

38th Annual Report

&

Accounts

2017-2018

QUEST FINANCIAL SERVICES LIMITED

Quest Financial Services Limited
Corporate Identity No.: L65993WB1980PLC033060

Board of Directors:

Mr. Prakash Kumar Jajodia	Managing Director
Mr. Kishan Kumar Jajodia	Non-Executive-Non Independent
Mr. Amit Jajodia	Non-Executive-Non Independent
Mr. Rabindra Kumar Hisaria	Non-Executive-Non Independent
Mr. Bijay Kumar Agarwal	Non-Executive-Independent-Chairperson
Mrs. Jyoti Lohia	Non-Executive-Independent

Audit Committee:

Mr. Bijay Kumar Agarwal	Non-Executive-Independent-Chairperson
Mrs. Jyoti Lohia	Non-Executive-Independent
Mr. Rabindra Kumar Hisaria	Non-Executive-Non Independent

Nomination And Remuneration Committee:

Mrs. Jyoti Lohia	Non-Executive-Independent-Chairperson
Mr. Amit Jajodia	Non-Executive-Non Independent
Mr. Bijay Kumar Agarwal	Non-Executive-Independent

Stakeholder's Relationship Committee:

Mr. Bijay Kumar Agarwal	Non-Executive-Independent-Chairperson
Mrs. Jyoti Lohia	Non-Executive-Independent
Mr. Prakash Kumar Jajodia	Managing Director
Mr. Amit Jajodia	Non-Executive-Non Independent

Chief Financial Officer:

Mr. Rabindra Kumar Hisaria

Registered Office:

"Centre Point", 21, Hemanta Basu Sarani
2nd Floor, Room No. 230, 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.
71, B.R.B. Basu Road
D-511, Bagree Market,
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

QUEST FINANCIAL SERVICES LTD.

“Centre Point”, 21, Hemanta Basu Sarani, Room No.- 230, 2nd Floor, Kolkata-700 001
Phone No. +919831526324, E-Mail ID - investorsquestfinancial@yahoo.co.in,
Website-www.questfinancial.in, CIN-L65993WB1980PLC033060

DIRECTORS' REPORT

Dear Members,

The Directors of the Company have pleasure in presenting the 38th Annual Report of the Company together with Audited Accounts for the year ended March 31, 2018.

1. Financial Summary or Highlights

The highlights of the financial performance of the Company for the financial year ended March 31, 2018 as compared to the previous financial year are as under:-

(Rs. in lacs)

Particulars	Standalone		Consolidated
	2017-18	2016-17	2017-18
Total Revenue	52.85	93.64	53.06
(Less):Total Expenditure	(2,444.42)	(101.82)	(2463.70)
Profit/(Loss) before Exceptional & Extraordinary Items	(2,391.57)	(8.18)	(2410.64)
Add/(Less): Exceptional Items	-	-	-
Add/(Less): Extraordinary Items (Loss on Sale of Fixed Assets)	-	-	-
Profit/(Loss) Before Tax	(2,391.57)	(8.18)	(2410.64)
(Less): Provision for Current Tax	-	-	-
(Less):Contingent provision for Standard Assets	-	-	-
Net Profit/(Loss) after Tax	(2,391.57)	(8.18)	(2410.64)
(Less): Transfer to Statutory Reserve	-	-	-
Add/(Less): Share of Subsidiaries attributable to Minority Interest	-	-	(9.34)
Add/(Less): Brought forward from previous year	(379.62)	(371.44)	(379.62)
Balance carried to Balance Sheet	(2,771.19)	(379.62)	(2780.92)

2. Financial Performance

Performance

(a) Annual Standalone Financial Results

The total income of the Company during the Financial Year 2017-18 was ` 52,85,319/- as compared to ` 93,63,505/- for the previous financial year. The Loss before tax stood at ` 23,91,57,337/- as compared to ` 8,18,282/- in the previous financial year.

(b) Annual Consolidated Financial Results

In accordance with Section 129(3) of the Companies Act, 2013 (hereinafter referred to as “the Act”) and Rules made thereunder, the Consolidated Financial Statement is presented in the Annual Report 2017-18. 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-I**. 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, Managing Director at "Centre Point", 21, Hemanta Basu Sarani, Room No. 230, 2nd Floor, Kolkata - 700 001, E-Mail ID: investorsquestfinancial@yahoo.co.in and the same shall be furnished on request.

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

(c) Performance of financial position of the subsidiaries and associates companies during the year

The total income of the Company during the Financial Year 2017-18 on a consolidated basis is ` 53,06,319/-. The previous year figure has not been provided, as the businesses of the subsidiaries had not been commenced. The total expenses for the year under review is ` 24,63,70,446/-. .

(d) Names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year

As on March 31, 2018, the Company had 20 subsidiaries and no joint ventures and associate Companies.

The details of the same has been provided in Form AOC-1, which is appended to the Directors' Report in **Annexure-I**.

Further, In terms of Rule 8(5)(iv) of the Companies (Accounts) Rules 2014, the disclosure on subsidiaries companies is made hereunder:

➤ **The names of companies which have become its subsidiaries during the period under review**

None of the Companies have become Subsidiaries during the period under review.

➤ **The names of companies which have ceased to be its subsidiaries during the period under review**

None of the Company have ceased to be its subsidiary during the period under review.

A. Dividend

During the year under review, the Company has incurred losses and also due to accumulated losses, the Board of Directors request for their inability to declare dividend.

3. The amount proposed to be carried to reserves

During the year, considering the operating performance of the Company, it has not transferred any amount in any reserves.

4. 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 Rs. 1,23,34,00,000/- divided into 12,33,40,000 Equity Shares of Rs. 10 each. The Paid-up Share Capital of the Company is Rs. 1,23,31,65,000/- divided into 12,33,16,500 Equity Shares of Rs. 10/- each.

5. Listing

The equity shares of the Company are listed on the Calcutta Stock Exchange Limited and BSE Limited. The shares of the Company got listed and admitted to dealings on the BSE Ltd. w.e.f. July 07, 2016.

The securities of the Company was placed in Stage VI under the Graded Surveillance Measure (GSM) stage vide BSE Ltd. notice no. 20170807-31 dated 7th August, 2017 w.e.f. 8th August, 2017. Further, vide its notice no. 20171012-1 dated 12th October, 2017, the securities of the Company moved out of the GSM framework w.e.f. 12th October, 2017 and was available for trading.

6. Corporate Governance Report

The Company has been complying with all the requirements of the code of Corporate Governance, as specified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”).

A separate report on Corporate Governance is furnished as a part of the Directors’ Report and the certificate from a Practicing Chartered Accountant regarding compliance of condition of Corporate Governance is annexed to the said Report.

7. Extract of the Annual Return

The Extract of the Annual Return as on the financial year ended on March 31, 2018, in Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 (hereinafter referred to as the “Act”) and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended to the Directors’ Report in **Annexure-II**.

8. 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: 29/04/2017, 30/05/2017, 14/08/2017, 10/11/2017, 10/02/2018 and 27/03/2018.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Listing Regulations was held on 27/03/2018.

The Meetings were held in accordance with the provisions of the Act, the Listing Regulations and Secretarial Standards – I issued by the ICSI.

The details of the Meetings of the Board of Directors during the Financial Year 2017-18 is encompassed in the Corporate Governance Report which is annexed to the said Report.

9. Disclosure pursuant to Section 177(8) of the Companies Act, 2013-Composition of the Audit Committee

The Audit Committee of the Company comprises of two (2) Non-Executive Independent Directors and one (1) Non-Executive non Independent Director as on March 31, 2018. The Committee is chaired by a Non-Executive Independent Director, Mr. Bijay Kumar Agarwal (DIN- 00634259).

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 Regulations and Secretarial Standards – I issued by the ICSI.

Further, the Board of Directors has accepted all the recommendations of the Audit Committee in the Financial Year 2017-18.

10. Composition of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of two (2) Non-Executive Independent Directors and one (1) Non-Executive Non Independent Director as on March 31, 2018.

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

11. Composition of the Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists of Two (2) Non-Executive Independent Director, one (1) Executive Non Independent Managing Director and one (1) Non-Executive Non Independent Director.

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

12. Directors’ Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) read with section 134(5) of the Act, the Directors hereby confirm and state that:

- 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 March 31, 2018 and of the loss 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.

13. Declaration by the Independent Directors

Section 149(7) of the Act requires that every Independent Director to give a declaration that he/she meets the criteria of Independence, at the first Board Meeting of every financial year.

Accordingly, the Company has taken on record, the Statement of Declaration of Independence, as submitted by all the Independent Directors.

14. Policy on Directors' Appointment & Remuneration

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and Listing Regulations, 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 Nomination and Remuneration Policy is available on the website of the Company at <http://www.questfinancial.in/nomination-&-remuneration-Policy.html>.

15. Auditors & Auditors' Report

A. Statutory Auditors

The appointment of M/s. Arun Jain & Associates (Firm Registration No. 325867E), Chartered Accountants of 2B, Grant Lane, 2nd Floor, Room No. 74, Kolkata – 700 012, is subject to ratification by the members at the ensuing Annual General Meeting. With the commencement of section 40 of the Companies (Amendment) Act, 2017 read with the Companies (Audit and Auditors) second Amendment Rules, 2018 both effective from 7th May, 2018, the requirement of ratification of the appointment of the Auditor at the AGM has been omitted.

In this connection, M/s. Arun Jain & Associates have furnished a Certificate of Eligibility pursuant to Section 141 of the Act read with the Rules framed thereunder.

B. Independent Auditors' Report

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

C. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder, Mr. Abbas Vithorawala (C.P. No. 8827, Membership No. 23671), Company Secretary in whole-time Practice, was appointed for the issuance of the Secretarial Audit Report for the Financial Year ended March 31, 2018.

D. Secretarial Audit Report

The Secretarial Audit Report is appended to the Directors' Report in **Annexure-III**. The Report of the Secretarial Audit Report does not contain any adverse remark except the following:-

Company has not appointed Company Secretary as per the provision of section 203 of the Companies Act, 2013

Company's Shares were suspended from 07.08.2017 to 11.10.2017 from trading as per Notice No. SEBI/HO/ISD/OW/P/2017/18183 dated August 7, 2017 under GSM frame work.

Further, the BSE Ltd. Vide its letter no. L/SURV/OFL/KM/SHELL/COMP/539962/2017-18/1 dated 12th January, 2018 has appointed Chartered Accountant Firm to carry out the forensic audit of the Company.

Board of Directors' Comment:-

1. The Company had advertised in the newspaper to appoint a Company Secretary but have not received any positive response for the same.
2. The Company has made requisite representations to the exchange under the Graded Surveillance Measures (GSM) and appealed before the Securities Appellate Tribunal for revocation of Suspension.
3. The Chartered Account firm appointed by the BSE Ltd. carried out the forensic audit.

16. Particulars of Loans, guarantees or investments under section 186

The provisions of section 186 of the Act 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.

17. 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.

Further, during the year, the Company had not entered into any contract/ arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

18. State of Company Affairs & Future Outlook

The total standalone income of the Company during the Financial Year 2017-18 was Rs. 52,85,319 /- as compared to Rs. 9,363,505/- for the previous financial year. The total standalone expenses increased to Rs. 24,44,42,656/- in the reporting year as compared to Rs. 1,01,81,787/- in the previous year.

19. Material Changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the company to which the financial statements relate 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.

20. Disclosure in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding 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.

Further, during the year there was no Foreign Exchange Earnings and Outgo.

Therefore, the Company is not required to make any disclosure as specified in Section 134 (3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

21. Risk Management Policy

In terms of compliance with Section 134(3)(n) of the Act, the Company has a Risk Management Policy which provides for the identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company.

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 robust and satisfactory.

Further, in terms of Regulation 17(9)(b) of Listing Regulations, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company, and has have delegated the power of monitoring and reviewing of the risk management plan to the Risk Management Committee.

The Risk Management Committee is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. This is described morefully in the Corporate Governance Report.

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 evaluation by the Board of its own performance and that of its committees and individual directors

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 Regulations and the disclosure regarding the manner of formal annual evaluation by the Board of its own performance and that of its various committees and individual directors is provided hereto:

A. Evaluation Criteria

Pursuant to Part D of Schedule II of the Listing Regulations, the Nomination and Remuneration Committee has formulated the criteria for evaluation of the performance of the Independent Directors and the Board. The Nomination and 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 there under and Part D of Schedule II of the Listing Regulations.

The Board shall monitor & review the Board Evaluation Framework and evaluate the performance of all the Board Committees.

Further, the Nomination and 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 morefully described in the Corporate Governance Report.

Further, the Nomination and Remuneration Committee has also devised a Policy on Board Diversity in accordance with Regulation 19(4) of the Listing Regulations.

B. Performance Evaluation of the individual directors

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.

C. Board of Directors

A separate meeting of the Independent Directors of the Company was held on 27/03/2018, pursuant to Clause VII of Schedule IV to the Act and Regulation 25 of the Listing Regulations, for transacting the following businesses as setforth in the Agenda:

1. Review the performance of the non-independent directors and the Board as a whole.
2. Review the performance of the Chairman of the Company, taking into account the views of the executive directors and non-executive directors.
3. Assessment of 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.

The same was perused in accordance with the Evaluation criteria determined by the Nomination and Remuneration Committee.

The Independent Directors of the Company in fulfilling their role and functions as specified in Clause II of Schedule IV to the Act, help in bringing an objective view in the evaluation of the performance of the Board and management.

The Independent Directors expressed satisfaction over the performance of all the non-independent Directors and the Chairman.

D. Performance Evaluation of the Independent Directors

Pursuant to Clause VIII of Schedule IV to the Act and Regulation 19 of the Listing Regulations, read with Part D of Schedule II thereto the performance evaluation of the Independent Directors is perused 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 being considered.

E. Performance Evaluation of the Committee

The Board of Directors evaluates the performance of all the Board Committees, based on the Company's Performance Evaluation Policy.

24. Nomination and Remuneration Policy

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have adopted a Nomination and Remuneration Policy in terms of Section 178 of the Act, read with Rules made thereunder and read with Part – D of Schedule II of the Listing Obligations, as amended from time to time.

The Nomination and Remuneration Policy is available on the website of the Company at <http://www.questfinancial.in/nomination-&-remuneration-Policy.html>.

25. Change in the nature business

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

26. Directors & Key Managerial Personnel

A. Non-Executive & Executive Directors - Non-independent

Mr. Prakash Kumar Jajodia (DIN- 00633920), being Managing Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as the Managing Director of the Company.

B. Independent Directors

Mr. Bijay Kumar Agarwal (DIN - 00634259) was appointed as a non-retiring Independent Director of the Company for a term of five consecutive years commencing from the conclusion of 34th Annual General Meeting of the Company. Further, Mrs. Jyoti Lohia (DIN-07113757) was appointed as a non-retiring Independent Director of the Company to hold office for a period of five consecutive years from the conclusion of the 35th AGM till the conclusion of 40th Annual General Meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

C. Chief Financial Officer

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

D. Company Secretary

The Company has not appointed Company Secretary.

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

The Company has neither accepted any deposits during the financial year under review, nor has any outstanding deposits as on March 31, 2018.

28. 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

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

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

The Audit Committee of the Company 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.

In this connection, the Audit Committee in coordination with the Internal Audit Department periodically reviews the following:

- a. Transactions are executed in accordance with the management's general or specific authorization;
- b. All transactions are promptly recorded in the correct amount in the appropriate accounts and in the accounting period in which they are executed so as to permit preparation of financial information within a framework of recognized accounting policies and practices and relevant statutory requirements, if any,
- c. Accountability of assets is adequately maintained and assets are safeguarded from unauthorized access , use or disposition

There is a proper allocation of functional responsibilities within the Company and it is ensured that the quality of personnel commensurate with their responsibilities and duties. Further, proper accounting and operating procedures are followed to confirm the accuracy and reliability of accounting data, efficiency in

operation and safety of the assets. The regular review of work of one individual by another minimizes the possibility of fraud or error in the absence of collusion.

30. 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 of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The disclosure pursuant to Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided herein below:

In computing the various parameters, Gross Salary has been considered. Gross Salary of the employees primarily encompasses Salary, allowances and perquisites.

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 - Managing Director	0.16
Mr. Bijay Kumar Agarwal -Non-Executive Independent Director	- No remuneration or sitting fees was paid
Mr. Rabindra Kumar Hisaria -Non Executive Non-Independent Director	- No remuneration or sitting fees was paid
Mr. Kishan Kumar Jajodia - Non Executive Non-Independent Promoter 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 Independent Director	- No remuneration or sitting fees was paid

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 - Managing 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 Executive Non-Independent Director & CFO	- No remuneration or sitting fees was paid
Mr. Kishan Kumar Jajodia -Non Executive Non-Independent Promoter 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 Independent Director	- No remuneration or sitting fees was paid

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

There has been no increase in the median remuneration of the employees in the Financial Year.

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

As on March 31, 2018, there are 2 Employees on the rolls of the Company.

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

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

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

Comparitive Parameter	Amount (in Rs.)
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2017-18.	3,60,000
Total Revenue	52,85,319
Remuneration of KMP's as a percentage of Total Revenue	6.81%
Profit/(Loss) before tax	(23,91,57,337)
Remuneration of KMP's as a percentage of Profit/Loss before Tax	(0.15%)
Loss after tax	(23,91,57,337)
Remuneration of KMP's as a percentage of Profit/Loss after Tax	(0.15%)

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	March 31, 2018	March 31, 2017	% Change
Market Capitalisation	Rs. 2,58,96,465 - BSE (Equity Shares are traded in BSE Platform from September, 2016. Thus Market Capital is calculated on the basis of the last traded price.) Rs. 10,48,80,68,325-CSE (Equity Shares has not been traded in CSE Platform. Thus Market Cap. is calculated on the basis of the last traded price.)	Rs. 26,38,97,310 - BSE (Equity Shares are traded in BSE Platform from September, 2016. Thus Market Capital is calculated on the basis of the last traded price.) Rs.10,48,80,68,325-(Equity Shares has not been traded in CSE Platform. Thus Market Cap. is calculated on the basis of the last traded price.)	(90.19) -
Price Earnings Ratio	(0.11) - BSE (Equity Shares are traded in BSE Platform from September, 2016. Thus Price Earning Ratio is calculated on the basis of the last traded price.) (43.84)-CSE (Equity Shares has not been traded in CSE Platform. Thus Price Earning Ratio is calculated on the basis of the last traded price.)	(214) - BSE (Equity Shares are traded in BSE Platform from September, 2016. Thus Price Earning Ratio is calculated on the basis of the last traded price.) (8505)-CSE (Equity Shares has not been traded in CSE Platform. Thus Price Earning Ratio is calculated on the basis of the last traded price.)	(99.95%)

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	March 31, 2018	IPO	% Change
-------------	----------------	-----	----------

Market Price	0.21	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.	N.A.
--------------	------	--	------

VIII. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year.

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.

(in Rs.)

Comparative Parameter	Prakash Kumar Jajodia -Managing Director
Remuneration of the Key Managerial Personnel (KMP) in the Financial Year 2017-18.	3,60,000
Total Revenue	52,85,319
Remuneration of KMP's as a percentage of Total Revenue	6.81
Profit / (Loss)before tax	(23,91,57,337)
Remuneration of KMP's as a percentage of Profit before Tax	(0.15)
Profit /(Loss)after tax	(23,91,57,337)
Remuneration of KMP's as a percentage of Profit after Tax	(0.15)

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

The Variable Components of Remuneration broadly comprises of - Performance based promotion and bonus.

The same shall also depend upon various factors including: their grade, industry bench mark, overall business performance.

Further, 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.

Any annual increase in the remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel shall be at the sole discretion of the Board, based on the recommendation of the Nomination and Remuneration Committee and subject to such statutory approvals, if any.

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 affirms that the remuneration paid to all directors, Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

31. Vigil Mechanism/Whistle Blower Policy

The Vigil Mechanism/Whistle Blower Policy of the Company is aimed to provide a vigilance mechanism for the directors and employees of the Company to raise concern of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The purpose of this Policy is to encourage the Company's directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

No personnel have been denied access to the Audit Committee. There were no instances of reporting under the Whistle Blower Policy.

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.

32. Insider Trading

The Company has put in place following Codes pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015:

- a. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- b. Code of Conduct to Regulate, Monitor and Report Trading.

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

33. Transfer of amount to Investor Education and Protection Fund (IEPF)

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 erstwhile Companies Act, 1956.

34. 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, provisioning and all other requirements applicable for Non-Deposit Taking Non-Systematically Important NBFCs.

35. 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 addresses with M/s. Niche Technologies Private Ltd., 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). For members who have not registered their email address, physical copies of the Annual Report and Notice of the Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send their request to Mr. Prakash Kumar Jajodia, Managing Director cum Compliance Officer of the Company.

The Company is providing remote e-voting facility to all the members to enable them to cast their votes electronically on all the resolutions set forth in the Notice pursuant to Section 108 of the Act read with Rule 20 of the Company's (Management and Administration) Rules 2014 and the applicable provision(s) of the Listing Regulations.

36. 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 is committed to the protection of women against sexual harassment. The rights to work with dignity are universally recognised human rights by international conventions and instruments such as Convention on the Elimination of all Forms of Discrimination against Women.

In adherence to the provisions of 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 constituted an Internal Complaints Committee to look into the matters relating to sexual harassment at workplace.

Mrs. Jyoti Lohia (DIN- 07113757), non-executive independent Director, is the Presiding Officer of the Committee.

In the event of any sexual harassment at workplace, any woman employee of the Company may lodge complaint to Ms. Jyoti Lohia (DIN- 07113757) in writing or electronically through e-mail at: investorsquestfinancial@yahoo.co.in

During the period under review, no complaints were received by the Company in terms of the aforesaid act.

37. Mandatory update of PAN and Bank details against shareholding and transfer of shares compulsorily in Demat mode w.e.f. December 5, 2018

SEBI has issued circular SEBI/HO/MIRSD/DOP1/CIR/ P/2018/73 dated 20th April, 2018, whereby, shareholders whose ledger folios do not have details or have incomplete details with respect to PAN and Bank Account particulars are mandatorily required to furnish these details to the Issuer Company/Registrar and Share Transfer Agent (RTA) for registration in the folio. Further, as per amended Regulation 40(1) of the Listing Regulations, amended vide SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, effective from December 5, 2018; securities of the listed companies can be transferred (except in case of transmission or transposition) only in the dematerialized form. All shareholders holding shares in physical form have been duly notified of the same by Postal mode of communication and have been provided with the requisite form for furnishing PAN and Bank details.

38. Management's Discussion and Analysis

In accordance with the listing requirement, the Management's Discussion and Analysis forms part of this Report.

39. Acknowledgement

The Directors of the Company wish to place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Financial Institutions, Banks and stakeholders, including, but not limited to, shareholders, customers and suppliers, among others. We place on record, our appreciation of the contribution made by our employees at all levels.

The Directors look forward to the continued support of all the stakeholders in the future and appreciate and value the contribution made by every member of the Company.

Place : Kolkata
Dated : 10.08.2018

On Behalf of the Board of Directors

Bijay Kumar Agarwal
Chairman
DIN-00634259

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 presented with amounts in Rs.)

Sl. No.	Name of the Subsidiary	Share Capital (Rs.)	Reserves & Surplus (Rs.)	Total Assets (Rs.)	Total Liabilities (Rs.)	Investments (Rs.)	Turnover (Rs.)	Profit before taxation (Rs.)	Provision for taxation (Rs.)	Profit after taxation (Rs.)	Proposed Dividend (Rs.)	% of shareholding
1	Zamira Agriculture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
2	Zamira Builders Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
3	Zamira Floriculture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
4	Zamira Highrise Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
5	Zamira Horticulture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000							
6	Zamira Moonview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
7	Zamira Projects Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
8	Zamira Riverview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
9	Zamira Seaview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
10	Zamira Sunshine Ltd.	1,00,000	(6,790)	2,03,960	2,03,960	1,05,000	21,000	(6,790)	-	(6,790)	Nil	51%
11	Belisma Agriculture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
12	Belisma Construction Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
13	Belisma Floriculture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
14	Belisma Highrise Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
15	Belisma Horticulture Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
16	Belisma Moonview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
17	Belisma Projects Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
18	Belisma Riverview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
19	Belisma Seaview Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%
20	Belisma Sunshine Ltd.	1,00,000	(1,00,000)	1,00,000	1,00,000	-	-	(100,000)	-	(100,000)	Nil	51%

Notes:

1. Name of Subsidiaries which are yet to commence operations: Nil
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	

Annexure-II to the Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[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	Company Limited By Shares/Non-Government Company
v.	Address of the Registered office and contact details	Centre Point, 21, Hemanta Basu Sarani, 2 nd Floor, Room No. 230, Kolkata – 700 001
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Pvt. Ltd. 71, B. R. B. Basu Road, D-511, Bagree Market, 5 th Floor, Kolkata – 700 001 Phone Nos. (033) 2235-7270/7271/2234-3576.

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	Trading in Shares	64990	65.25
2	Interest on Loan	64920	34.13

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.	Zamira Agriculture Ltd.	U01100WB2017PLC220139	Subsidiary	51%	2(87)(ii)
2.	Zamira Builders Ltd.	U70100WB2017PLC220116	Subsidiary	51%	2(87)(ii)
3.	Zamira Floriculture Ltd.	U01110WB2017PLC220117	Subsidiary	51%	2(87)(ii)
4.	Zamira Highrise Ltd.	U70109WB2017PLC220138	Subsidiary	51%	2(87)(ii)
5.	Zamira Horticulture Ltd.	U01100WB2017PLC220119	Subsidiary	51%	2(87)(ii)
6.	Zamira Moonview Ltd.	U70109WB2017PLC220122	Subsidiary	51%	2(87)(ii)
7.	Zamira Projects Ltd.	U70103WB2017PLC220143	Subsidiary	51%	2(87)(ii)
8.	Zamira Riverview Ltd.	U70109WB2017PLC220155	Subsidiary	51%	2(87)(ii)
9.	Zamira Seaview Ltd.	U70100WB2017PLC220123	Subsidiary	51%	2(87)(ii)
10.	Zamira Sunshine Ltd.	U70109WB2017PLC220124	Subsidiary	51%	2(87)(ii)
11.	Belisma Agriculture Ltd.	U01100WB2017PLC220205	Subsidiary	51%	2(87)(ii)
12.	Belisma Construction Ltd.	U70103WB2017PLC220207	Subsidiary	51%	2(87)(ii)
13.	Belisma Floriculture Ltd.	U01100WB2017PLC220209	Subsidiary	51%	2(87)(ii)
14.	Belisma Highrise Ltd.	U70200WB2017PLC220227	Subsidiary	51%	2(87)(ii)
15.	Belisma Horticulture Ltd.	U01110WB2017PLC220208	Subsidiary	51%	2(87)(ii)
16.	Belisma Moonview Ltd.	U70109WB2017PLC220210	Subsidiary	51%	2(87)(ii)
17.	Belisma Projects Ltd.	U70109WB2017PLC220230	Subsidiary	51%	2(87)(ii)
18.	Belisma Riverview Ltd.	U70109WB2017PLC220206	Subsidiary	51%	2(87)(ii)
19.	Belisma Seaview Ltd.	U70200WB2017PLC220231	Subsidiary	51%	2(87)(ii)
20.	Belisma Sunshine Ltd.	U70103WB2017PLC220320	Subsidiary	51%	2(87)(ii)

g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	24419143	4647000	29066143	23.57	21879196	4647000	26526196	21.51	(2.06)
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	25526723	1232000	26758723	21.70	26826501	979105	27805606	22.54	0.84
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	50981017	9459500	60440517	49.01	54422339	9701500	64123839	52.00	2.99
c) Others(Specify)									
1) NRI									
2) Clearing Member	104049 4469568	- -	104049 4469568	0.08 3.62	109749 2266110	- -	109749 2266110	0.09 1.84	0.01 (1.78)
3) Trusts	-	-	-	-	7500	-	7500	0.00	0.01
Sub-total(B)(2)	105500500	15338500	120839000	97.99	105511395	15327605	120839000	97.99	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	105500500	15338500	120839000	97.99	105511395	15327605	120839000	97.99	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	107978000	15338500	123316500	100.00	107988895	15327605	123316500	100.00	-

ii.Shareholding of Promoters

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

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
1.	Virtuous Holdings Pvt. Ltd.	At the beginning of the year	90000	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):	-	-	-	-
		At the End of the year			90000	0.07
2.	Anita Jajodia	At the beginning of the year	575000	0.47		
		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):				
		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):	-	-	-	-
		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):	-	-	-	-
		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):	-	-	-	-
		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		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
		For Each of the Top 10 Shareholders				
1.	Arun Gupta	At the beginning of the year	2019500	1.64		
		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)			2019500	1.64
2.	Concord Vinimay Pvt. Ltd.	At the beginning of the year	1128384	0.91		
		Increase in shares on 31/03/2018 (Purchase of shares in Open Market)	174090	0.14	1302474	1.05
		At the End of the year (or on the date of separation, if separated during the year)			1302474	1.05
3.	Dinesh Kumar	At the beginning of the year	2200000	1.78		
		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)			2200000	1.78
4.	Divine Water Pvt. Ltd.	At the beginning of the year	3061299	2.48		
		Decrease in shares on 07/04/2017 (Sale of shares in Open Market)	(98126)	0.08	2963173	2.40

		Decrease in shares on 14/04/2017 (Sale of shares in Open Market)	(71839)	(0.06)	2891334	2.34
		Decrease in shares on 21/04/2017 (Sale of shares in Open Market)	(99907)	(0.08)	2791427	2.26
		Decrease in shares on 28/04/2017 (Sale of shares in Open Market)	(71719)	(0.06)	2719708	2.20
		Decrease in shares on 05/05/2017 (Sale of shares in Open Market)	(82519)	(0.07)	2637189	2.13
		Decrease in shares on 12/05/2017 (Sale of shares in Open Market)	(67119)	(0.05)	2570070	2.08
		Decrease in shares on 19/05/2017 (Sale of shares in Open Market)	(34242)	(0.03)	2535828	2.05
		Decrease in shares on 26/05/2017 (Sale of shares in Open Market)	(40597)	(0.03)	2495231	2.02
		Decrease in shares on 02/06/2017 (Sale of shares in Open Market)	(26056)	(0.02)	2469175	2.00
		Decrease in shares on 09/06/2017 (Sale of shares in Open Market)	(14502)	(0.01)	2454673	1.99
		Decrease in shares on 21/07/2017 (Sale of shares in Open Market)	(124981)	(0.10)	2329692	1.89
		Decrease in shares on 28/07/2017 (Sale of shares in Open Market)	(20988)	(0.02)	2308704	1.87
		Decrease in shares on 04/08/2017 (Sale of shares in Open Market)	(37747)	(0.03)	2270957	1.84
		Decrease in shares on 11/08/2017 (Sale of shares in Open Market)	(11588)	(0.01)	2259369	1.83
		Decrease in shares on 22/12/2017	(53811)	(0.04)	2205558	1.79

		(Sale of shares in Open Market)				
		Decrease in shares on 29/12/2017 (Sale of shares in Open Market)	(198048)	(0.16)	2007510	1.63
		Decrease in shares on 05/01/2018 (Sale of shares in Open Market)	(589650)	(0.48)	1417860	1.15
		Decrease in shares on 12/01/2018 (Sale of shares in Open Market)	(407808)	(0.33)	1010052	0.82
		Decrease in shares on 19/01/2018 (Sale of shares in Open Market)	(227873)	(0.19)	782179	0.63
		Decrease in shares on 23/03/2018 (Sale of shares in Open Market)	(247197)	(0.20)	534982	0.43
		Decrease in shares on 31/03/2018 (Sale of shares in Open Market)	(80550)	(0.07)	454432	0.36
		At the End of the year (or on the date of separation, if separated during the year)			454432	0.36
5.	Innova Auto Distributors Pvt Ltd	At the beginning of the year	1648194	1.34		
		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)			1648194	1.34
6.	Keynote Painting Dealers Pvt. Ltd	At the beginning of the year	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)			4500000	3.65

7.	Maksud Khan	At the beginning of the year	1895968	1.54		
		Decrease in shares on 07/04/2017 (Sale of shares in Open Market)	(24654)	(0.02)	1871314	1.52
		Decrease in shares on 14/04/2017 (Sale of shares in Open Market)	(18104)	(0.01)	1853210	1.51
		Increase in shares on 21/04/2017 (Purchase of shares in Open Market)	241148	0.19	2094358	1.70
		Decrease in shares on 19/05/2017 (Sale of shares in Open Market)	(31332)	(0.03)	2063026	1.67
		Decrease in shares on 16/06/2017 (Sale of shares in Open Market)	(9554)	(0.01)	2053472	1.66
		Decrease in shares on 23/06/2017 (Sale of shares in Open Market)	(23459)	(0.02)	2030012	1.64
		Decrease in shares on 30/06/2017 (Sale of shares in Open Market)	(6110)	(0.01)	2023903	1.63
		Decrease in shares on 07/07/2017 (Sale of shares in Open Market)	(135021)	(0.11)	1888882	1.52
		Decrease in shares on 14/07/2017 (Sale of shares in Open Market)	(136638)	(0.11)	1752244	1.41
		Decrease in shares on 28/07/2017 (Sale of shares in Open Market)	(46552)	(0.04)	1705692	1.37
		Decrease in shares on 04/08/2017 (Sale of shares in Open Market)	(67588)	(0.05)	1638104	1.32
		Decrease in shares on 07/07/2017 (Sale of shares in Open Market)	(137440)	(0.11)	1500664	1.21
		Decrease in shares on 20/10/2017	(8552)	(0.01)	1492112	1.20

		(Sale of shares in Open Market)				
		Decrease in shares on 27/10/2017 (Sale of shares in Open Market)	(23403)	(0.02)	1468709	1.18
		Decrease in shares on 03/11/2017 (Sale of shares in Open Market)	(77982)	(0.06)	1390727	1.12
		Decrease in shares on 10/11/2017 (Sale of shares in Open Market)	(34935)	(0.03)	1355792	1.09
		Decrease in shares on 17/11/2017 (Sale of shares in Open Market)	(30270)	(0.02)	1325522	1.07
		Decrease in shares on 27/11/2017 (Sale of shares in Open Market)	(27975)	(0.02)	1297547	1.05
		Decrease in shares on 01/12/2017 (Sale of shares in Open Market)	(26181)	(0.02)	1271366	1.03
		Decrease in shares on 08/12/2017 (Sale of shares in Open Market)	(42230)	(0.03)	1229136	1.00
		Decrease in shares on 15/12/2017 (Sale of shares in Open Market)	(144695)	(0.12)	1084441	0.88
		Decrease in shares on 22/12/2017 (Sale of shares in Open Market)	(56035)	(0.04)	1028406	0.84
		Decrease in shares on 29/12/2017 (Sale of shares in Open Market)	(388683)	(0.31)	639723	0.53
		Decrease in shares on 05/01/2018 (Sale of shares in Open Market)	(206688)	(0.17)	433035	0.36
		Decrease in shares on 12/01/2018 (Sale of shares in Open Market)	(100000)	(0.08)	333035	0.28
		Decrease in shares on 23/03/2018 (Sale of shares in Open Market)	(81800)	(0.07)	251235	0.21

		At the End of the year (or on the date of separation, if separated during the year)			251235	0.20
8.	Mamtamayee Developers Pvt. Ltd.	At the beginning of the year	2093000	1.70		
		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)			2093000	1.70
9.	Sanklap Vincom Pvt. Ltd.	At the beginning of the year	1347855	1.09		
		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)			1347855	1.09
10.	Shreyans Embroidery Machine Pvt. Ltd.	At the beginning of the year	1255813	1.02		
		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)			1255813	1.02
11.	Spice Merchants Pvt. Ltd.	At the beginning of the year	2920636	2.37		
		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)			2920636	2.37
12.	Sunil Champalal Somani	At the beginning of the year	1000000	0.81		
		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)			1000000	0.81

v. Shareholding of Directors and Key Managerial Personnel

Sr. no	Name	For Each of the Directors and KMP	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)	At the beginning of the year	-	-		
		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			-	-
2.	Kishan Kumar Jajodia (Director)	At the beginning of the year	705000	0.57		
		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			705000	0.57
3.	Rabindra Kumar Hisaria (Director)	At the beginning of the year	-	-		
		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			-	-
4.	Amit Jajodia (Director)	At the beginning of the year	-	-		
		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			-	-
5.	Prakash Kumar Jajodia (Managing Director)	At the beginning of the year	598000	0.49		
		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			598000	0.49
6.	Jyoti Lohia (Director)	At the beginning of the year	-	-	-	-
		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			-	-

V. INDEBTEDNESS

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

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	40,80,667	-	-	40,80,667
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	40,80,667	-	-	40,80,667
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	(40,80,667)	-	-	(40,80,667)
Net Change	40,80,667	-	-	40,80,667
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Prakash Kumar Jajodia (Managing Director)	
1.	Gross salary (a) Salary as per provisions contained in section 17(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	3,60,000 - -	3,60,000 - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
6.	Total (A)	3,60,000	3,60,000
	Ceiling as per the Act		84,00,000

B. Remuneration to other directors:

(in Rs.)

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

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

(in Rs.)

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/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Director					
Penalty					
Punishment					
Compounding					
C. Other Officer in default					
Penalty					
Punishment					
Compounding					

Place : Kolkata
Dated : 10.08.2018

On Behalf of the Board of Directors

Bijay Kumar Agarwal
Chairman
DIN-00634259

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members
Quest Financial Services Ltd
Centre Point,
21, Hemanta Basu Sarani,
Room No. 230, 2nd floor
Kolkata-700001

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** (hereinafter referred as 'the Company'). 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 the Company's 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 2018 ('Audit Period') 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 the Company for the financial year ended on 31st March 2018, according to the provisions of:

- (i) The Companies Act, 2013, and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Reserve Bank of India Act, 1934;
- (v) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable to the Company during the Audit Period;**
- (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 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable to the Company during the Audit Period;**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 - **Not applicable to the Company during the Audit Period;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable to the Company during the Audit Period;**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the Audit Period;** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the Audit Period.**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015- **Applicable from December 1, 2015**

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

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

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.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except to the extent as mentioned herein below:*

Company has not appointed Company Secretary as per the provision of section 203 of the Companies Act, 2013

Company's Shares were suspended from 07.08.2017 to 11.10.2017 from trading as per Notice No. SEBI/HO/ISD/OW/P/2017/18183 dated August 7, 2017 under GSM frame work.

Further, the BSE Ltd. Vide its letter no. L/SURV/OFL/KM/SHELL/COMP/539962/2017-18/1 dated 12th January, 2018 has appointed Chartered Accountant Firm to carry out the forensic audit of the Company.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

Place: Kolkata

Date: August 10, 2018

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

‘ANNEXURE A’

To,
The Members
Quest Financial Services Ltd
Centre Point,
21, Hemanta Basu Sarani,
Room No. 230, 2nd floor
Kolkata-700001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata
Date: August 10, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure & Development

The Indian economy posted a growth of 6.6% in FY2017-18 compared to 7.1% in FY2016-17, as the first round of effects of demonetisation and the implementation of GST played out. The wheels of change continued to roll in the Country with the launch of the Goods and Services Tax (GST) and the Real Estate Development and Regulation Act(RERA). However, a host of other policies, implemented during and before FY 2017-18 – such as the Insolvency and Bankruptcy Code, allowing of FDI in various industries, fast-tracking of project clearances, various measures for financial inclusion, etc. - are expected to propel growth upwards, going forward.

The Non Banking Financial Companies (NBFCs) play a vital role in promoting inclusive growth since, it is an important alternative channel of finance for the commercial sector in India's bank dominated financial sector. Their role in promoting financial inclusion and catering to the needs of small businesses and specialised segments is an additional dimension of their relevance in the Indian context. They have been to some extent successful in filling the gap in offering credit to retail customers in underserved and unbanked areas. Presently, the importance of NBFCs has increased, in lieu of the mounting bad-debt problems and asset quality concerns being faced by the public sector banks.

2. Business Structure & Development

The core financial activities of the Company comprises of providing business loan to corporate and individuals. However, the Company has diversified its financial business portfolio to stay competitive.

The Company has been constantly focused on improving its revenue and maintaining a sustainable growth. The financial performance for the year ended 31st March, 2018 was satisfactory.

3. Opportunities, threats, risks and concerns

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same. Non-Banking Finance Companies (NBFCs) continue to play a critical role in making financial Services accessible to a wider set of India's population and are emerging as strong intermediaries in the retail finance space.

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. Ever-increasing competition from commercial counterparts whose capacity to absorb losses is higher, counter-party failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

Company has constituted a Risk Management Committee to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The committee has formulated a Risk Management policy to achieve their objective.

4. Future Outlook

The sound financial System is essential for country's overall economic growth. The overall performance of the Company for the financial year under review was better than performance of the previous corresponding year. The focus for the forthcoming financial year for the Company will be continued delivery in progressing mode and inculcate a high performance. NBFCs have proven their mettle in many other specialized financial services such as factoring, lease finance, venture capital finance, financing road transport and also in the business of securities-based lending such as Loan against Shares, Margin Funding, IPO Financing, Promoter Funding etc.

The Company will strengthen its position in current business and will try to grab new opportunities beneficial for the Company as well as try to overcome all the hindrances and challenges blocking the performance of the Company. The Company is trying to explore new areas which can be developed and marketed to leverage its performance and growth.

5. Internal Control Systems & their adequacy

Company's Internal Control System has been designed to provide for:

1. Accurate recording of transactions with internal checks and prompt reporting;
2. Adherence to applicable Accounting Standards and Policies;
3. Compliance with applicable statutes, policies and procedures, guidelines and authorisations;
4. Effective use of resources and safeguarding of assets.

The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

6. Review of Operational and Financial Performance

The Company concluded yet another year of substantial growth in its core business. The Company is showing substantial growth in disbursement of loan and is making all due efforts in achieving its business objectives in the most efficient manner even in the dynamic market conditions.

The total income of the Company during the Financial Year 2017-18 was Rs. 52.85 lakhs as compared to Rs. 93.64 lakhs for the previous financial year. The total expenses increased to Rs. 2,444.43 lakhs in the reporting year as compared to Rs. 101.82 lakhs in the previous year.

7. Segment – wise or product wise performance

During the year under review, the Company earned Interest on loan approximately amounting to Rs. 18.04 lakhs as compared to Rs. 49.74 lakhs in the previous year. Whereas, the approximate revenue earned from trading of shares was Rs.34.49 lakhs as compared to Rs. 6.21 lakhs towards trading in shares and Rs. 37.03 lakhs towards trading in sarees the previous year.

8. Human Resources

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit.

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. There were 2 number of employees on roll at the end of the financial year under review.

9. Cautionary Statement

The Directors placed on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leaders.

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Actual results could differ materially from those 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.

The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE

2ND FLOOR, ROOM NO. 74

KOLKATA - 700 012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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 **March 31, 2018** as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") of the 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 above. 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 the above mentioned Listing Regulations.

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.

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

Date: 10th August, 2018

For ARUN JAIN & ASSOCIATES
(Chartered Accountants)
[FRN – 325867E]

(CA ARUN KUMAR JAIN)
(Proprietor)
(Membership No.053693)

QUEST FINANCIAL SERVICES LTD.

“Centre Point”, 21, Hemanta Basu Sarani, Room No.- 230, 2nd Floor, Kolkata-700 001
Phone No. +919831526324, E-Mail ID - investorsquestfinancial@yahoo.co.in,
Website-www.questfinancial.in, CIN-L65993WB1980PLC033060

CORPORATE GOVERNANCE REPORT

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

Corporate Governance is a value based framework to manage the 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.

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. The Company also believes that the practice of each of these creates the right corporate culture that fulfils the true purpose of Corporate Governance.

The Directors present the Company’s Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with Stock Exchanges (‘Listing Regulations’).

2. Board of Directors

- The Company’s Board of Directors as on **March 31, 2018** comprises of One Executive Director and Five Non-Executive Directors.
- The category of each Director, together with his attendance at Board Meetings, the number of his Directorships and memberships of Board and Committees of other companies as well as his holding in the Company, as on March 31, 2018 are given below :-

Name of Director	Category of Directors	No. of Board Meetings attended	No. of other Directorship		No. of other Committee(s) Membership/Chairpersonship		No. of Equity Shares held as on March 31, 2018
			Public	Private	Membership	Chairpersonship	
Prakash Kumar Jajodia (DIN: 00633920)	Executive-Non Independent- Managing Director	6	9	4	2	-	5,98,000
Bijay Kumar Agarwal (DIN: 00634259)	Chairperson- Non-Executive - Independent	6	-	1	-	-	-
Rabindra Kumar Hisaria (DIN: 05170751)	Non-Executive- Non Independent	6	-	1	-	-	-
Kishan Kumar Jajodia (DIN: 00674858)	Non-Executive- Non Independent	6	9	4	1	-	7,05,000
Amit Jajodia (DIN: 02291113)	Non-Executive- Non Independent	6	4	2	-	-	-
Jyoti Lohia (DIN: 07113757)	Non-Executive - Independent- Woman Director	6	2	-	2	-	-

- The Companies Act, 2013 (hereinafter ‘Act’) read with relevant Rules made there under, facilitates the participation of the Director in the Board/ Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility.
- Six (6) Meetings of the Board of Directors of the Company were held at the Registered Office of the Company during the financial year 2017-2018 i.e. on 29/04/2017, 30/05/2017, 14/08/2017, 10/11/2017, 10/02/2018 and 27/03/2018. As is evident, the maximum time gap between any two Board Meetings was not more than four months.
- Mr. Kishan Kumar Jajodia, Mr. Prakash Kumar Jajodia and Mr. Amit Jajodia, Directors of the Company are related to each other.

- f) Mr. Bijay Kumar Agarwal (DIN- 00634259), Non-Executive Independent Director is the Chairperson of the Board.
- g) All the directors of the Company attended the last Annual General Meeting held on September 15, 2017.
- h) None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. The necessary disclosures regarding Committee positions have been made by the Directors.
- i) None of the Independent Directors held directorship in more than 10 public limited companies
- j) The web link where details of familiarisation programmes imparted to Independent directors as disclosed in the website of the Company is: <http://questfinancial.in/familiarisation-program-for-independent-directors.html>.
- k) Independent Directors' Meeting

One exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and sub-regulation 3 of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(hereinafter referred to as "the Listing Regulations") was held on 27/03/2018 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.

3. Audit Committee

a) Composition

The Company has set up an Audit Committee in accordance with Section 177 of Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The Audit Committee of the Company comprises of two non-executive independent directors and one non-executive non independent director as on March 31, 2018. The Committee is chaired by a non-executive Independent Director, Mr. Bijay Kumar Agarwal.

The Committee met 4 (Four) times during the year i.e. on 30/05/2017, 14/08/2017, 10/11/2017 and 10/02/2018. The attendances of the members were as follows:-

Sl. No.	Name	Status	No. of Meetings
1	Mr. Bijay Kumar Agarwal	Chairperson-Non-Executive-Independent	4
2	Mr. Rabindra Kumar Hisaria	Non-Executive-Non Independent	4
3	Mrs. Jyoti Lohia	Non-Executive-Independent	4

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

b) Terms of Reference

The Audit Committee has been constituted in compliance with (i) Section 177 of the Act (ii) Regulation 18 of the Listing Regulations as mandated by the Stock Exchange and (iii) the Reserve Bank of India Non-Banking Financial Companies Guidelines.

4. Nomination And Remuneration Committee

a) Composition

The Nomination and Remuneration Committee formed in accordance with Section 178 of the Act and Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The Nomination and Remuneration Committee of the Company comprises of two non-executive independent

directors and one non-executive non Independent Director as on March 31, 2018. The Committee is chaired by a non-executive Independent Director, Mrs. Jyoti Lohia.

The Committee met 1 (One) time during the year i.e. on 10/02/2018. The attendances of the members were as follows:-

Sl. No.	Name	Status	No. of Meetings
1	Mrs. Jyoti Lohia	Chairperson-Non-Executive-Independent	2
2	Mr. Bijay Kumar Agarwal	Non-Executive-Independent	2
3	Mr. Amit Jajodia	Non-Executive-Non Independent	2

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 the Listing Regulations.

c) Remuneration Policy & and Criteria of Making Payments to Directors, Senior Management and Key Managerial Personnel

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 there under 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 and rules made thereunder, per meeting of the Board or Committee.

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.

d) 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 except, Mr. Prakash Kumar Jajodia, Executive-Non Independent Director of the Company as remuneration being paid for the post of Managing Director

Further, the details of remuneration paid to the Key Managerial Personnel of the Company during the F.Y. 2017-18 are given below:

Name	Designation	Salary Rs.	Perquisite & Allowances Rs.	Sitting Fees Rs.	Total Rs.
Mr. Prakash Kumar Jajodia	Managing Director	3,60,000/-	0.00	0.00	3,60,000/-

e) Performance evaluation criteria for the Independent Directors:

The evaluation of performance of the Independent Directors (IDs) shall be carried out by the entire Board of Directors excluding the Director being evaluated in the same way as it is for the Executive Directors of the Company except the Director getting evaluated. Evaluation performance should be carried out at least once in a year.

While evaluating the performance of the Independent Directors, the following parameters shall be considered:

- Attendance at meetings of the Board and Committees thereof,
- Participation in Board Meetings or Committee thereof,
- Raising of concerns to the Board
- Safeguard of confidential information,
- Rendering Independent, unbiased opinion and resolution of issues at meeting,
- Safeguarding interest of whistle blowers under vigil mechanism
- Timely inputs on the minutes of the meetings of the Board and Committee's if any.

5. Stakeholders' Relationship Committee

In compliance with Section 178 of Act and Regulation 20 of the Listing Regulations, the Stakeholders' Relationship Committee has been constituted.

The Committee under the Chairpersonship of Mr. Bijay Kumar Agarwal, approves / monitors transfers, transmissions, consolidation, issue of duplicate certificate, monitors the shareholding pattern as well as the redressal of complaints from shareholders by the Share Registrars, oversee overall improvement of the quality of Investor services, performance of Registrar and Share Transfer Agent, oversee compliance relating to dividend payment, transfer of unclaimed amount to IEPF, implementation of the Code of Conduct for prevention of Insider Trading.

The composition of the committee members is as under:-

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Chairperson-Non-Executive-Independent
2	Mrs. Jyoti Lohia	Non-Executive-Independent
3	Mr. Prakash Kumar Jajodia	Executive-Non Independent-Managing Director
4	Mr. Amit Jajodia	Non-Executive-Non Independent

Mr. Prakash Kumar Jajodia (DIN: 00633920), Managing Director of the Company is the Compliance Officer

The Committee met 3 (Three) times during the year.

During the year, Company has not received any requests/complaints from the shareholders.

6. 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 details are as follows:

Sl. No.	Name	Status
1	Mr. Bijay Kumar Agarwal	Chairperson-Non-Executive-Independent
2	Mr. Kishan Kumar Jajodia	Non-Executive-Non Independent
3	Mrs. Jyoti Lohia	Non-Executive-Independent

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 "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	No of shares held & % of shareholding in the Co.	Qualification
Mr. Prakash Kumar Jajodia	Executive Non-Independent	24 Years of Experience in Finance & embroidery (designing) and textile sector.	30.11.2010	5,98,000	Matriculation

9. General Body Meetings

a) Location and time for last three Annual General Meetings were:-

Financial Year	Date of AGM	Venue	Time
2016-2017	15/09/2017	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	3.00 P.M.
2015-2016	29/09/2016	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	10.00 A.M.
2014-2015	29/09/2015	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	11.00 A.M.

b) Special Resolutions in the last three Annual General Meetings:-

One Special resolution has been passed during the Financial Year 2015-2016 in Annual General Meeting held on 29/09/2016 for Change in designation of Mr. Prakash Kumar Jajodia (DIN-00633920) from Whole-Time Director to Managing Director and revision in his remuneration.

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.

10. Means of Communications

Quarterly unaudited financial results and annual financial result of the Company were published in accordance the Listing Agreement/Listing Regulations with stock exchange in the Financial Express (English Daily), Sukhabar (Bengali Daily) and the aforesaid results are also available on the Company's website i.e. www.questfinancial.in.

The quarterly and the annual results of the Company are submitted to the BSE Ltd. and Calcutta Stock Exchange Limited. The Annual Reports are e-mailed to every shareholders having their e-mail ID registered with DPs and are posted to every shareholder of the Company at their registered address whose e-mail ID is not registered.

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

11. General Shareholder Information

a) Annual General Meeting:-

- i. Date : September 26, 2018
- ii. Time : 11.00 A.M.
- iii. Venue : "Centre Point", 21, Hemanta Basu Sarani, 2nd Floor, Room No. 230, Kolkata - 700 001

b) Financial Calendar :- (Tentative)

Financial Year – 1 st April, 2018 to 31 st March, 2019	Relevant Dates
Board Meeting for consideration of annual accounts	30 th May, 2018
Book closure dates	22 nd September, 2018 to 26 th September, 2018
Unaudited results for the quarter ended June 30, 2018	On or before 14 th August, 2018
Unaudited results for the quarter ended September 30, 2018	On or before 14 th November, 2018
Unaudited results for the quarter ended December 31, 2018	On or before 14 th February, 2019
Unaudited results for the quarter ended March, 31, 2019	On or before 30 th May, 2019

c) Listing on Stock Exchanges at:-

1. BSE Limited. (Stock code: 539962)
1st Floor, New Trading Ring,
Corporate Relation Department
Rotunda Building, Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai - 400 001.
2. The Calcutta Stock Exchange Ltd. (Stock code: 10027006)
7, Lyons Range, Kolkata 700 001.

The Company has not paid the listing fee to The Calcutta Stock Exchange Ltd. and the BSE Ltd. for the year 2017-2018.

d) Stock Market Price for the Financial Year 2017-2018:-

Month	Quotation of BSE Limited*			Quotation of Calcutta Stock Exchange Limited		
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2017	2.10	1.62	408816	Not Traded		
May, 2017	1.59	1.50	250979			
June, 2017	1.50	1.50	104409			
July, 2017	1.47	1.07	533909			
August, 2017	1.05	1.05	223486			
September, 2017	1.05	1.05	164			
October, 2017	1.03	0.89	108927			
November, 2017	0.88	0.74	162857			

December, 2017	0.74	0.42	1076232
January, 2018	0.40	0.30	2776177
February, 2018	0.51	0.37	2114042
March, 2018	0.36	0.21	762875

e) Share Transfer System:-

The Company's shares are in compulsory demat mode. No physical shares were transferred during the year ended March 31, 2018.

f) 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

g) 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.

h) Dematerialisation of Shares and Liquidity:-

The Company's 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. 87.57% (Approx.) of total equity shares are in dematerialized form as on March 31, 2018.

i) Distribution of shareholding & shareholding pattern

Distribution of shareholding as on March 31, 2018:-

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	4546	29.11	11,46,870	0.93
501-1000	3279	21.00	30,59,640	2.48
1001-5000	4793	30.70	1,33,10,495	10.79
5001-10000	1310	8.39	1,09,19,916	8.86
10001 -50000	1338	8.57	3,00,54,170	24.37
50001-100000	218	1.40	1,56,76,893	12.71
100001 and above	129	0.83	4,91,48,516	39.86
Total	15,613	100.00	12,33,16,500	100.00

Shareholding Pattern as on March 31, 2018:-

Sl. No.	Category	No. of shares held	% of shareholding
1	Promoters & Promoter Group	24,77,500	2.01
2	Public - Bodies Corporate	2,65,26,196	21.51
3	Public – Individuals	9,19,29,445	74.54
4	NRI/OCBs	1,09,749	0.09
5	Trust	7500	0.01
6	Clearing Member	22,66,110	1.84
	Total	12,33,16,500	100.00

j) Outstanding ADRs/GDRs:- Not Applicable

k) 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.

l) Address for any kind of assistance/clarification

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

12. Disclosure of Materially Significant Related Party Transactions

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The policy on Related Party Transactions is available on the Company's website at <http://questfinancial.in/subsidiary&related-party-transaction-policy.html>.

13. Subsidiary Monitoring Framework

The Company has 20 subsidiaries during the year.

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

- a) Financial Statement, in particular the investment made by the unlisted subsidiary companies are reviewed by the Audit Committee of the Company.
- b) Minutes of the Board Meeting of all subsidiary companies are placed before the Board of Directors of the Company at their Meetings.
- c) 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.

Further, the Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding Company in the immediately preceding accounting year or which has generated 20% of the consolidated income of the Company during the previous financial year.

Pursuant to the Listing Agreement / Listing Regulations, 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 and the link is as follows: <http://questfinancial.in/subsidiary&related-party-transaction-policy.html>

14. 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 Part B of Schedule II of Listing Regulations. The annual compliance certificate given by the Managing Director and the Chief Financial Officer is part of the Annual Report.

15. Compliance Report on Non-mandatory requirements under Listing Regulation 27(1)

a) The Board- Non-Executive Chairman's Office:

As per para A of Part E of Schedule II of the Listing Regulations, the Board of Directors is chaired by Mr. Bijay Kumar Agarwal (DIN- 00634259), a Non-executive Independent Director.

b) Shareholders rights:

The Company display quarterly and half yearly results on its web site www.questfinancial.in and also publishes the results in widely circulated newspapers. The Company also publishes the voting results of shareholder meetings and makes it available on its website www.questfinancial.in, and reports the same to Stock Exchange in terms of regulation 44 of the Listing Regulations.

c) Modified opinion(s) in audit report:

The Auditors have issued an un-qualified opinion on the financial statements of the Company.

d) Separate posts of Chairperson and Chief Executive Officer:

The Board of Directors is chaired by Mr. Bijay Kumar Agarwal (DIN- 00634259), a Non-executive Independent Director and Mr. Prakash Kumar Jajodia (DIN- 00633920) is the Managing Director of the Company. Further, the Company does not have a Chief Executive Officer.

e) Reporting of Internal Auditor:

Reporting of Head of Internal Audit is to the Chairman of the Audit Committee of the Board and administratively to the Managing Director of the Company.

16. Other Disclosures

- a)** There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large were held during the reported year.
- b)** No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange or any statutory authority on any matters related to Capital Market so far.
- c)** 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.

- d)** The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, the Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

17. Declaration

All Directors and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2018.

Place : Kolkata
Dated : August 10, 2018

For and on behalf of the Board of Directors

Mr. Bijay Kumar Agarwal
Chairman
DIN-00634259

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

This is to confirm that the Company has adopted Code of Conduct for its Members of the Board of Directors and Senior Management Employees including the Managing 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, 2018, received from its Members of the Board of Directors and Senior Management Employees 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, 2018.

Place : Kolkata
Date : 29.05.2018

Prakash Kumar Jajodia
Managing Director
DIN-00633920

CEO & CFO COMPLIANCE CERTIFICATE

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

Re: CEO and CFO Compliance Certificate on Financial Statements for the year ended on 31st March, 2018

We, Mr. Prakash Kumar Jajodia, Managing Director & Mr. Rabindra Kumar Hisaria, CFO, certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2018 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ending on 31st March, 2018 which are fraudulent, illegal or violative of the listed entity'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 listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and 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 a significant role in the listed entity's internal control system over financial reporting.

Mr. Prakash Kumar Jajodia
Managing Director
DIN: 00633920

Mr. Rabindra Kumar Hisaria
CFO

Place : Kolkata
Date : 29.05.2018

Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE
2nd FLOOR, ROOM NO. 74
KOLKATA - 700 012

**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 of Quest Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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 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 prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 of the standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 standalone 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 March 31, 2018, and its loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

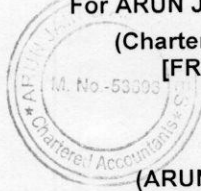
1. As required by Section 143 (3) of the Act, we report that:

- 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 the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) There are no qualifications, reservations or adverse remarks relating to the maintenance of Accounts and other matters connected herewith.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - 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 derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred by the Company to the Investor Education and Protection Fund.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Date: 29th May, 2018

For ARUN JAIN & ASSOCIATES
(Chartered Accountants)
[FRN - 325867E]

(ARUN KUMAR JAIN)
(Proprietor)
(Membership No.053693)

Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE
 2nd FLOOR, ROOM NO. 74
 KOLKATA - 700 012

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Quest Financial Services Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide



reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

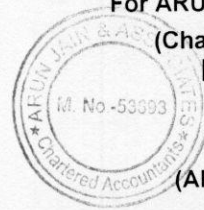
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

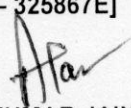
2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012

Date: 29th May, 2018

For ARUN JAIN & ASSOCIATES

(Chartered Accountants)
[FRN - 325867E]




(ARUN KUMAR JAIN)
(Proprietor)
(Membership No.053693)

Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE
2nd FLOOR, ROOM NO. 74
KOLKATA - 700 012

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) in respect of fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, all the fixed assets have been physical verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - c) Company does not have any immovable property.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) With respect to loans, investments, guarantees and securities, provisions of Sec. 185 & 186 of Companies Act, 2013 is not applicable to the Company. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable. The Company has not granted any security in terms of Section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year covered under the term of section 73 to 76 of the Companies Act, 2013 or any other provisions of the Act and rules framed thereunder.
- (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) According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident fund, Employees' state insurance, Income tax, Sales tax, Service tax, Goods and Service Tax, Customs duty, Excise duty, Value Added tax, Cess and any other material statutory dues with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income tax, Sales tax, Service tax, Goods and Service Tax, Customs duty, Excise duty, Value Added tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, government, banks and dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans.



(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The company is a Non-Banking Financial Institution without accepting Public Deposits registered under section 45 IA of the Reserve Bank of India Act, 1934 having valid Certificate of Registration.

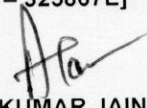
2B, Grant Lane,
(2nd Floor), Room No. 74
Kolkata - 700012

Date: 29th May, 2018

For ARUN JAIN & ASSOCIATES

(Chartered Accountants)
[FRN - 325867E]




(ARUN KUMAR JAIN)
(Proprietor)

(Membership No.053693)

QUEST FINANCIAL SERVICES LIMITED

Standalone Balance Sheet as at March 31, 2018

Particulars	Note No.	Figures as at the end of	
		March 31, 2018 Rs.	March 31, 2017 Rs.
I - EQUITY & LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	2	1,233,165,000	1,233,165,000
(b) Reserves & Surplus	3	(767,068,107)	(527,910,770)
(c) Money received against share warrants		-	-
2 Share Application Money Pending Allotment		-	-
3 Non-Current Liabilities			
(a) Long Term Borrowings	4	-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
3 Current Liabilities			
(a) Short Term Borrowings	5	-	3,732,903
(b) Trade Payables	6	-	-
(i) Total outstanding dues of micro enterprises & small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises & small enterprises		-	-
(c) Other Current Liabilities	7	1,002,866	604,532
(d) Short - Term Provisions	8	900,310	900,310
		468,000,069	710,491,975
II - ASSETS			
1 Non - Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		740,090	4,790,550
(ii) Intangible Assets		1,725	1,725
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non - Current Investments	10	216,070,475	205,420,475
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	11	-	-
(e) Other non-current assets		-	-
2 Current Assets			
(a) Current investments		-	-
(b) Inventories	12	188,226,219	428,356,168
(c) Trade Receivables	13	-	10,980,000
(d) Cash & Cash Equivalents	14	3,370,901	2,845,807
(e) Short Term Loans and advances	15	53,144,418	51,727,190
(f) Other Current Assets	16	6,446,241	6,370,060
		468,000,069	710,491,975

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

As per our report of even date attached
For Arun Jain & Associates
 Chartered Accountants
 Registration No. 325867E

Arun Jain
 Arun Jain
 Proprietor
 Membership No 053693
 Place :- Kolkata
 Dated : The 29th Day of May, 2018



For Quest Financial Services Ltd.

Prakash Kumar Jajodia
 Prakash Kumar Jajodia
 Managing Director
 DIN-00633920

For Quest Financial Services Ltd.

Bijay Agarwal
 Bijay Kumar Agarwal
 Director
 DIN-00634259

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
 Rabindra Kumar Hisaria
 CFO

QUEST FINANCIAL SERVICES LIMITED

Standalone Statement of Profit & Loss Account for the Year ended March 31, 2018

Particulars	Note No.	Figures as at the end of	
		March 31, 2018 Rs.	March 31, 2017 Rs.
I. Revenue from Operations	18	5,272,787	9,363,505
II. Other Income		12,532	-
II. Total Revenue (I + II)		5,285,319	9,363,505
III. Expenses:			
Purchases of Stock-in-trade	18	-	7,888,605
Change in inventories of finished goods, work-in-progress and stock -in -trade	19	240,129,949	(3,696,467)
Employee Benefits Expenses	20	852,087	1,051,541
Finance Cost	21	603,387	974,979
Depreciation and amortization Expenses	9	330,799	1,278,148
Other Expenses	22	2,526,434	2,684,981
Total Expenses		244,442,656	10,181,787
IV. Profit/(Loss) before exceptional and extra ordinary items and Tax (II- III)		(239,157,337)	(818,282)
V. Exceptional Items		-	-
VI. Profit/(Loss) before extraordinary items and Tax (IV - V)		(239,157,337)	(818,282)
VII. Extraordinary Items		-	-
VIII. Profit/(Loss) before Tax (VI - VII)		(239,157,337)	(818,282)
IX. Tax Expenses			
1 Current Tax		-	-
2 Deferred Tax		-	-
X. Profit/(loss) for the period from Continuing Operations (VIII -IX)		(239,157,337)	(818,282)
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)		(239,157,337)	(818,282)
XV. Earnings Per Equity Share			
1 Basic		(1.94)	(0.01)
2 Diluted		(1.94)	(0.01)

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

As per our report of even date attached

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


Arun Jain

Proprietor

Membership No.053693

Place :- Kolkata

Dated : The 29th Day of May, 2018

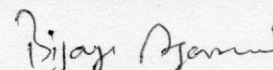


For Quest Financial Services Ltd.



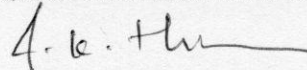
Prakash Kumar Jajodia
Managing Director
DIN-00633920

For Quest Financial Services Ltd.



Bijay Kumar Agarwal
Director
DIN-00634259

For Quest Financial Services Ltd.




Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

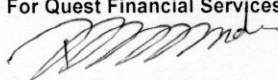
Particulars	Figures as at March 31, 2018 (Amt. in Rs)	Figures as at March 31, 2017 (Amt. in Rs)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary item	(239,157,337)	(818,282)
Adjustment for		
Depreciation	330,799	1,278,148
Impairment of Asset	3,719,661	77,874
Operating Profit before working capital change	(235,106,877)	537,740
Change in working capital		
Adjustment for (increase)/decrease in operating assets		
Inventories	240,129,949	(3,696,467)
Trade Receivables	10,980,000	21,617,831
Short Term Loans & Advances	(1,417,228)	127,536,026
Long Term Loans & Advances	-	(51,727,190)
Other Current Assets	(76,181)	3,476,002
	249,616,540	97,206,202
Adjustment for increase/(decrease) in operating liabilities		
Trade Payable	-	(18,837,846)
Other Current Liabilities	398,334	(1,997,367)
Short Term Borrowings	(3,732,903)	(354,254)
Short Term Provisions	-	(1,558,116)
	(3,334,569)	(22,747,583)
Cash Generated from Operations	-	-
Income Tax	-	-
Net Cash from Operating Activities	11,175,094	74,996,359
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Fixed Assets	-	188,000
(Purchase)/Sale of Investments	(10,650,000)	(75,844,625)
Net Cash Flow from Investing Activities	(10,650,000)	(75,656,625)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-	(849,861)
Net Cash Flow from Financing Activities	-	(849,861)
Net Increase/(decrease) in cash and cash equivalents	525,094	(1,510,127)
Opening Cash & Bank Balance	2,845,807	4,355,934
Closing Cash & Bank Balance	3,370,901	2,845,807

As per our report of even date attached
For Arun Jain & Associates
Chartered Accountants
Registration No. 325867E

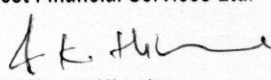

Arun Jain
Proprietor
Membership No.053693
Place :- Kolkata
Dated : The 29th Day of May, 2018



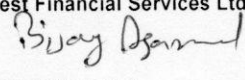
For Quest Financial Services Ltd.


Prakash Kumar Jajodia
Managing Director
DIN-00633920

For Quest Financial Services Ltd.


Rabindra Kumar Hisaria
CFO

For Quest Financial Services Ltd.


Bijay Kumar Agarwal
Director
DIN-00634259

QUEST FINANCIAL SERVICES LIMITED

1 Notes forming Part of Financial Statement for the Year 2017-2018

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 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 and guidelines issued by the Securities and Exchange Board of India (SEBI). It follows the directions prescribed by Reserve Bank of India for Non Banking Financial Companies as per the applicable Accounting Standards issued by the ICAI.

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.
- (iv) 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 is treated as revenue expenditure.

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 Inventories

Goods are valued at cost.

p 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.

q Foreign Currency transaction

No Foreign Currency Transactions has been made by the Company in the Financial Year 2017-18.

r 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.

s 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.



t 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.

u 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.

v 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.

w 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.

x RELATED PARTIES DISCLOSURE AS PER ACCOUNTING STANDARD 18

A. LIST OF RELATED PARTIES

Party	Relationship
Prakash Kumar Jajodia	Managing Director
Kishan Kumar Jajodia	Director
Amit Jajodia	Director
Bijay Kumar Agarwal	Director
Rabindra Kumar Hisaria	Director & CFO
Jyoti Lohia	Director
Zamira Agriculture Ltd.	Subsidiary Company
Zamira Builders Ltd.	Subsidiary Company
Zamira Floriculture Ltd.	Subsidiary Company
Zamira Highrise Ltd.	Subsidiary Company
Zamira Horticulture Ltd.	Subsidiary Company
Zamira Moonview Ltd.	Subsidiary Company
Zamira Projects Ltd.	Subsidiary Company
Zamira Riverview Ltd.	Subsidiary Company
Zamira Seaview Ltd.	Subsidiary Company
Zamira Sunshine Ltd.	Subsidiary Company
Belisma Agriculture Ltd.	Subsidiary Company
Belisma Construction Ltd.	Subsidiary Company
Belisma Floriculture Ltd.	Subsidiary Company
Belisma Highrise Ltd.	Subsidiary Company
Belisma Horticulture Ltd.	Subsidiary Company
Belisma Moonview Ltd.	Subsidiary Company
Belisma Projects Ltd.	Subsidiary Company
Belisma Riverview Ltd.	Subsidiary Company
Belisma Seaview Ltd.	Subsidiary Company
Belisma Sunshine Ltd.	Subsidiary Company



B. RELATED PARTY TRANSACTION

Director's Remuneration	31.03.2018	31.03.2017
	Rs.	Rs.
Prakash Kumar Jajodia	360,000	270,000
Investment in Wholly owned Subsidiary Company	31.03.2018	31.03.2017
	Rs.	Rs.
Zamira Agriculture Ltd.	51,000	51,000
Zamira Builders Ltd.	51,000	51,000
Zamira Floriculture Ltd.	51,000	51,000
Zamira Highrise Ltd.	51,000	51,000
Zamira Horticulture Ltd.	51,000	51,000
Zamira Moonview Ltd.	51,000	51,000
Zamira Projects Ltd.	51,000	51,000
Zamira Riverview Ltd.	51,000	51,000
Zamira Seaview Ltd.	51,000	51,000
Zamira Sunshine Ltd.	51,000	51,000
Belisma Agriculture Ltd.	51,000	51,000
Belisma Construction Ltd.	51,000	51,000
Belisma Floriculture Ltd.	51,000	51,000
Belisma Highrise Ltd.	51,000	51,000
Belisma Horticulture Ltd.	51,000	51,000
Belisma Moonview Ltd.	51,000	51,000
Belisma Projects Ltd.	51,000	51,000
Belisma Riverview Ltd.	51,000	51,000
Belisma Seaview Ltd.	51,000	51,000
Belisma Sunshine Ltd.	51,000	51,000

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.

	31.03.2018	31.03.2017
	Rs.	Rs.
i- Net Profit/(Loss) After Tax	(239,157,337)	(818,283)
ii- Weighted Number of Equity Shares of Rs. 10.00 each	123,316,500	123,316,500
iii- Equity Shares for Diluted Earning Per Share (Rs.)	123,316,500	123,316,500
iv- Basic Earnings Per Share (Rs.)	(1.94)	(0.01)
v Diluted Earning Per Share (Rs.)	(1.94)	(0.01)

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.



QUEST FINANCIAL SERVICES LIMITED

Notes forming Part of Standalone Financial Statement for the Year 2017-2018

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-2		
Share Capital		
Equity		
Authorized		
12,33,40,000 Equity Shares of Rs.10.00 each	1,233,400,000	1,233,400,000
(P.Y. 12,33,40,000 Equity Shares of Rs 10.00 each)		
Issued, Subscribed and Fully Paid up		
12,33,16,500 Equity Shares of Rs,10.00 each fully paid up	1,233,165,000	1,233,165,000
(Previous Year 12,33,16,500 Equity Shares of Rs 10.00 each fully paid up)		

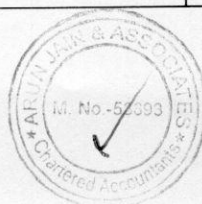
2.1. The Company has only one class of shares referred to as equity shares having a par value of Rs 10/-. Each holder of equity shares is entitled to one vote per one share hold. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution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

2.2 Reconciliation of the number of shares outstanding	31st March 2018	31st March 2017
Number of shares at the beginning	123,316,500	123,316,500
Add : Issue during the year	-	-
Number of shares at the end	123,316,500	123,316,500

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

2.4 The Company does not have any Holding Company/Ultimate Holding Company but have twenty Subsidiary Companies.

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-3		
Reserve & Surplus		
Amalgamation Reserve		
Opening Balance (Credit/(Debit))	(490,846,586)	(490,846,586)
Add/Less: Reserve generated during the year	-	-
Closing Balance(Credit/ Debit)	(490,846,586)	(490,846,586)
Profit & Loss Account		
Opening Balance (Credit/Debit)	(37,962,285)	(37,144,003)
Less : Transferred to Amalgamation Reserve		
Add/Less: Surplus/Deficit in Profit & Loss for the Year	(239,157,337)	(818,282)
Less : Adjustment with Provision for Income Tax	-	-
Less : Transferred to Special Reserve	-	-
	(277,119,622)	(37,962,285)
Special Reserve Account		
Opening Balance (Credit/(Debit))	898,101	898,101
Add/Less: Reserve generated during the year	-	-
	898,101	898,101
	(767,068,107)	(527,910,770)



Particulars	Non-Current Maturities		Current Maturities	
	31st March 2018 Rs.	31st March 2017 Rs.	31st March, 2018 Rs.	31st March 2017 Rs.
Note-4 Long Term Borrowings Term Loan-Secured Loans	-	-	-	347,764
	-	-	-	347,764

Current Maturities amount disclosed under the head "Other Current Liabilities" (Note 7)

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.560000/- is secured against I 20 and is repayable in monthly installments till 07/05/2017.

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-5 Short Term Borrowings Secured Loans Bank Overdraft-Loan payable on demand from Bank	-	3,732,903
Unsecured Loans From Body Corporate	-	-
	-	3,732,903

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.

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-6 Trade Payable Total outstanding dues of micro enterprises & small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises & small enterprises	-	-
	-	-

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-7 Other Current Liabilities Liability for expenses	993,866	247,768
TDS Payable	9,000	9,000
Current Maturities on Long Term Debts	-	347,764
	1,002,866	604,532

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-8 Short Term Provisions Provision for Taxation	-	-
Contingent provision of Standard Assets	900,310	900,310
	900,310	900,310

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-11 Long Term Loans and Advances Loans	-	-
Advances	-	-
	-	-

Particulars	Figures as at the end of	
	31st March 2018 Rs.	31st March 2017 Rs.
Note-12 Inventories Raw Materials	-	-
Stock-in-trade	188,226,219	428,356,168
(Mode of Valuation- At Cost)	-	-
	188,226,219	428,356,168



NOTE-9

FIXED ASSETS
Tangible Assets

Fixed Assets	GROSS BLOCK			Book value as on 31.03.2017	Opening balance	DEPRECIATION			NET BLOCK		
	Original Cost	Addition	Deduction			Depreciation for 2017-18	Impairment	Depreciation	Net block as at 31.03.2018	Net block as at 31.03.2017	
Building											
Factory Flooring	170,500	-	-	170,500	73,288	9,245	-	82,533	-	87,967	97,212
Factory Shed	575,125	-	-	575,125	247,740	31,298	-	279,038	-	296,087	327,385
Plant & Machinery											
Embroidary Machine	10,550,380	-	-	10,550,380	6,756,244	156,939	3,637,197	10,550,380	-	-	3,794,136
Furniture & Fixture											
	1,068,796	-	-	1,068,796	826,212	69,375	-	895,587	-	173,209	242,584
Motor Vehicle											
	1,125,630	-	-	1,125,630	1,036,179	6,983	82,468	1,125,630	-	-	89,451
Office Equipments											
Air conditioner	515,000	-	-	515,000	489,252	-	-	489,252	-	25,748	25,748
Stabilizer	141,960	-	-	141,960	134,864	-	-	134,864	-	7,096	7,096
Fire Extinguisher	17,500	-	-	17,500	13,153	1,328	-	14,481	-	3,019	4,347
Computers											
Computer	333,352	-	-	333,352	316,683	-	-	316,683	-	16,669	16,669
Electrical Installations and Equipments											
Electric Equipments	654,638	-	-	654,638	499,261	46,489	-	545,750	-	108,888	155,377
Electric Installation	128,700	-	-	128,700	98,155	9,141	-	107,296	-	21,404	30,545
Total of Tangible Assets	15,281,581	-	-	15,281,581	10,491,031	330,798	3,719,665	14,541,494	-	740,087	4,790,550
Intangible Assets											
Computer Software	34,500	-	-	34,500	32,775	-	-	32,775	-	1,725	1,725
Total of Tangible Assets	34,500	-	-	34,500	32,775	-	-	32,775	-	1,725	1,725
Total Assets-Tangible + Intangible	15,316,081	-	-	15,316,081	10,523,806	330,798	3,719,665	14,574,269	-	741,812	4,792,275
Previous year											
Tangible Assets	15,281,581	-	-	15,281,581	8,948,650	1,276,507	265,874	10,491,031	-	4,790,550	6,332,931
Intangible Assets	34,500	-	-	34,500	31,134	1,641	-	32,775	-	1,725	3,366
Total	15,316,081	-	-	15,316,081	8,979,784	1,278,148	265,874	10,523,806	-	4,792,275	6,336,297



Note-10 Non Current Investments as Trade Investments	Figures as at the end of 31-Mar-18		Figures as at the end of 31-Mar-17	
	No. of Shares	Rs.	No. of Shares	Rs.
Name of Companies				
Investment in Equity Instruments				
Unquoted Equity Shares				
Awadh Heemghar Pvt. Ltd.	-	-	325	650,000
Cyrus Infocomm Pvt. Ltd.	15,000	3,000,000	15,000	3,000,000
Eastman Merchants Pvt. Ltd.	-	-	800	160,000
Expressware Housing Ltd.	25,000	2,500,000	25,000	2,500,000
Fastner Machinery Dealers Pvt. Ltd.	57,220	28,610,000	38,220	19,110,000
Ganpati Stock Pvt. Ltd.	-	-	2,000	200,000
Jaguar Infra Developers Pvt. Ltd.	41,110	20,555,000	35,500	17,750,000
Jai Mata Rani Homes Pvt. Ltd.	-	-	700	140,000
Kali Confectioners Pvt. Ltd.	169,000	4,225,000	169,000	4,225,000
Kites Infraprojects Pvt. Ltd.	-	-	1,000	200,000
K.S. Consultancy Services Pvt. Ltd.(Face Value-Rs.100/-)	-	-	1,050	105,000
Linkup Financial Consultants Pvt. Ltd.	3,219	1,126,500	3,219	1,126,500
Primary Iron Traders Pvt. Ltd.	488,500	4,885,000	488,500	4,885,000
Risorgimento Industrial Co. Ltd.	1,350,000	137,273,975	1,350,000	137,273,975
Victoria Cloth Merchants Pvt. Ltd.	5,000	875,000	5,000	875,000
Worthwhile Traders Pvt. Ltd.	-	-	1,000	200,000
Zonal Commercial Pvt. Ltd.	8,000	4,000,000	8,000	4,000,000
Total-A		207,050,475		196,400,475
Quoted Equity Shares				
Impex Services Ltd.	400,000	8,000,000	400,000	8,000,000
Total-B		8,000,000		8,000,000
Investment in Unquoted Equity Shares of Subsidiary Companies				
Zamira Agriculture Limited	5,100	51,000	5,100	51,000
Zamira Builders Limited	5,100	51,000	5,100	51,000
Zamira Floriculture Limited	5,100	51,000	5,100	51,000
Zamira Highrise Limited	5,100	51,000	5,100	51,000
Zamira Horticulture Limited	5,100	51,000	5,100	51,000
Zamira Moonview Limited	5,100	51,000	5,100	51,000
Zamira Projects Limited	5,100	51,000	5,100	51,000
Zamira Riverview Limited	5,100	51,000	5,100	51,000
Zamira Seaview Limited	5,100	51,000	5,100	51,000
Zamira Sunshines Limited	5,100	51,000	5,100	51,000
Belisma Agriculture Limited	5,100	51,000	5,100	51,000
Belisma Construction Limited	5,100	51,000	5,100	51,000
Belisma Floriculture Limited	5,100	51,000	5,100	51,000
Belisma Highrise Limited	5,100	51,000	5,100	51,000
Belisma Horticulture Limited	5,100	51,000	5,100	51,000
Belisma Moonview Limited	5,100	51,000	5,100	51,000
Belisma Projects Limited	5,100	51,000	5,100	51,000
Belisma Riverview Limited	5,100	51,000	5,100	51,000
Belisma Seaview Limited	5,100	51,000	5,100	51,000
Belisma Sunshine Limited	5,100	51,000	5,100	51,000
Total-C		1,020,000		1,020,000
Grand Total=A+B+C		216,070,475		205,420,475

Market Value of the Quoted Investment

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



<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-13		
<u>Trade Receivables</u>		
Unsecured considered good		
<u>Related Parties</u>		
Subsidiaries		
Outstanding exceeding six months	-	-
Others	-	-
Others		
Outstanding exceeding six months	-	5,000,000
Others	-	5,980,000
	-	10,980,000

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-14		
<u>Cash & Cash Equivalents</u>		
Balance with Banks in Current Account	50,787	1,829,084
Cash on hand (As Certified by the Management)	3,320,114	1,016,723
	3,370,901	2,845,807

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-15		
<u>Short Term Loans and Advances</u>		
Unsecured, Considered Goods		
Loan & Advances to Related Parties-Subsidiaries	-	-
Advances Recoverable in cash or in kind	53,144,418	51,727,190
	53,144,418	51,727,190

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-16		
<u>Other Current Assets</u>		
Tax Deducted at Source	5,844,241	5,768,060
Security Deposit For Land	600,000	600,000
Advance against Properties	-	-
Share Application Money- Refund	-	-
Share Application Money Given	-	-
CDSL-Security deposit	2,000	2,000
	6,446,241	6,370,060



<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-17 Revenue from Operations		
Sales	3,448,693	4,323,349
Currency Derivatives	-	-
Difference in Shares	-	(2,560)
Dividend	-	28,275
Interest on Loan	1,804,094	4,974,441
Profit on sale of Investment	20,000	40,000
	5,272,787	9,363,505

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-17 Other Income		
Interest on IT Refund	-	-
Commodities Profit	-	-
Profit on sale of assets	12,532	-
	12,532	-

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-18 Purchases of Stock-in-trade		
Purchases	-	7,888,605
	-	7,888,605

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-19 Change in Inventories of finished goods, work-in progress and stock-in-trade		
Closing Stock	188,226,219	428,356,168
Less: Opening Stock	428,356,168	424,659,701
Increase/ (Decrease) of Stock	(240,129,949)	3,696,467

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-20 Employee Benefits Expense		
Wages	-	-
Salary & Bonus	468,050	744,961
Directors Remuneration	360,000	270,000
Staff Welfare Exp	24,037	36,580
	852,087	1,051,541

<u>Particulars</u>	<u>Figures as at the end of</u>	
	<u>31st March 2018</u> Rs.	<u>31st March 2017</u> Rs.
Note-21 Finance Cost		
Interest	603,387	974,979
	603,387	974,979



Particulars	Figures as at the end of	
	31st March 2018	31st March 2017
	Rs.	Rs.
Note-22		
Other Expenses		
Advertisement	23,679	33,669
Bank Charges	6,427	137,687
Business Promotion Expenses	83,433	574,505
Currency Derivative Loss	-	-
Custody Fees & RTA Fees	241,183	207,503
Demat Charges	1,265	1,378
Filing Fees	1,800	6,000
General Expenses	-	-
Insurance	-	43,935
Legal, Professional & Consultancy Charges	243,110	497,150
Listing Fees	473,940	378,950
Loss on sale of Assets	1,145,193	77,874
Motor Car Expenses	-	123,407
Misc. Expenses	30,000	15,000
Office Maintenance Expenses	24,483	44,923
Postage & telegram	140,554	109,087
Printing & Stationery	28,590	44,254
Stamp Charges, STT, Transaction Charges, Service Tax etc.	-	-
Telephone Charges	23,979	37,310
Travelling & Conveyance	20,178	31,917
Electric Charges	-	-
Rates & taxes	-	20,564
Repairs & Maintenance-Machinery	-	-
Repairs & Maintenance-Hardware & Software	16,200	13,583
Accounting Expenses	-	-
Interest Written off	-	192,433
Recovery Written Off	-	-
Rent	-	72,000
Auditors Remuneration	-	-
For Statutory Audit	17,700	17,252
For Tax Audit	4,720	4,600
For Other Services	-	-
	2,526,434	2,684,981

Note-23

Contingent Liabilities

Pending demand of Income Tax pertaining to Financial Year 2011-12

Nil



[As required in terms of Para 13 of Non Systematically Important Non - Banking Financial (Non Deposit Accepting or Holding) Companies, Prudential Norms (Reserve Bank), Directions, 2015]

(Amount in Rs.)

Particulars		Amount Outstanding	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	-	-
	(d) Inter- corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans - Bank Overdraft-Loan payable on demand from Bank	-	-
Particulars		Amount Outstanding	
Assets Side :			
(2)	Break up of Loans and Advances including bills receivables [other than those included in (4) below]		
	(a) Secured		-
	(b) Unsecured		53,144,418
(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		-
(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			8,000,000
	(b) Preference			-
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			-
	(iv) Government Securities			-
	(v) Others (Please Specify)			-
(II) Unquoted:				
	(i) Shares : (a) Equity			208,070,475
	(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	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related Parties	-	-	-
2 Other than related parties		-	-	-
Total		-	-	-
(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	1,020,000		1,020,000
	(b) Companies in the same group	-		-
	(c) Other related Parties	-		-
2 Other than related parties		215,050,475		215,050,475
Total		216,070,475		216,070,475
(7) Other Information:				
Particulars			Amount	
(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			-	



Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE

2nd FLOOR, ROOM NO. 74

KOLKATA - 700 012

**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 M/s. 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 March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the 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 preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of 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 terms of their reports referred to in 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 March 31, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements includes the Group's share on net loss of Rs. (24,10,64,127/-) for the year ended March 31, 2018, in respect of fourteen subsidiaries, 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-section (3) of Section 143, 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 matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the subsidiary companies, to the extent reported by the statutory auditors of such companies, none of the directors of the Group companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's/ subsidiary companies, internal financial controls over financial reporting.



g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts required to be transferred by the Group to the Investor Education and Protection Fund.

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

Date: 29th May, 2018



For ARUN JAIN & ASSOCIATES
(Chartered Accountants)
[FRN - 325867E]

Arun
(CA ARUN KUMAR JAIN)
(Proprietor)
(Membership No.053693)

Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE

2nd FLOOR, ROOM NO. 74

KOLKATA - 700 012

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)****Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Quest Financial Services Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

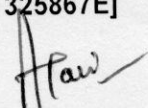
In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.


Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Date: 29th May, 2018

For ARUN JAIN & ASSOCIATES
(Chartered Accountants)
[FRN - 325867E]

(CA ARUN KUMAR JAIN)
(Proprietor)
(Membership No.053693)



QUEST FINANCIAL SERVICES LIMITED

1 **Notes forming Part of Financial Statement for the Year 2017-2018**

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 fourteen 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, 2018 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, 2018.

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, 2018
Zamira Agriculture Ltd.	51%
Zamira Builders Ltd.	51%
Zamira Floriculture Ltd.	51%
Zamira Highrise Ltd.	51%
Zamira Horticulture Ltd.	51%
Zamira Moonview Ltd.	51%
Zamira Projects Ltd.	51%
Zamira Riverview Ltd.	51%
Zamira Seaview Ltd.	51%
Zamira Sunshine Ltd.	51%
Belisma Agriculture Ltd.	51%
Belisma Construction Ltd.	51%
Belisma Floriculture Ltd.	51%
Belisma Highrise Ltd.	51%
Belisma Horticulture Ltd.	51%
Belisma Moonview Ltd.	51%
Belisma Projects Ltd.	51%
Belisma Riverview Ltd.	51%
Belisma Seaview Ltd.	51%
Belisma Sunshine Ltd.	51%

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.
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

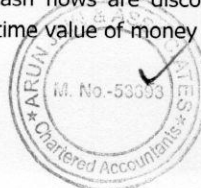
Intangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

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 is treated as revenue expenditure.

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 Inventories

Goods are valued at cost.

q 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.

r Foreign Currency transaction

No Foreign Currency Transactions has been made by the Company in the Financial Year 2015-16.

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 an 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	Managing Director
Kishan Kumar Jajodia	Director
Amit Jajodia	Director
Bijay Kumar Agarwal	Director
Rabindra Kumar Hisaria	Director & CFO
Jyoti Lohia	Director
Zamira Agriculture Ltd.	Subsidiary Company
Zamira Builders Ltd.	Subsidiary Company
Zamira Floriculture Ltd.	Subsidiary Company
Zamira Highrise Ltd.	Subsidiary Company
Zamira Horticulture Ltd.	Subsidiary Company
Zamira Moonview Ltd.	Subsidiary Company
Zamira Projects Ltd.	Subsidiary Company
Zamira Riverview Ltd.	Subsidiary Company
Zamira Seaview Ltd.	Subsidiary Company
Zamira Sunshine Ltd.	Subsidiary Company
Belisma Agriculture Ltd.	Subsidiary Company
Belisma Construction Ltd.	Subsidiary Company
Belisma Floriculture Ltd.	Subsidiary Company
Belisma Highrise Ltd.	Subsidiary Company
Belisma Horticulture Ltd.	Subsidiary Company
Belisma Moonview Ltd.	Subsidiary Company
Belisma Projects Ltd.	Subsidiary Company
Belisma Riverview Ltd.	Subsidiary Company
Belisma Seaview Ltd.	Subsidiary Company
Belisma Sunshine Ltd.	Subsidiary Company



B. RELATED PARTY TRANSACTION

Director's Remuneration	31.03.2018
	Rs.
Prakash Kumar Jajodia	360,000

Investment in Wholly owned Subsidiary Company

	31.03.2018
	Rs.
Zamira Agriculture Ltd.	51,000
Zamira Builders Ltd.	51,000
Zamira Floriculture Ltd.	51,000
Zamira Highrise Ltd.	51,000
Zamira Horticulture Ltd.	51,000
Zamira Moonview Ltd.	51,000
Zamira Projects Ltd.	51,000
Zamira Riverview Ltd.	51,000
Zamira Seaview Ltd.	51,000
Zamira Sunshine Ltd.	51,000
Belisma Agriculture Ltd.	51,000
Belisma Construction Ltd.	51,000
Belisma Floriculture Ltd.	51,000
Belisma Highrise Ltd.	51,000
Belisma Horticulture Ltd.	51,000
Belisma Moonview Ltd.	51,000
Belisma Projects Ltd.	51,000
Belisma Riverview Ltd.	51,000
Belisma Seaview Ltd.	51,000
Belisma Sunshine Ltd.	51,000

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

	31.03.2018
	Rs.
i- Net Profit/(Loss) After Tax	(241,064,127)
ii- Weighted Number of Equity Shares of Rs. 10.00 each	123,316,500
iii- Equity Shares for Diluted Earning Per Share (Rs.)	123,316,500
iv- Basic Earnings Per Share (Rs.)	(1.95)
v Diluted Earning Per Share (Rs.)	(1.95)

z.i Segment Accounting Policies

Identification of Segments:

z.ii. 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.



QUEST FINANCIAL SERVICES LIMITED

Consolidated Balance Sheet as at March 31, 2018

Particulars	Note No	March 31, 2018 Consolidated Rs.
I - EQUITY & LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2	1,233,165,000
(b) Reserves & Surplus	3	(768,040,570)
2 Minorities Interest		45,673
3 Non-Current Liabilities		-
4 Current Liabilities		
(a) Other Current Liabilities	4	1,113,616
(b) Short - Term Provisions	5	900,310
		467,184,029
II - ASSETS		
1 Non - Current Assets		
(a) Fixed Assets	6	
(i) Tangible Assets		740,090
(ii) Intangible Assets		1,725
(b) Non - Current Investments	7	215,155,475
2 Current Assets		
(a) Inventories	8	188,226,219
(b) Cash & Cash Equivalents	9	3,469,861
(c) Short Term Loans and advances	10	53,144,418
(d) Other Current Assets	11	6,446,241
		467,184,029

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

As per our report of even date attached hereto
For Arun Jain & Associates

Chartered Accountants
Registration No. 325867E

Arun Jain
Arun Jain
Proprietor
Membership No.053693
Place :- Kolkata



For Quest Financial Services Ltd.

Prakash Kumar Jajodia
Prakash Kumar Jajodia
Managing Director
DIN-00633920

For Quest Financial Services Ltd.

Bijay Agarwal
Bijay Kumar Agarwal
Director
DIN-00634259

Dated : The 29th Day of May, 2018

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

Consolidated Statement of Profit & Loss Account for the Year ended March 31, 2018

Particulars	Note No.	March 31, 2018 Consolidated Rs.
I. Revenue from Operations	12	5,272,787
II. Other Income	13	33,532
III. Total Income (I+II)		5,306,319
IV. Expenses:		
Purchases of Stock-in-trade		-
Change in inventories of finished goods, work-in-progress and stock -in -trade	14	240,129,949
Employee Benefits Expenses	15	2,357,087
Finance Cost	16	603,387
Depreciation and amortisation Expenses	6	330,799
Other Expenses	17	2,949,224
Total Expenses		246,370,446
V. Profit/(Loss) before exceptional items and Tax (III- IV)		(241,064,127)
VI. Exceptional Items		-
VII. Profit/(Loss) before Tax (V - VI)		(241,064,127)
VIII. Tax Expenses		
1 Current Tax		-
2 Deferred Tax		-
IX. Profit/(loss) for the period from Continuing Operations (VII - VIII)		(241,064,127)
X. Profit/(loss) for the period from discontinuing Operations		-
XI. Tax expenses of Discontinuing operations		-
XII. Profit/(loss) from Discontinuing operations (after tax) (X - XI)		-
XIII. PROFIT BEFORE MINORITY INTEREST / SHARE IN NET PROFIT / (LOSS) OF SUBSIDIARY		(241,064,127)
XIV. Share in net profit / (loss) of Subsidiaries attributable to Minority Interest		(934,327)
XV. Profit/(Loss) for the Period (XIII + XIV)		(240,129,800)
SVI. Earnings Per Equity Share		
1 Basic		(1.95)
2 Diluted		(1.95)

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

As per our report of even date attached

For Arun Jain & Associates

Chartered Accountants

Registration No. 325867E

Arun Jain
Proprietor

Membership No.053693

Place :- Kolkata

Dated : The 29th Day of May, 2018



For Quest Financial Services Ltd.

Prakash Kumar Jajodia
Managing Director
DIN-00633920

For Quest Financial Services Ltd.

Bijay Kumar Agarwal
Director
DIN-00634259

For Quest Financial Services Ltd.

Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

Notes forming Part of Consolidated Financial Statement for the Year 2017-2018

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-2	
Share Capital	
Equity	
Authorized	
12,33,40,000 Equity Shares of Rs.10.00 each	1,233,400,000
(P.Y. 12,33,40,000 Equity Shares of Rs 10.00 each)	
Issued, Subscribed and Fully Paid up	
12,33,16,500 Equity Shares of Rs,10.00 each fully paid up	1,233,165,000
(Previous Year 12,33,16,500 Equity Shares of Rs 10.00 each fully paid up)	

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 2018

Number of shares at the beginning	123,316,500
Add : Issue on account of merger	-
Number of shares at the end	123,316,500

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

NIL

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-3	
Reserve & Surplus	
Amalgamation Reserve	
Opening Balance (Credit/(Debit))	(490,846,586)
Add/Less: Reserve generated during the year	-
Closing Balance(Credit/ Debit)	(490,846,586)
Profit & Loss Account	
Opening Balance (Credit/(Debit))	(37,962,285)
Less : Transferred to Amalgamation Reserve	-
Add/Less: Surplus/Deficit in Profit & Loss for the year	(240,129,800)
Less : Adjustment with Provision for Income Tax	-
Less : Transferred to Special Reserve	-
	(278,092,085)
Special Reserve Account	
Opening Balance (Credit/(Debit))	898,101
Add/Less: Reserve generated during the year	-
	898,101
	(768,040,570)



<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-4 <u>Other Current Liabilities</u>	
Liability for expenses	999,616
TDS Payable	9,000
Other Liabilities	105,000
Recd. From Head office	-
	1,113,616

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-5 <u>Short Term Provisions</u>	
Contingent Provision Against Standard Assets	900,310
	900,310

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-8 <u>Inventories</u>	
Raw Materials	-
Traded Goods	188,226,219
(Mode of Valuation:- At Cost)	
	188,226,219

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-9 <u>Cash & Cash Equivalents</u>	
With Schedule Banks in Current Account	149,747
Cash in hand (As Certified by the Management)	3,320,114
	3,469,861

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-10 <u>Short Term Loans and Advances</u>	
Advance to Subsidiaries	53,144,418
	53,144,418

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-11 <u>Other Current Assets</u>	
Tax Deducted at Source	5,844,241
Security Deposit For Land	600,000
CDSL-Security deposit	2,000
	6,446,241



NOTE-6
FIXED ASSETS
Tangible Assets

in Rs.

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Original Cost	Addition	Deduction	Book value as on 31.03.2017	Opening balance	Depreciation for 2017-18	Impairment	Depreciation	Net block as at 31.03.2018	Net block as at 31.03.2017
Fixed Assets										
Building										
Factory Flooring	170,500	-	-	170,500	73,288	9,245	-	82,533	87,967	97,212
Factory Shed	575,125	-	-	575,125	247,740	31,298	-	279,038	296,087	327,385
Plant & Machinery										
Embroidary Machine	10,550,380	-	-	10,550,380	6,756,244	156,939	3,637,197	10,550,380	-	3,794,136
Furniture & Fixture										
	1,068,796	-	-	1,068,796	826,212	69,375	-	895,587	173,209	242,584
Motor Vehicle										
	1,125,630	-	-	1,125,630	1,036,179	6,983	82,468	1,125,630	-	89,451
Office Equipments										
Air conditioner	515,000	-	-	515,000	489,252	-	-	489,252	25,748	25,748
Stabilizer	141,960	-	-	141,960	134,864	-	-	134,864	7,096	7,096
Fire Extinguisher	17,500	-	-	17,500	13,153	1,328	-	14,481	3,019	4,347
Computers										
Computer	333,352	-	-	333,352	316,683	-	-	316,683	16,669	16,669
Electrical Installations and Equipments										
Electric Equipments	654,638	-	-	654,638	499,261	46,489	-	545,750	108,888	155,377
Electric Installation	128,700	-	-	128,700	98,155	9,141	-	107,296	21,404	30,545
Total of Tangible Assets	15,281,581	-	-	15,281,581	10,491,031	330,798	3,719,665	14,541,494	740,087	4,790,550
Intangible Assets										
Computer Software	34,500	-	-	34,500	32,775	-	-	32,775	1,725	1,725
Total of Tangible Assets	34,500	-	-	34,500	32,775	-	-	32,775	1,725	1,725
Total Assets-Tangible + Intangible	15,316,081	-	-	15,316,081	10,523,806	330,798	3,719,665	14,574,269	741,812	4,792,275
Previous year										
Tangible Assets	15,281,581	-	-	15,281,581	8,948,650	1,276,507	265,874	10,491,031	4,790,550	6,332,931
Intangible Assets	34,500	-	-	34,500	31,134	1,641	-	32,775	1,725	3,366
Total	15,316,081	-	-	15,316,081	8,979,784	1,278,148	265,874	10,523,806	4,792,275	6,336,297



Note-7 Non Current Investments as Trade Investments	Figures as at the end of	
	31-Mar-18	
Name of Companies	No. of Shares	Rs.
Investment in Equity Instruments		
Unquoted Equity Shares		
Cyrus Infocomm Pvt. Ltd.	15,000	3,000,000
Expressware Housing Ltd.	25,000	2,500,000
Fastner Machinery Dealers Pvt. Ltd.	57,220	28,610,000
Jaguar Infra Developers Pvt. Ltd.	41,110	20,555,000
Kali Confectioners Pvt. Ltd.	169,000	4,225,000
Linkup Financial Consultants Pvt. Ltd.	3,219	1,126,500
Primary Iron Traders Pvt. Ltd.	488,500	4,885,000
Risorgimento Industrial Co. Ltd.	1,350,000	137,273,975
Victoria Cloth Merchants Pvt. Ltd.	5,000	875,000
Zonal Commercial Pvt. Ltd.	8,000	4,000,000
Viewmore Highrise Private Limited (Face Value Rs.2/- each)	52,500	105,000
Total-A		207,155,475
Quoted Equity Shares		
Impex Services Ltd.	400,000	8,000,000
Total-B		8,000,000
Grand Total=A+B		215,155,475

Market Value of the Quoted Investment

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



<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-12	
Revenue from Operations	
Sales	3,448,693
Interest on Loan	1,804,094
Profit on sale of Investment	20,000
	5,272,787

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-13	
Revenue from Operations	
Profit on sale of Assets	12,532
Consultancy	21,000
	33,532

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-14	
Change in Inventories of finished goods, work-in progress and stock-in-trade	
Closing Stock	188,226,219
Less: Opening Stock	428,356,168
Increase/ (Decrease) of Stock	616,582,387

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-15	
Employee Benefits Expense	
Wages	-
Salary & Bonus	1,973,050
Directors Remuneration	360,000
Staff Welfare Exp	24,037
	2,357,087

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-16	
Finance Cost	
Interest-Term Loan & CC	603,387
	603,387

<u>Particulars</u>	Figures as at the end of March 31, 2018 Rs.
Note-17	
Other Expenses	
Advertisement	23,679
Bank Charges	6,427
Business Promotion Expenses	83,433
Currency Derivative Loss	-
Custody Fees & RTA Fees	241,183
Demat Charges	1,265
Filing Fees	1,800
Legal, Professional & Consultancy Charges	250,610
Listing Fees	473,940
Loss on sale of Investment/Assets	1,145,193
Misc. Expenses	144,240
Office Maintenance Expenses	24,483
Postage & telegram	140,554
Printing & Stationery	28,590
Telephone Charges	23,979
Travelling & Conveyance	20,178
Preliminary Expenses	152,800
Accounting Expenses	16,200
For Statutory Audit	165,950
For Tax Audit	4,720
For Other Services	-
	2,949,224

