cash loss of Rs 3,44,82,406, during the financial year covered by our audit. However, there was no cash loss incurred in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not raise any term loans during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Arun Jain & Associates
Chartered Accountants
[FRN - 325867E]

2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012

Date : 29th May, 2015

(CA ARUN KUMAR JAIN)
Proprietor
Membership No. 053693

Standalone Balance Sheet as at 31st March 2015

		Note No.	Figures as at the end of	
			31st March 2015	31st March 2014
I - EQUITY & LIABILITIES				
1	Shareholders' funds			
	(a) Share Capital	2	1,23,31,65,000	1,23,31,65,000
	(b) Reserves & Surplus	3	(52,43,39,247)	(48,73,37,224)
2	Non-Current Liabilities			
	(a) Long Term Borrowings	4	23,98,518	37,53,450
4	Current Liabilities			
	(a) Short Term Borrowings	5	46,10,514	40,78,510
	(b) Trade Payables	6	12,66,11,195	12,29,40,144
	(c) Other Current Liabilities	7	24,37,511	23,47,978
	(d) Short - Term Provisions	8	24,58,426	24,58,426
			84,73,41,917	88,14,06,285
II - ASSETS				
1	Non - Current Assets			
	(a) Fixed Assets	9		
	(i) Tangible Assets		80,91,963	98,95,752
	(ii) Intangible Assets		9,639	27,600
	(b) Non - Current Investments	10	8,99,63,350	17,39,78,940
2	Current Assets			
	(a) Inventories	11	42,64,74,344	28,33,44,292
	(b) Trade Receivables	12	7,71,55,831	3,90,83,854
	(c) Cash & Cash Equivalents	13	76,22,645	66,80,551
	(d) Short Term Loans and advances	14	22,88,59,348	36,02,52,302
	(e) Other Current Assets	15	91,64,797	81,42,994
			84,73,41,917	88,14,06,285

Summary of significant accounting policies & Notes on financial statements - 1

As per our separate report of even date attached hereto

 For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

 Arun Jain
 Proprietor
 Membership No.053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2015

For Quest Financial Services Ltd.

 Prakash Kumar Jajodia
 Whole-Time Director
 DIN-00633920

For Quest Financial Services Ltd.

 Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

 Rabindra Kumar Hisaria
 CFO

Standalone Statement of Profit & Loss Account for the Year ended 31st March 2015

	Note No.	Figures as at the end of	
		31st March 2015	31st March 2014
I. Revenue from Operations	16	16,06,17,605	25,15,17,162
II. Total Revenue (I)		16,06,17,605	25,15,17,162
III. Expenses:			
Purchases of Stock-in-trade	17	31,44,13,482	23,90,97,498
Change in inventories of finished goods, work-in-progress and stock -in -trade	18	(14,31,30,052)	5,35,215
Employee Benefits Expenses	19	27,85,014	41,01,684
Finance Cost	20	13,35,086	15,07,928
Depreciation and amortization Expenses	9	25,19,617	17,17,661
Other Expenses	21	1,96,96,481	37,43,454
Total Expenses		19,76,19,628	25,07,03,440
IV. Profit/(Loss) before exceptional and extra ordinary items and Tax (II- III)		(3,70,02,023)	8,13,722
V. Exceptional Items		-	-
VI. Profit/(Loss) before extraordinary items and Tax (IV - V)		(3,70,02,023)	8,13,722
VII. Extraordinary Items		-	-
VIII. Profit/(Loss) before Tax (VI - VII)		(3,70,02,023)	8,13,722
IX. Tax Expenses			
1 Current Tax		-	2,51,440
2 Deferred Tax		-	-
X. Profit/(loss) for the period from Continuing Operations (VIII -IX)		(3,70,02,023)	5,62,282
XI. Profit/(loss) from Discontinuing operations		-	-
XII. Tax expenses of Discontinuing operations		-	-
XIII. Profit/(loss) from Discontinuing operations (after tax) (XI - XII)		-	-
XIV. Profit/(Loss) for the Period (XII + XIII)		(3,70,02,023)	5,62,282
XV. Earnings Per Equity Share	22		
1 Basic		(0.30)	0.00
2 Diluted		(0.30)	0.00

Summary of significant accounting policies & Notes on financial statements - 1

As per our separate report of even date attached hereto

For Arun Jain & Associates
Chartered Accountants
Registration No. 325867E

Arun Jain
Proprietor
Membership No.053693
Place :- Kolkata
Dated : The 29th Day of May, 2015

For Quest Financial Services Ltd.

Prakash Kumar Jajodia
Whole-Time Director
DIN-00633920

For Quest Financial Services Ltd.

Bijay Kumar Agarwal
Director
DIN-00634259

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
CFO

1 Notes forming Part of Financial Statement for the Year 2014-2015 (31st March 2015)

A NATURE OF BUSINESS

QUEST FINANCIAL SERVICES LIMITED is a Non Banking Financial Company.

B SIGNIFICANT ACCOUNTING POLICIES

a Preparation of Accounts

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b Use of estimates:-

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

c Borrowing costs: -

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

d Current & Non Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (I) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle :
- (ii) It is held primarily for the purpose of being traded:
- (iii) It is expected to be realised / due to be settled within twelve months after the reporting date: or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

e Revenue recognition

- (i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- (ii) Revenue from interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Revenue from interest from Income Tax Department on excess tax paid is recognised in the year in which intimation from Income Tax Department is received
- (iii) Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

f Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

g Intangible assets

Intangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

h Depreciation

- (i) Depreciation on fixed assets is provided using the Written Down Value Method at the rates prescribed under schedule II of the Companies Act, 2013
- (ii) Depreciation on assets purchased / sold / discarded / disposed off during the year is charged on a pro-rata basis. Individual assets whose cost does not exceed Rs 5000 are fully depreciated in the year of acquisition

i Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset

j Current and non current investments

- (i) Investments that are readily realisable and intended to be held for a period not more than a year are

classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value, determined on category of investment basis

- (ii) Long-term investments presented as non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary decline, in the value of investments.

k Retirement & other employees benefits

Provision for gratuity has not been made in the Accounts as there is no such liability for the year.

l Income tax

Tax expense comprises of current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

m Advances, Debtors & Creditors

The Balances of Advances, Debtors and Creditors are subject to confirmation from respective parties.

n Provisions

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

o Investments

Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.

p Inventories

Goods are valued at cost.

q Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

r Foreign Currency transaction

No Foreign Currency Transactions has been made by the Company in the Financial Year 2014-15.

s Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require and outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

t Cash Flow Statement

Cash flows are reported using the indirect method and cash flows from operating, investing and financing activities of the Company are segregated.

u MSMED Act, 2006

The Government of India has promulgated an act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said Act.

v Prudential Norms

The Company has followed the prudential norms issued by Reserve Bank of India, as applicable, and revenue / assets have been represented (considering adjustments / write-off / net-off, as applicable) keeping in line therewith and management prudence.

w NBFC Requirement regarding transfer of profit to reserve

As per prudential Norms, 20% of profit after tax (rounded off to next hundred) to be transferred to Statutory Reserve Fund appropriating the Statement of Profit & Loss as per requirement of the R.B.I. Act. Further, the Company has incurred loss during the financial year. Therefore, no amount has been transferred to the Statutory Reserve Fund.

x Contingent Provision against Standard Assets

Contingent Provision @0.25% against Standard Loans is made as per R.B.I. requirement for NBFC appropriating surplus of the Statement of Profit & Loss.

y RELATED PARTIES DISCLOSURE AS PER ACCOUNTING STANDARD 18

A. LIST OF RELATED PARTIES

Party	Relationship
Prakash Kumar Jajodia	Whole Time Director
Kishan Kumar Jajodia	Director
Amit Jajodia	Director
Bijay Kumar Agarwal	Director
Rabindra kumar Hisaria	Director & CFO
Jyoti Lohia	Director
QFS Paper Limited	Wholly owned Subsidiary Company
QFS Gem & Jewelleries Limited	Wholly owned Subsidiary Company
QFS Properties Limited	Wholly owned Subsidiary Company
QFS Textiles Limited	Wholly owned Subsidiary Company

B. RELATED PARTY TRANSACTION
Director's Remuneration

	31.03.2015	31.03.2014
Prakash Kumar Jajodia	1,80,000	1,50,000

Investment in Wholly owned Subsidiary Company

	31.03.2015	31.03.2014
QFS Paper Limited	5,00,000	Nil
QFS Gem & Jewelleries Limited	5,00,000	Nil
QFS Properties Limited	5,00,000	Nil
QFS Textiles Limited	5,00,000	Nil

Trade Receivable from Wholly owned Subsidiary Company

	31.03.2015	31.03.2014
QFS Paper Limited	41,45,000	Nil
QFS Gem & Jewelleries Limited	7,92,500	Nil
QFS Properties Limited	37,45,000	Nil
QFS Textiles Limited	45,95,000	Nil

Expenses incurred for incorporation of Wholly owned Subsidiary Companies, yet commencement of business

	31.03.2015	31.03.2014
	2,39,700	Nil

Expenses incurred on behalf of Wholly owned Subsidiary Companies

	31.03.2015	31.03.2014
QFS Paper Limited	-	32,060
QFS Gem & Jewelleries Limited	-	32,060
QFS Properties Limited	-	32,060
QFS Textiles Limited	-	32,060

z Earning Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable for equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares

	31.03.2015	31.03.2014
i- Net Profit/(Loss) After Tax	(3,70,02,023)	5,62,282
ii- Weighted Number of Equity Shares of Rs. 10.00 each	12,33,16,500	12,33,16,500
iii- Equity Shares for Diluted Earning Per Share (Rs.)	12,33,16,500	12,33,16,500
iv- Basic Earnings Per Share (Rs.)	(0.30)	0.00
v Diluted Earning Per Share (Rs.)	(0.30)	0.00

z.i. Segment Accounting Policies

Identification of Segments:

Primary Segment : Business Segmet

The Company's business is organised around two business segments namely, Financial and Embroidery. Financial activities consist of providing loans and investments in shares & securities. Accordingly, the Company has provided primary segment information for these two segments as per Accounting Standard 17 on Segment Reporting issued by I.C.A.I.

There is no inter segment transfer.

All the common income, expenses, assets and liabilities which are not possible to be allocated to different segments are treated as un-allocable items.

Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

Notes forming Part of Financial Statement for the Year 2014-2015 (31st March 2015)

Note-2 Share Capital <u>Equity</u>	Figures as at the end of	
	31st March 2015	31st March 2014
Authorized 12,33,40,000 Equity Shares of Rs.10.00 each (P.Y. 12,33,40,000 Equity Shares of Rs 10.00 each)	1,23,34,00,000	1,23,34,00,000
Issued, Subscribed and Paid up 12,33,16,500 Equity Shares of Rs.10.00 each fully paid up (Previous Year 12,33,16,500 Equity Shares of Rs 10.00 each fully paid up)	1,23,31,65,000	1,23,31,65,000

2.1. The Company has only one class of shares referred to as equity shares having a par value of Rs 10/-. Each holder of equity shares is entitled to one vote per one share hold. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion of their shareholding.

2.2 Reconciliation of the number of shares outstanding	31st March 2015	31st March 2014
Number of shares at the beginning	12,33,16,500	12,33,16,500
Add : Issue during the year	-	-
Number of shares at the end	12,33,16,500	12,33,16,500

2.3 **Shareholders holding more than 5% Share**
NIL

Note-3 Reserve & Surplus	Figures as at the end of	
	31st March 2015	31st March 2014
Amalgamation Reserve		
Opening Balance (Credit/(Debit))	(49,08,46,586)	(49,08,46,586)
Add/Less: Reserve generated during the year	-	-
Closing Balance(Credit/ Debit)	(49,08,46,586)	(49,08,46,586)
Profit & Loss Account		
Opening Balance (Credit/(Debit))	26,11,261	21,61,435
Less : Transferred to Amalgamation Reserve	-	-
Add/Less: Surplus/Deficit in Profit & Loss for the Year	(3,70,02,023)	5,62,282
Less : Adjustment with Provision for Income Tax	-	-
Less : Transferred to Special Reserve	-	(1,12,456)
	(3,43,90,762)	26,11,261
Special Reserve Account		
Opening Balance (Credit/(Debit))	8,98,101	7,85,645
Add/Less: Reserve generated during the year	-	1,12,456
	8,98,101	8,98,101
	(52,43,39,247)	(48,73,37,224)

Note-4 Long Term Borrowings	Non-Current Maturities		Current Maturities	
	<u>31st March 2015</u>	<u>31st March 2014</u>	<u>31st March 2015</u>	<u>31st March 2014</u>
Term Loan-Secured Loans	23,98,518	37,53,450	23,86,385	22,00,918
	23,98,518	37,53,450	23,86,385	22,00,918

Current Maturities amount disclosed under the head "Other Current Liabilities" (Note 6)

Term loan amounting to Rs.96,67,895/- from State Bank of India, R.N.Mukherjee Road Branch, Kolkata is secured against exclusive first charge by way of mortgage of Embroidery Machine and further Corporate Guarantee provided by M/s. Nova Merchants Pvt. Ltd. The flats of Mrs. Sabita Jajodia & Mrs. Anita Jajodia, wife of Mr. Prakash Jajodia & Mr. Kishan Kumar Jajodia respectively, Directors of the Company were mortgaged on behalf of the Company with the State Bank of India.

Loan from HDFC Bank Ltd. of Rs..337000/- is secured against Estilo LXI and is repayable in monthly installments till 05/02/2016.

Note-5 Short Term Borrowings Secured Loans Bank Overdraft	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
	46,10,514	40,78,510
	46,10,514	40,78,510

Bank Overdraft from State Bank of India, R.N.Mukherjee Road Branch, Kolkata is secured against exclusive first charge by way of mortgage of Embroidery Machine and further Corporate Guarantee provided by M/s. Nova Merchants Pvt. Ltd. The flats of Mrs. Sabita Jajodia & Mrs. Anita Jajodia, wife of Mr. Prakash Jajodia & Mr. Kishan Kumar Jajodia respectively, Directors of the Company were mortgaged on behalf of the Company with the State Bank of India.

Note-6 Trade Payable Sundry Creditors	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
	12,66,11,195	12,29,40,144
	12,66,11,195	12,29,40,144

		Figures as at the end of	
		<u>31st March 2015</u>	<u>31st March 2014</u>
Note-7			
<u>Other Current Liabilities</u>			
Liability for expenses		51,126	1,26,160
TDS Payable		-	20,900
Current Maturities on Long Term Debts		23,86,385	22,00,918
		24,37,511	23,47,978
		Figures as at the end of	
		<u>31st March 2015</u>	<u>31st March 2014</u>
Note-8			
<u>Short Term Provisions</u>			
Provision for Taxation		15,58,116	15,58,116
Contingent of Standard Assets		9,00,310	9,00,310
		24,58,426	24,58,426
		Figures as at the end of	
		<u>31st March 2015</u>	<u>31st March 2014</u>
Note-11			
<u>Inventories</u>			
Raw Materials		-	-
Traded Goods		42,64,74,344	28,33,44,292
		42,64,74,344	28,33,44,292
		Figures as at the end of	
		<u>31st March 2015</u>	<u>31st March 2014</u>
Note-12			
<u>Trade Receivables</u>			
Unsecured considered good			
Related Parties			
Subsidiaries			
Outstanding exceeding six months		1,32,77,500	-
Others		-	-
Others			
Outstanding exceeding six months		93,60,000	-
Others		5,45,18,331	3,90,83,854
		7,71,55,831	3,90,83,854

NOTE-9

FIXED ASSETS
Tangible Assets

	GROSS BLOCK				DEPRECIATION			NET BLOCK		
Fixed Assets	Original Cost	Addition	Deduction	Book value as on 31.03.2015	Opening balance	Depreciation for 2014-15	Impairment	Depreciation	Net block as at 31.03.2015	Net block as at 31.03.2014
Building	1,70,500	-	-	1,70,500	39,301	12,481	-	51,782	1,18,718	1,31,199
Factory Flooring	5,75,125	-	-	5,75,125	1,32,566	42,304	-	1,74,870	4,00,255	4,42,559
Factory Shed										
Plant & Machinery	1,05,50,380	-	-	1,05,50,380	32,74,818	14,19,185	-	46,94,003	58,56,377	72,75,562
Embroidery Machine	10,68,796	-	-	10,68,796	4,02,306	1,90,623	-	5,92,929	4,75,867	6,66,490
Furniture & Fixture	4,27,763	6,97,867	-	11,25,630	1,51,786	2,78,691	-	4,30,477	6,95,153	2,75,977
Motor Vehicle										
Office Equipments	5,15,000	-	-	5,15,000	1,59,856	2,46,922	-	4,06,778	1,08,222	3,55,144
Air conditioner	1,41,960	-	-	1,41,960	44,064	65,300	-	1,09,364	32,596	97,896
Stabilizer	17,500	-	-	17,500	4,530	3,960	-	8,490	9,010	12,970
Fire Extinguisher										
Computers	3,33,352	-	-	3,33,352	2,35,589	80,566	-	3,16,155	17,197	97,763
Computer										
Electrical Installations and Equipments	6,54,638	-	-	6,54,638	2,03,198	1,35,069	-	3,38,267	3,16,371	4,51,440
Electric Equipments	1,28,700	-	-	1,28,700	39,948	26,555	-	66,503	62,197	88,752
Electric Installation										
Total of Tangible Assets	1,45,83,714	6,97,867	-	1,52,81,581	46,87,962	25,01,656	-	71,89,618	80,91,963	98,95,752
Intangible Assets										
Computer Software	34,500	-	-	34,500	6,900	17,961	-	24,861	9,639	27,600
Total of Tangible Assets	34,500	-	-	34,500	6,900	17,961	-	24,861	9,639	27,600
Total Assets- Tangible+Intangible	1,46,18,214	6,97,867	-	1,53,16,081	46,94,862	25,19,617	-	72,14,479	81,01,602	99,23,352
Previous year										
Tangible Assets	1,45,83,714	-	-	1,45,83,714	29,77,201	17,10,761	-	46,87,962	98,95,752	
Intangible Assets	-	34,500	-	34,500	-	6,900	-	6,900	27,600	
Total	1,45,83,714	34,500	-	1,46,18,214	29,77,201	17,17,661	-	46,94,862	99,23,352	-

	Figures as at the end of 31st March 2015		Figures as at the end of 31st March 2014	
Note - 10				
Non Current Investments				
Name of Companies	No. of Shares	`	No. of Shares	`
Unquoted Equity Shares				
Anurodh Infrastructure Pvt. Ltd.	17,47,685	1,74,76,850	-	-
Ayafiz Fashion Pvt. Ltd.	-	-	20,000	20,00,000
Blue Chip Projects Pvt. Ltd.	99000	19,80,000	99,000	19,80,000
Cyrus Infocomm Pvt. Ltd.	15,000	30,00,000	15,000	30,00,000
Domsons Metal Pvt. Ltd.	-	-	50,000	7,50,00,000
Expressware Housing Ltd.	25,000	25,00,000	-	-
Faithful Cloth Merchants Pvt. Ltd.	-	-	4,14,000	41,40,000
Fastner Machinery Dealers Pvt. Ltd.	44,800	2,24,00,000	-	-
Fizaan Commotrade Pvt. Ltd.	-	-	17,500	14,00,000
Glorious Vincom Pvt. Ltd.	-	-	79,250	7,92,500
Gopal Resorts Ltd.	-	-	3,00,000	30,00,000
High Growth Vincom Pvt. Ltd.	-	-	13,000	1,30,000
Jagriti Commodities Pvt. Ltd.	-	-	2,06,000	20,60,000
Jaguar Infra Developers Pvt. Ltd.	60,500	3,02,50,000	-	-
K.S. Consultancy Services Pvt. Ltd.(Face Value-Rs.100/-)	1,050	1,05,000	15,750	15,75,000
Linkup Financial Consultants Pvt. Ltd.	3,219	11,26,500	3,219	11,26,500
Meritech Tradelink Pvt. Ltd.	-	-	63,684	1,20,99,960
Mohit Projects Pvt. Ltd.	-	-	10,000	20,00,000
Multifold Plastic Marketing Pvt. Ltd.	-	-	9,000	90,000
Nethira Hotels Pvt. Ltd.	-	-	63,000	47,25,000
Pearl Vyapaar Pvt. Ltd.	-	-	4,00,000	40,00,000
Pears Mercantile Pvt. Ltd.	-	-	45,950	45,95,000
Polpit Financial Consultants Pvt. Ltd.	-	-	50,000	50,00,000
Premier Power Products Pvt. Ltd.(Face Value Rs.100/-)	-	-	20,000	50,00,000
Ritman Commercial Pvt. Ltd.	-	-	10,000	20,00,000
Ritman Concrete Pvt. Ltd.	-	-	22,222	19,99,980
Shreyans Embroidery Machine Pvt. Ltd.	-	-	3,74,500	37,45,000
Sidhi Mangal Nirman Pvt. Ltd.	-	-	1,00,000	10,00,000
Srinath Agro Products Pvt. Ltd.	1,70,000	42,50,000	-	-
Suanvi Trading & Investment Co. Pvt. Ltd.	-	-	21,000	1,05,00,000
Supreme India Impex Ltd.	-	-	80,000	1,00,00,000
Victoria Cloth Merchants Pvt. Ltd.	5,000	8,75,000	5,000	8,75,000
Wonderland Paper Suppliers Pvt. Ltd.	-	-	4,14,500	41,45,000
Zonal Commercial Pvt. Ltd.	8,000	40,00,000	8,000	40,00,000
100% Subsidiary Companies-Unquoted Equity Shares				
QFS Gem & Jewelleries Ltd.	50,000	5,00,000	50,000	5,00,000
QFS Paper Ltd.	50,000	5,00,000	50,000	5,00,000
QFS Properties Ltd.	50,000	5,00,000	50,000	5,00,000
QFS Textiles Ltd.	50,000	5,00,000	50,000	5,00,000
Grand Total		8,99,63,350		17,39,78,940

*Face Value is Rs.10/- each or otherwise specified.

	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
Note-13		
<u>Cash & Cash Equivalents</u>		
With Schedule Banks in Current Account	70,39,182	29,42,672
Cash in hand (As Certified by the Management)	5,83,463	37,37,879
	76,22,645	66,80,551

	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
Note-14		
<u>Short Term Loans and Advances</u>		
Advances Recoverable in cash or in kind	22,86,19,648	36,01,24,062
Advance to Subsidiaries	2,39,700	1,28,240
	22,88,59,348	36,02,52,302

	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
Note-15		
<u>Other Current Assets</u>		
Tax Deducted at Source	63,12,797	37,92,954
Security Deposit For Land	6,00,000	6,00,000
Advance against Properties	22,50,000	32,50,000
Share Application Money- Refund	-	40
Share Application Money Given	-	5,00,000
CDSL-Security deposit	2,000	-
	91,64,797	81,42,994

	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
Note-16		
<u>Revenue from Operations</u>		
Sales	12,76,54,591	20,74,63,129
Currency Derivative Profit	-	2,11,73,319
Difference in Shares	54,579	-
Dividend	-	15,000
Interest on Loan	3,17,03,446	2,28,65,714
Profit on sale of Investment	12,04,989	-
	16,06,17,605	25,15,17,162
Note-17		
<u>Purchases of Stock-in -trade</u>		
Purchases	31,44,13,482	23,90,97,498
	31,44,13,482	23,90,97,498
Note-18		
<u>Change in Inventories of finished goods, work-in progress and stock-in-trade</u>		
Closing Stock	42,64,74,344	28,33,44,292
Less: Opening Stock	(28,33,44,292)	(28,38,79,507)
Increase/ (Decrease) of Stock	14,31,30,052	(5,35,215)
Note-19		
<u>Employee Benefits Expense</u>		
Wages	20,42,665	34,75,583
Salary & Bonus	5,20,897	4,96,211
Directors Remuneration	1,80,000	90,000
Staff Welfare Exp	41,452	39,890
	27,85,014	41,01,684
Note-20		
<u>Finance Cost</u>		
Interest	13,35,086	15,07,928
	13,35,086	15,07,928

	Figures as at the end of	
	<u>31st March 2015</u>	<u>31st March 2014</u>
Note-21		
Other Expenses		
Rates & Taxes	-	14,300
Business promotion	8,89,554	-
Bank Charges	1,19,593	79,512
Car Maintenance Expenses	1,26,507	60,965
Electric Charges	5,75,360	9,42,350
Repairs & Maintenance-Machinery	75,000	60,000
Repairs & Maintenance-Hardware & Software	22,540	10,899
Printing & Stationery	39,425	20,918
Advertisement	4,684	3,117
Listing Fees	7,95,396	1,23,596
Telephone Charges	42,403	42,240
Filing Fees	9,600	4,000
Accounting Expenses	90,000	1,20,000
Office Maintenance Expenses	42,269	62,765
Insurance	-	55,512
Interest Written off	6,537	-
Recovery Written Off	60	-
General Expenses	48,052	73,485
Travelling & Conveyance	41,254	1,67,739
Postage & telegram	1,15,011	39,854
Rent	9,40,500	12,54,000
CDSL Charges	61,798	56,180
NSDL Charges	56,180	55,618
Demat Charges	5,557	3,439
Stamp Charges, STT, Transaction Charges, Service Tax etc.	4,14,087	1,41,261
Currency Derivative Loss	1,51,45,336	-
Contingent Provision against Standard Assets	-	3,23,614
Auditors Remuneration		
For Statutory Audit	16,854	16,854
For Tax Audit	4,495	4,494
For Other Services	8,429	6,742
	1,96,96,481	37,43,454

22 Earning Per Share
31st March 2015 **31st March 2014**

i- Net Profit/(Loss) After Tax	(3,70,02,023)	5,62,282
ii- Weighted Number of Equity Shares of Rs. 10.00 each	12,33,16,500	12,33,16,500
iii- Equity Shares for Diluted Earning Per Share (Rs.)	12,33,16,500	12,33,16,500
iv- Basic Earnings Per Share (Rs.)	(0.30)	0.00
v Diluted Earning Per Share (Rs.)	(0.30)	0.00

23 Contingent Liabilities & Commitments

(To the extent not provided for)

31st March 2015 **31st March 2014**

Contingent Liabilities	NIL	NIL
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STANALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2015
 (PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

PARTICULARS	Figures as at 31st March 2015	Figures as at 31st March 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary item	-3,70,02,023	813723
<u>Adjustment for</u> Depreciation	25,19,617	1717661
Operating Profit before working capital change	-3,44,82,406	2531384
<u>Change in working capital</u> <u>Adjustment for (increase)/decrease in operating assets</u>		
Inventories	-14,31,30,052	535215
Trade Receivables	-3,80,71,978	22170232
Short Term Loans & Advances	13,13,92,954	-138910363
Other Current Assets	-10,21,803	2662360
	-5,08,30,879	-113542556
<u>Adjustment for increase/(decrease) in operating liabilities</u>		
Trade Payable	36,71,051	-155027658
Other Current Liabilities	89,533	84589
Short Term Borrowings	5,32,004	-3746
Short Term Provisions	-	-941621
	42,92,588	-155888436
Cash Generated from Operations		
Income Tax	-	-251440
Net Cash from Operating Activities	-8,10,20,697	-267151048
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Fixed Assets	-6,97,867	1683161
(Purchase)/Sale of Investments	8,40,15,590	267566740
Net Cash Flow from Investing Activities	8,33,17,723	269249901
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-13,54,932	-1998360
Net Cash Flow from Financing Activities	-13,54,932	-1998360
Net Increase/(decrease) in cash and cash equivalents	9,42,094	100493
Opening Cash & Bank Balance	66,80,551	6781044
Closing Cash & Bank Balance	76,22,645	6680551

For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

For Quest Financial Services Ltd.

For Quest Financial Services Ltd.

Arun Jain
 Proprietor
 Membership No.053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2015

Prakash Kumar Jajodia
 Whole-Time Director
 DIN-00633920

Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
 CFO

Segment Information

The following table presents segment revenue, results, assets & liabilities with AS- 17 as on 31.03.2015

SEGMENT REPORTING

Business Segment	Financing Operations		Embroidery		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE						
Segment Revenue	1026.42	1778.37	579.76	736.80	1606.18	2515.17
Inter Segment Revenue	-	-	-	-	-	-
Total Revenue	1026.42	1778.37	579.76	736.80	1606.18	2515.17
RESULTS						
Segment Results	(371.41)	(28.82)	1.39	36.96	(370.02)	8.14
Unallocated Income (net of expenses)	0.00	0.00	0.00	0.00	0.00	0.00
Unallocated Expenditure	-	-	-	-	0.00	0.00
Profit before tax	-	-	-	-	(370.02)	8.14
Less: Income Tax	-	-	-	-	0.00	2.51
: Deferred Tax	-	-	-	-	0.00	0.00
Profit after tax	-	-	-	-	(370.02)	5.63
OTHER INFORMATION						
Segment Assets	7268.22	562.61	1205.20	8251.45	8473.42	8814.06
Unallocated Assets	-	-	-	-	-	-
Total Assets	7268.22	562.61	1205.20	8251.45	8473.42	8814.06
Segment Liabilities	661.07	901.90	724.10	453.89	1385.16	1355.79
Unallocated Liabilities	-	-	-	-	-	-
Total Liabilities	661.07	901.90	724.10	453.89	1385.16	1355.79
Capital Expenditure	-	-	-	-	-	-
Depreciation	2.32	0.25	22.87	16.93	25.20	17.18
Non- Cash Expenditure other than depreciation	-	-	-	-	-	-

Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

Disclosure of details as required by Para 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 1998

Particulars		Amount Outsatnding	Amount Overdue
Liabilities Side :			
(1)	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
(a)	Debentures: Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
(b)	Deferred Credits	-	-
(c)	Term Loans	4784903	-
(d)	Inter- corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans (Specify Nature)	-	-
Particulars		Amount Outsanding	
Assets Side :			
(2)	Break up of Loans and Advances including billls receivables [other than those included in (4) below]		
(a)	Secured	-	
(b)	Unsecured	22,88,59,348	
(3)	Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors:		
(a)	Financial Lease	-	
(b)	Operating Lease	-	
(ii)	Stock on hire including hire charges under sundry debtors:		
(a)	Assets on hire	-	
(b)	Repossessed Assets	-	
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been repossessed	-	
(b)	Loans other than (a) above	-	

Particulars		Amount Outsatnding		
(4)	Break up of Investments Current Investments			
1	Quoted:			
	(i) Shares :(a) Equity	-		
	(b) Preference	-		
	(ii) Debentures and Bonds	-		
	(iii) Units of mutual funds	-		
	(iv) Government Securities	-		
	(v) Others (Please Specify)	-		
2	Unquoted:			
	(i) Shares :(a) Equity	-		
	(b) Preference	-		
	(ii) Debentures and Bonds	-		
	(iii) Units of mutual funds	-		
	(iv) Government Securities	-		
	(v) Others (Please Specify)	-		
	Long term investments			
(I)	Quoted:			
	(i) Shares :(a) Equity	-		
	(b) Preference	-		
	(ii) Debentures and Bonds	-		
	(iii) Units of mutual funds	-		
	(iv) Government Securities	-		
	(v) Others (Please Specify)	-		
(II)	Unquoted:			
	(i) Shares :(a) Equity	8,99,63,350		
	(b) Preference	-		
	(ii) Debentures and Bonds	-		
	(iii) Units of mutual funds	-		
	(iv) Government Securities	-		
	(v) Others (Please Specify)	-		
(5)	Borrower group wise classification of assets financed as in (2) and (3) above :			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties**			
	(a) Subsidiaries	-	239700	239700
	(b) Companies in the same group	-	-	0
	(c) Other related Parties	-	228619648	228619648
2	Other than related parties	-	-	0
	Total	-	228859348	228859348

(6) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
	Category	Market Value/Break up of Fair value or NAV	Book Value (Net of Provisions)
1	Related Parties**		
	(a) Subsidiaries	20,00,000	20,00,000
	(b) Companies in the same group	-	-
	(c) Other related Parties	-	-
2	Other than related parties	8,79,63,350	8,79,63,350
	Total	8,99,63,350	173978940
(7) Other Information			
	Particulars	Ammount	
(i)	Gross Non- Performing Assets		
	(a) Related Parties	-	-
	(b) Other than related parties	-	-
(ii)	Net Non Performing Assets		
	(a) Related Parties	-	-
	(b) Other than related parties	-	-
(iii)	Assets acquired in satisfaction of debt	-	-

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF QUEST FINANCIAL SERVICES LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of QUEST FINANCIAL SERVICES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the holding Company's preparation of the consolidated financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in

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terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the group as at 31st March, 2015, their consolidated Loss and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements / financial information of four subsidiaries, whose financial statements / financial information reflect total assets of Rs.1,51,93,235 as at 31st March, 2015 total revenues Nil and net cash flows amounting to Rs. 19,06,735 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 26,422 for the year ended 31st March, 2015, as considered in the consolidated financial statements whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on the comments in the auditors' reports of the Holding company, subsidiary companies, incorporated in India, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

Arun Jain & Associates

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- d) In our opinion, the aforesaid consolidated financial statements comply with the 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 of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i.) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its subsidiary
 - ii.) The Group, its subsidiary did not have any material foreseeable losses on long-term contracts including derivative contracts
 - iii.) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, incorporated in India.

For Arun Jain & Associates
Chartered Accountants
[FRN - 325867E]

**2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012**

Date : 29th May, 2015

(CA ARUN KUMAR JAIN)
Proprietor
Membership No. 053693

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The Annexure referred to in our Independent Auditors1 Report to the members of the Company on the consolidated financial statements for the year ended 31st March 2015,

we report that :

(i) In respect of its Fixed Assets :

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- b) As explained to us, the Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(ii) In respect of its Inventories :

- a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

(iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:

- (a) According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control

(v) The Company has not accepted any deposits from the public.

(vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

Arun Jain & Associates*chartered accountants*

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(viii) In respect of statutory dues:

- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time by the company.

- (viii) The accumulated losses of the company are not more than 50% of its Net Worth. The company has incurred Cash loss of Rs 3,45,08,828 during the financial year covered by our Audit. However, there was no cash loss incurred in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not raise any term loans during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Arun Jain & Associates
Chartered Accountants
[FRN - 325867E]

**2B, Grant Lane,
 (2nd Floor), Room No. 74
 Kolkata - 700012**

Date : 29th May, 2015

(CAARUN KUMAR JAIN)
Proprietor
Membership No. 053693

Consolidated Balance Sheet as at 31st March 2015

	Note No.	Figures as at the end of	
		31st March 2015 Consolidated	31st March 2014 Consolidated
I - EQUITY & LIABILITIES			
1 Shareholders' funds			
(a). Share Capital	2	1,23,31,65,000	1,23,31,65,000
(b). Reserves & Surplus	3	(52,44,54,984)	(48,74,26,538)
2 Non-Current Liabilities			
(b) Long Term Borrowings	4	23,98,518	37,53,450
4 Current Liabilities			
(a). Short Term Borrowings	5	46,10,514	40,78,510
(b). Trade Payables	6	12,66,11,195	12,29,40,144
(c). Other Current Liabilities	7	24,68,983	23,47,978
(d). Short - Term Provisions	8	24,58,426	24,58,426
		84,72,57,652	88,13,16,970
II - ASSETS			
1 Non - Current Assets			
(a). Fixed Assets	9		
(i) Tangible Assets		80,91,963	98,95,752
(ii) Intangible Assets		9,639	27,600
(b). Non - Current Investments	10	10,12,49,850	17,19,78,940
2 Current Assets			
(a). Inventories	11	42,64,74,344	28,33,44,292
(b). Trade Receivables	12	6,38,78,331	3,90,83,854
(c). Cash & Cash Equivalents	13	95,29,380	87,19,476
(d). Short Term Loans and advances	14	22,88,59,348	36,01,24,062
(e). Other Current Assets	15	91,64,797	81,42,994
		84,72,57,652	88,13,16,970

Summary of significant accounting policies & Notes on financial statements - 1

As per our separate report of even date attached hereto

 For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

 Arun Jain
 Proprietor
 Membership No.053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2015

For Quest Financial Services Ltd.

 Prakash Kumar Jajodia
 Whole-Time Director
 DIN-00633920

For Quest Financial Services Ltd.

 Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

 Rabindra Kumar Hisaria
 CFO

Consolidated Statement of Profit & Loss Account for the Year ended 31st March 2015

	Note No.	Figures as at the end of	
		31st March 2015 Consolidated	31st March 2014 Consolidated
I. Revenue from Operations	16	16,06,17,605	25,15,17,162
II. Total Revenue (I)		16,06,17,605	25,15,17,162
III. Expenses:			
Purchases of Stock-in-trade	17	31,44,13,482	23,90,97,498
Change in inventories of finished goods, work-in-progress and stock -in -trade	18	(14,31,30,052)	5,35,215
Employee Benefits Expenses	19	27,85,014	41,01,684
Finance Cost	20	13,35,086	15,07,928
Depreciation and amortisation Expenses	21	25,19,617	18,05,901
Other Expenses	22	1,97,22,903	37,44,528
Total Expenses		19,76,46,050	25,07,92,754
IV. Profit/(Loss) before exceptional and extra ordinary items and Tax (II- III)		(3,70,28,445)	7,24,408
V. Exceptional Items		-	-
VI. Profit/(Loss) before extraordinary items and Tax (IV - V)		(3,70,28,445)	7,24,408
VII. Extraordinary Items		-	-
VIII. Profit/(Loss) before Tax (VI - VII)		(3,70,28,445)	7,24,408
IX. Tax Expenses			
1 Current Tax		-	2,51,440
2 Deferred Tax		-	-
X. Profit/(loss) for the period from Continuing Operations (VIII - IX)		(3,70,28,445)	4,72,968
XI. Profit/(loss) from Discontinuing operations		-	-
XII. Tax expenses of Discontinuing operations		-	-
XIII. Profit/(loss) from Discontinuing operations (after tax) (XI - XII)		-	-
XIV. Profit/(Loss) for the Period (X + XIII)		(3,70,28,445)	4,72,968
XV. Earnings Per Equity Share	23		
1 Basic		(0.30)	0.00
2 Diluted		(0.30)	0.00

Summary of significant accounting policies & Notes on financial statements - 1

As per our separate report of even date attached hereto

For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

Arun Jain
 Proprietor
 Membership No.053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2015

For Quest Financial Services Ltd.

Prakash Kumar Jajodia
 Whole-Time Director
 DIN-00633920

For Quest Financial Services Ltd.

Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
 CFO

1 **Consolidated Notes forming Part of Financial Statement for the Year 2014-2015 (31st March, 2015)**

A **NATURE OF BUSINESS**

Quest Financial Services Limited ('the Holding Company') is a Public Company, incorporated in India and regulated by Reserve Bank of India ('RBI') as an Investment and Loan Company - Non-Banking Finance Company. During the year, the Holding Company and its four subsidiary companies constituted the Group.

B **SIGNIFICANT ACCOUNTING POLICIES**

a **Basis of Consolidation**

The Consolidated Financial Statements comprise the individual financial statements of the Holding Company and its subsidiaries as on March 31, 2015 and for the year ended on that date. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Holding Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of line items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii. The financial statements of the subsidiaries used in the consolidation are drawn up to the same Balance Sheet date as that of the Holding Company, i.e. March 31, 2015.
- iii. The financial statements of the following subsidiaries have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act read with Rule 7 of the Companies (Accounts) Rules, 2014:

Name of Subsidiary	Proportion of effective ownership interest (%) As on March, 2015	Proportion of effective ownership interest (%) As on March, 2014
QFS Paper Limited	100%	100%
QFS Gem & Jewelleries Limited	100%	100%
QFS Properties Limited	100%	100%
QFS Textiles Limited	100%	100%

b **Preparation of Accounts**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

d Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

e Current & Non Current assets and liabilities

An asset or liability is classified as current when it satisfies any of the following criteria

- (i) It is expected to be realized / settled, or is intended for sale or consumption, in the Company's normal operating cycle ;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realised / due to be settled within twelve months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date or
- (v) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

f Revenue recognition

- (i) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured
- (ii) Revenue from interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Revenue from interest from Income Tax Department on excess tax paid is recognised in the year in which intimation from Income Tax Department is received
- (iii) Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

g Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

h Intangible assets

Intangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

i Depreciation

- (i) Depreciation on fixed assets is provided using the Written Down Value Method at the rates prescribed under schedule II of the Companies Act, 2013
- (ii) Depreciation on assets purchased / sold / discarded / disposed off during the year is charged on a pro-rata basis. Individual assets whose cost does not exceed Rs 5000 are fully depreciated in the year of acquisition

j Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset

k Current and non current investments

- (i) Investments that are readily realisable and intended to be held for a period not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value, determined on category of investment basis
- (ii) Long-term investments presented as non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary decline, in the value of investments

l Retirement & other employees benefits

Provision for gratuity has not been made in the Accounts as there is no such liability for the year

m Income tax

Tax expense comprises of current tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

n Advances, Debtors & Creditors

The Balances of Advances, Debtors and Creditors are subject to confirmation from respective parties.

o Provisions

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

p Investments

Investment have been treated as long term and carried at cost. Cost includes purchase cost and attributable expenses.

q Inventories

Goods are valued at cost.

r Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

s Foreign Currency transaction

No Foreign Currency Transactions has been made by the Company in the Financial Year 2014-15.

t Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require and outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

u Cash Flow Statement

Cash flows are reported using the indirect method and cash flows from operating, investing and financing activities of the Company are segregated.

v MSMED Act, 2006

The Government of India has promulgated an act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said Act.

w Prudential Norms

The Company has followed the prudential norms issued by Reserve Bank of India, as applicable, and revenue / assets have been represented (considering adjustments / write-off / net-off, as applicable) keeping in line therewith and management prudence.

x NBFC Requirement regarding transfer of profit to reserve

As per prudential Norms, 20% of profit after tax (rounded off to next hundred) to be transferred to Statutory Reserve Fund appropriating the Statement of Profit & Loss as per requirement of the R.B.I. Act. Further, the Company has incurred loss during the financial year. Therefore, no amount has been transferred to the Statutory Reserve Fund.

y Contingent Provision against Standard Assets

Contingent Provision @0.25% against Standard Loans is made as per R.B.I. requirement for NBFC appropriating surplus of the Statement of Profit & Loss.

z RELATED PARTIES DISCLOSURE AS PER ACCOUNTING STANDARD 18

A. LIST OF RELATED PARTIES

Party	Relationship
Prakash Kumar Jajodia	Whole Time Director
Kishan Kumar Jajodia	Director
Amit Jajodia	Director
Bijay Kumar Agarwal	Director
Rabindra kumar Hisaria	Director & CFO
Jyoti Lohia	Director
QFS Paper Limited	Wholly owned Subsidiary Company
QFS Gem & Jewelleries Limited	Wholly owned Subsidiary Company
QFS Properties Limited	Wholly owned Subsidiary Company
QFS Textiles Limited	Wholly owned Subsidiary Company

B. RELATED PARTY TRANSACTION

Director's Remuneration	31.03.2015	31.03.2014
Prakash Kumar Jajodia	1,80,000	1,50,000

Investment in Wholly owned Subsidiary Company	31.03.2015	31.03.2014
QFS Paper Limited	5,00,000	Nil
QFS Gem & Jewelleries Limited	5,00,000	Nil
QFS Properties Limited	5,00,000	Nil
QFS Textiles Limited	5,00,000	Nil

Trade Receivable from Wholly owned Subsidiary Company	31.03.2015	31.03.2014
QFS Paper Limited	41,45,000	Nil
QFS Gem & Jewelleries Limited	7,92,500	Nil
QFS Properties Limited	37,45,000	Nil
QFS Textiles Limited	45,95,000	Nil

Expenses incurred for incorporation of Wholly owned Subsidiary Companies, yet commencement of business	31.03.2015	31.03.2014
	2,39,700	Nil

Expenses incurred on behalf of Wholly owned Subsidiary Companies	31.03.2015	31.03.2014
QFS Paper Limited	-	32,060
QFS Gem & Jewelleries Limited	-	32,060
QFS Properties Limited	-	32,060
QFS Textiles Limited	-	32,060

z Earning Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable for equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares

	31.03.2015	31.03.2014
i- Net Profit/(Loss) After Tax	-3,70,02,023	5,62,282
ii- Weighted Number of Equity Shares of Rs. 10.00 each	12,33,16,500	12,33,16,500
iii- Equity Shares for Diluted Earning Per Share (Rs.)	12,33,16,500	12,33,16,500
iv- Basic Earnings Per Share (Rs.)	(0.30)	0.00
v Diluted Earning Per Share (Rs.)	(0.30)	0.00

z.i. Segment Accounting Policies

Identification of Segments:

Primary Segment : Business Segment:

The Company's business is organised around two business segments namely, Financial and Embroidery. Financial activities consist of providing loans and investments in shares & securities. Accordingly, the Company has provided primary segment information for these two segments as per Accounting Standard 17 on Segment Reporting issued by I.C.A.I.

There is no inter segment transfer.

All the common income, expenses, assets and liabilities which are not possible to be allocated to different segments are treated as un-allocable items.

Previous year's figures have been regrouped/rearranged whenever considered necessary to confirm to current year's grouping and classification.

Notes forming Part of Financial Statement for the Year 2014-2015 (31st March 2015)

Note-2 Share Capital Equity	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Authorized 12,33,40,000 Equity Shares of Rs.10.00 each (P.Y. 12,33,40,000 Equity Shares of Rs 10.00 each) Issued, Subscribed and Paid up 12,33,16,500 Equity Shares of Rs,10.00 each fully paid up (Previous Year 12,33,16,500 Equity Shares of Rs 10.00 each fully paid up)	<div>1,23,34,00,000</div> <div>1,23,31,65,000</div>	<div>1,23,34,00,000</div> <div>1,23,31,65,000</div>

- 2.1. The Company has only one class of shares referred to as equity shares having a par value of Rs 10/-. Each holder of equity shares is entitled to one vote per one share hold. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion of their shareholding.

2.2 Reconciliation of the number of shares outstanding	31st March, 2015	31st March, 2014
Number of shares at the beginning Add : Issue during the year	12,33,16,500 -	12,33,16,500 -
Number of shares at the end	12,33,16,500	12,33,16,500

- 2.3 **Shareholders holding more than 5% Share**
NIL

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-3		
Reserve & Surplus		
Amalgamation Reserve		
Opening Balance (Credit/(Debit))	(49,08,46,586)	(49,08,46,586)
Add/Less: Reserve generated during the year	-	-
Closing Balance(Credit/ Debit)	(49,08,46,586)	(49,08,46,586)
Profit & Loss Account		
Opening Balance (Credit/(Debit))	25,21,946	21,61,435
Less : Transferred to Amalgamation Reserve	-	-
Add/Less: Surplus/Deficit in Profit & Loss for the Year	(3,70,28,445)	4,72,968
Less : Adjustment with Provision for Income Tax	-	-
Less : Transferred to Special Reserve	-	(1,12,456)
	(3,45,06,499)	25,21,947
Special Reserve Account		
Opening Balance (Credit/(Debit))	8,98,101	7,85,645
Add/Less: Reserve generated during the year	-	1,12,456
	8,98,101	8,98,101
	(52,44,54,984)	(48,74,26,538)

	Non-Current Maturities		Current Maturities	
	31st March 2015	31st March 2014	31st March 2015	31st March 2014
Note-4				
Long Term Borrowings				
Term Loan-Secured Loans	23,98,518	37,53,450	23,86,385	22,00,918
Unsecured Loans	-	-	-	-
	23,98,518	37,53,450	23,86,385	22,00,918

Current Maturities amount disclosed under the head "Other Current Liabilities" (Note 6)

Term loan amounting to Rs.96,67,895/- from State Bank of India, R.N.Mukherjee Road Branch, Kolkata is secured against exclusive first charge by way of mortgage of Embroidery Machine and further Corporate Guarantee provided by M/s. Nova Merchants Pvt. Ltd. The flats of Mrs. Sabita Jajodia & Mrs. Anita Jajodia, wife of Mr. Prakash Kumar Jajodia & Mr. Kishan Kumar Jajodia respectively, Directors of the Company were mortgaged on behalf of the Company with the State Bank of India.

Loan from HDFC Bank Ltd. by ` 337000/- is Secured against Estilo LXI and is repayable in monthly installments till 05/02/2016.

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-5		
Short Term Borrowings		
Secured Loans	46,10,514	40,78,510
Bank Overdraft	46,10,514	40,78,510

Bank Overdraft from State Bank of India, R.N.Mukherjee Road Branch, Kolkata is secured against exclusive first charge by way of mortgage of Embroidery Machine and further Corporate Guarantee provided by M/s. Nova Merchants Pvt. Ltd. The flats of Mrs. Sabita Jajodia & Mrs. Anita Jajodia, wife of Mr. Prakash Kumar Jajodia & Mr. Kishan Kumar Jajodia respectively, Directors of the Company were mortgaged on behalf of the Company with the State Bank of India.

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-6		
Trade Payable		
Sundry Creditors	12,66,11,195	12,29,40,144
	12,66,11,195	12,29,40,144

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-7		
Other Current Liabilities		
Liability for expenses	9,000	-
TDS Payable	73,598	1,26,160
Current Maturities on Long Term Debts	-	20,900
Liabilities for Expenses from Holding Co.	23,86,385	22,00,918
Recd. From Head office	-	-
	24,68,983	23,47,978

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-8		
Short Term Provisions		
Provision for Taxation	15,58,116	15,58,116
Contingent of Standard Assets	9,00,310	9,00,310
	24,58,426	24,58,426

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-11		
Inventories		
Traded Goods	42,64,74,344	28,33,44,292
	42,64,74,344	28,33,44,292

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-12		
<u>Trade Receivables</u>		
Unsecured considered good		
Outstanding exceeding six months	93,60,000	-
Others	5,45,18,331	3,90,83,854
	6,38,78,331	3,90,83,854

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-13		
<u>Cash & Cash Equivalents</u>		
With Schedule Banks in Current Account	71,14,957	49,79,197
Cash in hand (As Certified by the Management)	24,14,423	37,40,279
	95,29,380	87,19,476

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-14		
<u>Short Term Loans and Advances</u>		
Advances Recoverable in cash or in kind	22,86,19,648	36,01,24,062
Advance to Subsidiaries	2,39,700	-
	22,88,59,348	36,01,24,062

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-15		
<u>Other Current Assets</u>		
Securities Transaction Tax	-	-
Tax Deducted at Source	63,12,797	37,92,954
Security Deposit For Land	6,00,000	6,00,000
Advance against Properties	22,50,000	32,50,000
Share Application Money- Refund	-	40
Share Application Money Given	-	5,00,000
CDSL-Security deposit	2,000	-
	91,64,797	81,42,994

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-16		
<u>Revenue from Operations</u>		
Sales	12,76,54,591	20,74,63,129
Currency Deriavatives	-	2,11,73,319
Difference in Shares	54,579	-
Dividend	-	15,000
Interest on Loan	3,17,03,446	-
Profit on sale of Investment	12,04,989	2,28,65,714
	16,06,17,605	25,15,17,162
Note-17		
<u>Purchases of Stock-in -trade</u>		
Purchases	31,44,13,482	23,90,97,498
	31,44,13,482	23,90,97,498
Note-18		
<u>Change in Inventories of finished goods, work-in progress and stock-in-trade</u>		
Closing Stock	42,64,74,344	28,33,44,292
Less: Opening Stock	(28,33,44,292)	(28,38,79,507)
Increase/ (Decrease) of Stock	14,31,30,052	5,35,215
Note-19		
<u>Employee Benefits Expense</u>		
Wages	20,42,665	34,75,583
Salary & Bonus	5,20,897	4,96,211
Directors Remuneration	1,80,000	90,000
Staff Welfare Exp	41,452	39,890
	27,85,014	41,01,684
Note-20		
<u>Finance Cost</u>		
Interest	13,35,086	15,07,928
	13,35,086	15,07,928

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-21		
<u>Depreciation & Amortisation</u>		
Depreciation	25,19,617	17,17,661
Amortisation	-	88,240
	25,19,617	18,05,901

	Figures as at the end of 31st March 2015	Figures as at the end of 31st March 2014
Note-22		
<u>Other Expenses</u>		
Rates & Taxes	-	14,300
Business promotion	8,89,554	-
Bank Charges	1,20,343	80,587
Car Maintenance Expenses	1,26,507	60,965
Electric Charges	5,75,360	9,42,350
Repairs & Maintenance-Machinery	75,000	60,000
Repairs & Maintenance-Hardware & Software	22,540	10,899
Printing & Stationery	39,425	20,918
Advertisement	4,684	3,117
Listing Fees	7,95,396	1,23,596
Telephone Charges	42,403	42,240
Filing Fees	12,800	4,000
Accounting Expenses	90,000	1,20,000
Office Maintenance Expenses	42,269	62,765
Insurance	-	55,512
Interest Written off	6,537	-
Recovery Written Off	60	-
General Expenses	48,052	73,484
Travelling & Conveyance	41,254	1,67,739
Postage & telegram	1,15,011	39,854
Rent	9,40,500	12,54,000
CDSL Charges	61,798	56,180
NSDL Charges	56,180	55,618
Demat Charges	5,557	3,439
Stamp Charges, STT, Transaction Charges, Service Tax etc.	4,14,087	1,41,261
Currency Derivative Loss	1,51,45,336	-
Contingent Provision against Standard Assets	-	3,23,614
Auditors Remuneration		
For Statutory Audit	39,326	16,854
For Tax Audit	4,495	4,494
For Other Services	8,429	6,742
	1,97,22,903	37,44,528

NOTE-9

FIXED ASSETS
Tangible Assets

	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Original Cost	Addition	Deduction	Book value as on 31.03.2015	Opening balance	Depreciation for 2014-15	Impairment	Depreciation	Net block as at 31.03.2015	Net block as at 31.03.2014
Fixed Assets										
Building										
Factory Flooring	1,70,500	-	-	1,70,500	39,301	12,481	-	51,782	1,18,718	1,31,199
Factory Shed	5,75,125	-	-	5,75,125	1,32,566	42,304	-	1,74,870	4,00,255	4,42,559
Plant & Machinery										
Embroidary Machine	1,05,50,380	-	-	1,05,50,380	32,74,818	14,19,185	-	46,94,003	58,56,377	72,75,562
Furniture & Fixture	10,68,796	-	-	10,68,796	4,02,306	1,90,623	-	5,92,929	4,75,867	6,66,490
Motor Vehicle	4,27,763	6,97,867	-	11,25,630	1,51,786	2,78,691	-	4,30,477	6,95,153	2,75,977
Office Equipments										
Air conditioner	5,15,000	-	-	5,15,000	1,59,856	2,46,922	-	4,06,778	1,08,222	3,55,144
Stabilizer	1,41,960	-	-	1,41,960	44,064	65,300	-	1,09,364	32,596	97,896
Fire Extinguisher	17,500	-	-	17,500	4,530	3,960	-	8,490	9,010	12,970
Computers										
Computer	3,33,352	-	-	3,33,352	2,35,589	80,566	-	3,16,155	17,197	97,763
Electrical Installations and Equipments										
Electric Equipments	6,54,638	-	-	6,54,638	2,03,198	1,35,069	-	3,38,267	3,16,371	4,51,440
Electric Installation	1,28,700	-	-	1,28,700	39,948	26,555	-	66,503	62,197	88,752
Total of Tangible Assets	1,45,83,714	6,97,867	-	1,52,81,581	46,87,962	25,01,656	-	71,89,618	80,91,963	98,95,752
Intangible Assets										
Computer Software	34,500	-	-	34,500	6,900	17,961	-	24,861	9,639	27,600
Total of Tangible Assets	34,500	-	-	34,500	6,900	17,961	-	24,861	9,639	27,600
Total Assets-Tangible + Intangible	1,46,18,214	6,97,867	-	1,53,16,081	46,94,862	25,19,617	-	72,14,479	81,01,602	99,23,352
Previous year										
Tangible Assets	1,45,83,714	-	-	1,45,83,714	29,77,201	17,10,761	-	46,87,962	98,95,752	
Intangible Assets	-	34,500	-	34,500	-	6,900	-	6,900	27,600	
Total	1,45,83,714	34,500	-	1,46,18,214	29,77,201	17,17,661	-	46,94,862	99,23,352	-

	Figures as at the end of 31st March 2015		Figures as at the end of 31st March 2014	
Note - 10				
Non Current Investments				
Name of Companies	No. of Shares	`	No. of Shares	`
Unquoted Equity Shares				
Anurodh Infrastructure Pvt. Ltd.	17,47,685	1,74,76,850	-	-
Ayafiz Fashion Pvt. Ltd.	-	-	20,000	20,00,000
Blue Chip Projects Pvt. Ltd.	99000	19,80,000	99,000	19,80,000
Cyrus Infocomm Pvt. Ltd.	15,000	30,00,000	15,000	30,00,000
Domsons Metal Pvt. Ltd.	-	-	50,000	7,50,00,000
Expressware Housing Ltd.	25,000	25,00,000	-	-
Faithful Cloth Merchants Pvt. Ltd.	-	-	4,14,000	41,40,000
Fastner Machinery Dealers Pvt. Ltd.	44,800	2,24,00,000	-	-
Fizaan Commotrade Pvt. Ltd.	-	-	17,500	14,00,000
Glorious Vincom Pvt. Ltd.	79,250	7,92,500	79,250	7,92,500
Gopal Resorts Ltd.	-	-	3,00,000	30,00,000
High Growth Vincom Pvt. Ltd.	-	-	13,000	1,30,000
Jagriti Commodities Pvt. Ltd.	-	-	2,06,000	20,60,000
Jaguar Infra Developers Pvt. Ltd.	60,500	3,02,50,000	-	-
K.S. Consultancy Services Pvt. Ltd.(Face Value-Rs.100/-)	1,050	1,05,000	15,750	15,75,000
Linkup Financial Consultants Pvt. Ltd.	3,219	11,26,500	3,219	11,26,500
Meritech Tradelink Pvt. Ltd.	-	-	63,684	1,20,99,960
Mohit Projects Pvt. Ltd.	-	-	10,000	20,00,000
Multifold Plastic Marketing Pvt. Ltd.	-	-	9,000	90,000
Nethira Hotels Pvt. Ltd.	-	-	63,000	47,25,000
Pearl Vyapaar Pvt. Ltd.	4,59,800	45,98,000	4,00,000	40,00,000
Pears Mercantile Pvt. Ltd.	-	-	45,950	45,95,000
Polpit Financial Consultants Pvt. Ltd.	-	-	50,000	50,00,000
Premier Power Products Pvt. Ltd.(Face Value Rs.100/-)	-	-	20,000	50,00,000
Ritman Commercial Pvt. Ltd.	-	-	10,000	20,00,000
Ritman Concrete Pvt. Ltd.	-	-	22,222	19,99,980
Shreyans Embroidery Machine Pvt. Ltd.	3,74,800	37,48,000	3,74,500	37,45,000
Sidhi Mangal Nirman Pvt. Ltd.	-	-	1,00,000	10,00,000
Srinath Agro Products Pvt. Ltd.	1,70,000	42,50,000	-	-
Suanvi Trading & Investment Co. Pvt. Ltd.	-	-	21,000	1,05,00,000
Supreme India Impex Ltd.	-	-	80,000	1,00,00,000
Victoria Cloth Merchants Pvt. Ltd.	5,000	8,75,000	5,000	8,75,000
Wonderland Paper Suppliers Pvt. Ltd.	-	-	4,14,500	41,45,000
Zonal Commercial Pvt. Ltd.	4,22,800	81,48,000	8,000	40,00,000
Grand Total		10,12,49,850		17,19,78,940

*Face Value is Rs.10/- each or otherwise specified.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2015
(PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT)

PARTICULARS	Figures as at 31st March 2015 Consolidated	Figures as at 31st March 2014 Consolidated
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary item	-3,70,28,445	7,24,408
<u>Adjustment for</u> Depreciation	25,19,617	18,05,901
Operating Profit before working capital change	-3,45,08,828	25,30,309
<u>Change in working capital</u> <u>Adjustment for (increase)/decrease in operating assets</u>		
Inventories	-14,31,30,052	5,35,215
Trade Receivables	-2,47,94,478	2,21,70,232
Short Term Loans & Advances	13,12,64,714	-13,87,82,123
Other Current Assets	-10,21,803	26,62,360
	-3,76,81,619	-11,34,14,316
<u>Adjustment for increase/(decrease) in operating liabilities</u>		
Trade Payable	36,71,051	-15,50,27,658
Other Current Liabilities	1,21,005	84,589
Short Term Borrowings	5,32,004	-3,746
Short Term Provisions		-12,30,847
	43,24,060	-15,61,77,662
Cash Generated from Operations		-2,51,440
Income Tax		
Net Cash from Operating Activities	-6,78,66,387	-26,73,13,109
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Fixed Assets	-6,97,867	16,83,161
(Purchase)/Sale of Investments	7,07,29,090	26,95,66,740
Net Cash Flow from Investing Activities	7,00,31,223	27,12,49,901
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-13,54,932	-19,98,360
Net Cash Flow from Financing Activities	-13,54,932	-19,98,360
Net Increase/(decrease) in cash and cash equivalents	8,09,904	19,38,432
Opening Cash & Bank Balance	87,19,476	67,81,044
Closing Cash & Bank Balance	95,29,380	87,19,476

For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

For Quest Financial Services Ltd.

For Quest Financial Services Ltd.

Arun Jain
 Proprietor
 Membership No.053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2015

Prakash Kumar Jajodia
 Whole-Time Director
 DIN-00633920

Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

Tanumay Laha
 CFO

Statement of Net Assets and Profit or Loss

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Assets	Amount
1	2	3	4	5
Parent Company				
Quest Financial Services Limited	103.07	38,32,87,045	99.93	(3,70,02,023)
Indian Subsidiaries				
QFS Paper Limited	-0.99	(36,76,903)	0.02	(6,718)
QFS Gem & Jewelleries Limited	-0.09	(3,21,403)	0.02	(6,718)
QFS Properties Limited	-0.88	(32,76,903)	0.01	(6,268)
QFS Textiles Limited	-1.11	(41,27,028)	0.02	(6,718)
Foreign Subsidiaries	Nil	Nil	Nil	Nil
Minority Interests in all subsidiaries	Nil	Nil	Nil	Nil
Associates	Nil	Nil	Nil	Nil
Joint Ventures				
Total	100.00	371884808	100.00	-37028445