

40th Annual Report

&

Accounts

2019-2020

QUEST FINANCIAL SERVICES LIMITED

Quest Financial Services Limited
Corporate Identity No.: L65993WB1980PLC033060

Board of Directors:

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

Audit Committee:

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

Nomination And Remuneration Committee:

Mrs. Jyoti Lohia	Non-Executive-Independent-Chairperson
Mr. Bijay Kumar Agarwal	Non-Executive-Independent
Mr. Tarun Laha	Non-Executive-Independent

Stakeholder's Relationship Committee:

Mr. Bijay Kumar Agarwal	Non-Executive-Independent-Chairperson
Mrs. Jyoti Lohia	Non-Executive-Independent
Mr. Tarun Laha	Non-Executive-Independent

Risk Management Committee:

Mr. Bijay Kumar Agarwal	Non-Executive-Independent-Chairperson
Mrs. Jyoti Lohia	Non-Executive-Independent
Mr. Tarun Laha	Non-Executive-Independent

Fair Practice Code Committee:

Mrs. Jyoti Lohia	Non-Executive-Independent-Chairperson
Mr. Bijay Kumar Agarwal	Non-Executive-Independent
Mr. Tarun Laha	Non-Executive-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.
3A, Auckland Place 7th Floor,
Room No. 7A & 7B ,
Kolkata-700 017
Phone Nos. (033) 2280 6616 / 17 /18,
E-Mail Id:- nichetechpl@nichetechpl.com

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 40th Annual Report of the Company together with Audited Accounts for the year ended March 31, 2020.

1. Financial Summary and Highlights

The highlights of the financial performance of the Company for the financial year ended March 31, 2020 as compared to the previous financial year are as under:-

Particulars	(Rs. in lacs)	
	Standalone	
	2019-20	2018-19
Total Revenue	15.76	18.95
(Less): Total Expenditure	(64.21)	(280.42)
Profit/(Loss) before Exceptional & Extraordinary Items	(48.45)	(261.47)
Profit/(Loss) Before Tax	(48.45)	(261.47)
(Less): Item that will not be reclassified to profit or loss	(17.90)	-
(Less): Provision for Current Tax	-	-
(Less): Contingent provision for Standard Assets	-	-
Net Profit/(Loss) after Tax	(66.35)	(261.47)
(Less): Transfer to Statutory Reserve	-	-
Add/(Less): Brought forward from previous year	(7,932.15)	(7,670.68)
Balance carried to Balance Sheet	(7,998.50)	(7,932.15)

2. Dividend.

Company has registered loss of ₹ 48.45 lakhs before taxes during the financial year under review as against loss of ₹ 261.47 lakhs during the previous financial year. Therefore, the Board of Directors (hereinafter referred to as "the Board") has request for their inability to declare dividend for the financial year under review.

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.

Further, the annual listing fees was not paid for the financial year 2019-20 to the BSE Limited and the Calcutta Stock Exchange Limited. Presently, trading in the securities of the Company has been suspended by the BSE Ltd. due to non-payment of listing fees and penal reasons.

6. Corporate Governance Report

Your Company has been complying with all the requirements of the code of Corporate Governance, as specified by SEBI. A separate report on Corporate Governance is furnished as a part of the Directors' Report.

In terms of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Certificate issued by a Chartered Accountant in practice regarding compliance of condition of Corporate Governance is annexed to the Directors' Report.

7. Extract of the Annual Return

The Extract of the Annual Return as on the financial year ended on March 31, 2020, 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-I**

Further, the Annual Return in Form MGT-7 for the financial year ended 31.03.2020 will be uploaded on the website of the Company Via the link: <https://www.questfinancial.in>

8. Directors & Key Managerial Personnel.

a. Board of Directors

As on 31st March, 2020, the composition of the Board is as under:

- a) Mr. Bijay Kumar Agarwal (DIN-00634259) – Chairperson (Non-Executive Independent);
- b) Mr. Rabindra Kumar Hisaria (DIN-05170751) – Non-Independent Executive Director;
- c) Mrs. Jyoti Lohia (DIN-07113757) – Independent Non-Executive Director;
- d) Mr. Tarun Laha (DIN-07477757) – Independent Non-Executive Director;

Mr. Kishan Kumar Jajodia (DIN-00674858) resigned from the Board as–Non-Executive Non-Independent Director with effect from 29th January, 2020, on account of pre-occupation.

Mr. Tarun Laha (DIN-07477757) was appointed as an Additional Director with effect from February 12, 2019 in the category of Non-Executive Independent Director. Accordingly his tenure expired at the conclusion of the 39th Annual General Meeting (AGM) held on 30th day of September, 2019 where he has been appointed for a period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th AGM 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 and who shall not be liable to retire by rotation. Considering his vast work experience, his appointment was considered prudent.

Mr. Bijay Kumar Agarwal (DIN-00634259) Independent Directors, re-appointed to hold office for a

period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th 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. The Board is of the view that, the continued association of Bijay Kumar Agarwal (DIN-00634259) and Mr. Rabindra Kumar Hisaria (DIN-05170751) will benefit the Company, given their knowledge, experience and contribution to Board processes.

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. The Board is of the view that, the continued association of Mrs. Jyoti Lohia (DIN-07113757) will benefit the Company, given their knowledge, experience and contribution to Board processes. Therefore, the Board recommended the re-appointment of Mrs. Jyoti Lohia (DIN-07113757) as a non-retiring Independent Director from the conclusion of 40th Annual General Meeting.

b. Company Secretary.

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

c. Chief Financial Officer.

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

9. Number of Meetings of the Board

The Board met six (6) times during the Financial Year under review. The details thereof, including the attendance of the Directors, is provided in the Corporate Governance Report which is annexed to this Report.

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 14/02/2020.

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 2019-20 is encompassed in the Corporate Governance Report which is annexed to the said Report.

10. Disclosure pursuant to Section 177(8) of the Act - 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, 2020. 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 five (5) 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 2019-20.

11. Composition of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee of the Company comprises of three (3) Non-Executive Independent Directors as on March 31, 2020.

The detail of the Committee, including the meeting dates and the attendance of the Committee members, is provided in the Corporate Governance Report.

12. Composition of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee consists of three (3) Non-Executive Independent Director.

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

13. 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, 2020 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.

14. Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

No fraud was detected during the financial year under review.

15. Declaration by the Independent Directors and statement on compliance of Code of Conduct.

All the Independent Directors have furnished the Statement on Declaration of Independence under section 149 (6) of the Act and Regulation 16 of the Listing Regulations. Further, the Independent Directors have complied with the Code of Independent Directors prescribed in Schedule IV to the Act.

16. Statement on compliance of Code of Conduct for Directors and senior management personnel.

The Corporate Governance Report contains a Declaration on compliance to the Code of Conduct by the Directors and Senior Management Personnel of the Company.

17. Policy on Directors' Appointment & Remuneration.

The Company's Nomination and Remuneration Policy contains inter-alia, policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Act and the Listing Regulations.

SEBI vide notification dated 9th May, 2018, has introduced the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, vide which, it has inter-alia, enhanced the role of the Nomination and Remuneration Committee with effect from 1st April, 2019. In terms of the said amendment, the Nomination and Remuneration Committee will be required to recommend to the Board, all remuneration, in whatever form, payable to senior management (Part D, Para A(6) of Schedule II of the Listing Regulations). The said amendment has revised the definition of senior management to also include: "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer".

Accordingly, the Company's Nomination and Remuneration Policy has been revised to incorporate the above amendment.

The Policy defines the basic principles and procedure of nomination and determination of remuneration of all the Directors, Key Managerial Personnel and the senior management. It is further intended to ensure that the Company is able to attract, develop and retain high-performing Directors, Key Managerial Personnel and other employees and that their remuneration is aligned with the Company's business strategies, values and goals. The policy is based on the following pillars:

- 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 Policy is available on the website of the Company via the link:

<https://www.questfinancial.in/nomination-and-remuneration-policy.html>

18. Auditors & Auditors' Report

a. Statutory Auditors

The tenure of M/s. Arun Jain & Associates (Firm Registration No. 325867E), Chartered Accountants of 2B, Grant Lane, 2nd Floor, Room No. 74, Kolkata – 700 012 will be completed at the conclusion of the ensuing Annual General Meeting.

Further, the Board has received the consent letter alongwith a certificate of eligibility in terms of section 139 readwith section 141 of the Act and the rules framed thereunder from M/s. Verma S & Associates, Chartered Accountants (FRN: 328962E) of 22/3, S K Deb Road, 1st Bye Lane, Ground

Floor, Near Tetultala Bus Stop, Kolkata – 700 048 regarding their appointment from the conclusion of the ensuing Annual General Meeting.

b. Independent Auditors' Report

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

c. Secretarial Auditor

Mr. Abbas Vithorawala (C.P. No. 8827, Membership No. 23671), Company Secretary in whole-time Practice, who was appointed pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder to issue the Secretarial Audit Report for the Financial Year ended 31st March, 2020, has been further re-appointed to issue the Secretarial Audit Report for the Financial Year ended 31st March, 2021.

d. Secretarial Audit Report

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

1. *In terms of section 203 of the Companies Act, 2013 read with the Rules made thereunder, is required to appoint a Whole Time Company Secretary. Company has not appointed the Company Secretary.*
2. *Every company incorporated on or before 31st December, 2017 shall file the particulars of the company and its registered office, in e-Form ACTIVE (Active Company Tagging Identities and Verification) with in prescribed time, as per Companies (Incorporation) Amendment Rules, 2019- Hence, Company has not filed e-form Active with in prescribed time, therefore Company is marked as "Active – Non-Compliant" in the MCA Master data.*
3. *BSE Ltd. has imposed penalty for non compliance of Regulation 6(1) of the SEBI (LODR) Regulations, 2015 pertaining to appointment of Company Secretary. Further, the Company has not paid the fine and hence BSE Ltd. has frozen the promoters demat accounts.*

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 not appointed Company secretary, therefore e-Form ACTIVE (Active Company Tagging Identities and Verification) will be filed after appointment.
3. The Company will request the BSE Ltd. for waiving of the fines imposed.

e. Internal Auditor

Mr. Amit Jajodia (C.P. No. 14303, Membership No. 37613), Company Secretary in whole-time Practice is the Internal Auditor of the Company. He has been re-appointed at the meeting of the Board held on 29th May, 2019.

f. Internal Audit Report

The Internal Audit Report does not contain any adverse remarks.

19. Maintenance of Cost Records.

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

20. Particulars of Loans, guarantees or investments under Section 186 of the Act.

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.

21. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act 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 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.

22. State of Company Affairs & Future Outlook.

As on 31st March, 2020, the Company, a Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company, does not have any outstanding public deposits and the Company shall not accept in the Financial Year 2020-2021 and thereafter, any public deposit without obtaining the prior approval in writing of the Reserve Bank of India

23. 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.

24. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

Disclosure in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014:

a. Conservation of Energy.

The Company has no activity relating to conservation of energy.

b. Technology Absorption.

The Company has no activity relating to Technology Absorption. Further, the Company has not entered into any technology transfer agreement.

c. Foreign Exchange earnings and outgo.

The Company does not have any Foreign Exchange earnings and outgo during the financial year under review.

25. Risk Management Policy.

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. The details pertaining to various types of risks are described in the Management Discussion and Analysis report which is annexed to the Directors' Report.

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.

The Company is not required to have a Risk Management Committee and has voluntarily complied with the constitution of the Risk Management Committee in terms of the Listing Regulations. Further, in terms of Regulation 17(9)(b) of the Listing Regulations, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company and has 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.

26. Manner of formal annual evaluation of the performance of the Board, its Committees and that of its individual directors.

The manner of formal annual evaluation of the performance of the Board, its committees and that of the individual directors is more fully described in the Corporate Governance Report which is annexed to the Directors' Report. The evaluation is perused on the basis of the Company's performance evaluation policy.

27. Change in the nature of business.

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

28. Disclosures relating to Subsidiaries, Associates and Joint ventures.

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

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.

A reference is made in this connection to the CEO & CFO Certification which forms part of the Annual Report.

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. 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(Resigned on 29/01/2020)- Non Executive Non-Independent Promoter 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. 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 (Resigned on 29/01/2020)- Non Executive Non-Independent Promoter Director	No remuneration or sitting fees was paid
Mrs. Jyoti Lohia-Non-Executive Independent Director	No remuneration or sitting fees was paid
Mr. Tarun Laha-Non-Executive Independent Director	No remuneration or sitting fees was paid

*Mr. Kishan Kumar Jajodia (DIN- 00674858), Director resigned from the Board of the Company as an Non-Independent Non-Executive Director with effect from 29th January, 2020.

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, 2020, there are 8 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. 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.

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

Since there is no Managing Director in the Company so no remuneration

VIII. 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.

IX. 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.

X. 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).

Please note that, no claims shall lie against the Company in respect of unclaimed dividend amounts so transferred to the Investor Education and Protection Fund (IEPF).

Mr. Rabindra Kumar Hisaria (DIN: 05170751), Director and CFO has been appointed as the Nodal Officer. Claimants may contact the Nodal Officer: Mr. Rabindra Kumar Hisaria, Director, through the dedicated e-mail Id for the said purpose: investorsquestfinancial@yahoo.co.in. Alternatively, the claimants may also write their concerns to the Nodal Officer, addressed at the Registered Office. The relevant details in the above matter, including the relevant notification of the Ministry, contact details of the Nodal Officer, access link to the refund webpage of the IEPF Authority website, etc., are available on the website of the Company via the following link: <https://www.questfinancial.in>

34. Compliance to norms prescribed by RBI for NBFCs.

Your Company has been complying with all the requisite applicable norms prescribed by the Reserve Bank of India 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 Mr. Rabindra Kumar Hisaria, Director of the Company.

In terms of Section 108 of the Act and Rule 20 of the Company's (Management and Administration) Rules 2014, 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.

36. Mandatory update of PAN and Bank details against shareholding and transfer of shares compulsorily in Demat mode with effect from 1st April, 2019.

SEBI has amended relevant provisions of the Listing Regulations to debar listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the listed companies / their RTAs. 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. Further, two subsequent reminders thereof, have also been sent to the shareholders.

37. 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 strives to provide a safe working environment to all its employees, including its women employees and is committed to the protection of women against sexual harassment.

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 in place a Policy for prevention of Sexual Harassment of Women.

The Board of Directors do hereby confirm and state that, Quest Group has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to look into the matters relating to sexual harassment at workplace. Mrs. Jyoti Lohia, Director, is the Presiding Officer of the Committee. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

In the event of any sexual harassment at workplace, any woman employee of the Quest Group may lodge complaint to Mrs. Jyoti Lohia in writing or electronically through e-mail at: investorsquestfinancial@yahoo.co.in

During the period under review, no complaints pertaining to sexual harassment of women at workplace were received by the Company. Accordingly, in terms of section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, a summary thereof is as under:

Particulars	No. of Complaints
Number of complaints pending at the beginning of the year.	Nil
Number of complaints received during the year.	Nil
Number of complaints disposed off during the year.	Nil
Number of cases pending at end of the year.	Nil

38. Management's Discussion and Analysis.

The Management's Discussion and Analysis Report in terms of the Listing Regulations forms part of the Annual Report.

39. Affirmation on Compliance of Secretarial Standards.

The Board hereby affirms that, the Company has duly complied with the applicable Secretarial

Standards issued by the Institute of Company Secretaries of India (ICSI).

40. General.

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

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

The Company is not required to constitute a Corporate Social Responsibility Committee or to undertake any CSR activities in terms of the provisions of Section 135 of the Act and accordingly, the requisite disclosure requirement as is specified in Section 134(3) (o) of the Act, is not applicable on the Company.

b. Details of deposits which are not in compliance with the requirements of 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 31st March, 2020. Accordingly, the question of unpaid or unclaimed deposits does not arise.

c. 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.

d. Details of shares as per Employees Stock Option Scheme/Sweat Equity shares / Equity shares with differential voting rights.

The Company has not issued any shares as per Employees Stock Option Scheme/Sweat Equity shares / Equity shares with differential voting rights.

41. Acknowledgement.

Your Directors 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 : 03.12.2020

**For and on behalf of the Board of Directors
Quest Financial Services Ltd**

Sd/-
Bijay Kumar Agarwal
Chairperson
DIN: 0063425

Annexure-I to the Directors' Report

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L65993WB1980PLC033060
ii.	Registration Date	21/10/1980
iii.	Name of the Company	Quest Financial Services Ltd.
iv.	Category/Sub-Category of the Company	Public Company, Limited By Shares, 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 - 700001
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 Sarees	46419	19.18
2	Interest on Loan	64920	80.82

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)
		NIL			

Capital Funds										
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-	-
2. Non Institutions										
a) Bodies Corp.										
(i) Indian	21709481	4647000	26356481	21.373	21577414	4647000	26224414	21.266		(0.107)
(ii) Overseas										
b) Individuals										
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	25609573	980616	26590189	21.563	25100655	973702	26074357	21.144		(0.419)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	56888708	9701500	66590208	53.999	58457442	9701500	68158942	55.272		1.273
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-	-
d) Others(Specify)										
1) NRI	108719	-	108719	0.088	118520	-	118520	0.096		0.008
2) Clearing Member	1185903	-	1185903	0.962	255267	-	255267	0.207		(0.755)
3) Trusts	7500	-	7500	0.006	7500	-	7500	0.006		0.000
Sub-total(B)(2)	105509884	15329116	120839000	97.991	105516798	15322202	120839000	97.991		-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	105509884	15329116	120839000	97.991	105516798	15322202	120839000	97.991		-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-		-
Grand Total (A+B+C)	107987384	15329116	123316500	100.00	107994298	15322202	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 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	% of total Shares of the company	
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	Shareholding at the beginning of the year		Cumulative Shareholding during the year
			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			
2.	Anita Jajodia	At the beginning of the year	575000	0.47	90000 0.07
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons	-	-	-

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

Sr. no	Name	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	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	Vinod Kumar Tirole	At the beginning of the year	413895	0.336		
		Increase in shares on 01/11/2019 (Transfer of shares)	21974	0.018	435869	0.353
		Increase in shares on 22/11/2019 (Transfer of shares)	25000	0.020	460869	0.374
		Increase in shares on 06/12/2019 (Transfer of shares)	38031	0.031	498900	0.405
		Increase in shares on 13/12/2019 (Transfer of shares)	30100	0.024	529000	0.429
		Increase in shares on 20/12/2019 (Transfer of shares)	1000	0.001	530000	0.430
		Increase in shares on 27/12/2019 (Transfer of shares)	13000	0.011	543000	0.440
		Increase in shares on 17/01/2020 (Transfer of shares)	32519	0.026	575519	0.467

		Increase in shares on 31/01/2020 (Transfer of shares)	77725	0.063	653244	0.530
		Increase in shares on 07/02/2020 (Transfer of shares)	58011	0.047	711255	0.577
		Increase in shares on 14/02/2020 (Transfer of shares)	16530	0.013	727785	0.590
		Increase in shares on 21/02/2020 (Transfer of shares)	61943	0.050	789728	0.640
		Increase in shares on 28/02/2020 (Transfer of shares)	35272	0.029	825000	0.669
		Increase in shares on 13/03/2020 (Transfer of shares)	5000	0.004	830000	0.673
		At the End of the year (or on the date of separation, if separated during the year)			830000	0.673
3.	Darpan Commosales Pvt. Ltd.	At the beginning of the year	810000	0.657		
		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)			810000	0.657
4.	Yelleti Sreenivasa Rao	At the beginning of the year	777777	0.631		
		Increase in shares on 12/04/2019 (Transfer of shares)	3000	0.002	780777	0.633
		Increase in shares on 19/04/2019 (Transfer of shares)	8100	0.007	788877	0.640
		Increase in shares on 26/04/2019 (Transfer of shares)	11133	0.009	800010	0.649

		At the End of the year (or on the date of separation, if separated during the year)				4500000		3.65
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.	Sankiap Vincom Pvt. Ltd.	At the beginning of the year	1347855		1.09			
		Increase in shares on 20/12/2019 (Transfer of shares)	400		0.00			-
		At the End of the year (or on the date of separation, if separated during the year)				1348255		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
		At the End of the year (or on the date of separation, if separated during the year)				2920636		2.37

		separation, if separated during the year)			
12.	Sunil Champalal Somani	At the beginning of the year	1000000	0.811	
		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
					0.811

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.	Kishan Kumar Jajodia (Director) Resigned on 29.01.2020	At the beginning of the year	7,05,000	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				
2.	Bijay Kumar Agarwal	At the beginning of the year			7,05,000	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				
3.	Rabindra Kumar Hisaria	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				

		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.	Jyoti Lohia	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.	Tarun Laha	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

	<i>Amount in Rs.</i>			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
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 ₹)

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

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			NONE		
Punishment					
Compounding					
C. Other Officer in default					
Penalty					
Punishment					
Compounding					

Place : Kolkata
Dated : 03.12.2020

**For and on behalf of the Board of Directors
Quest Financial Services Ltd**

**Sd/-
Bijay Kumar Agarwal
Chairperson
DIN: 0063425**

Abbas Vithorawala

B.Com (Hons), ACS
Practising Company Secretary

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Quest Financial Services Ltd. ("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 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, 2020 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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") 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) Provisions of the 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 were not attracted to the Company under the financial year under report; **Not Applicable to the company during the Audit Period;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



Residence : 41A/H/1, Jannagar Road, 1st Floor, Near Park Circus, Kolkata-700 017
E.mail : abbas.vithorawala@rediffmail.com, abbas.vithorawala@gmail.com

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter, "Listing Regulations").

(d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;

(e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not attracted to the Company under the financial year under report:-

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) 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;

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **ANNEXURE - 1**.

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 Agreement entered into by the Company with BSE Ltd., in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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:

1. *In terms of section 203 of the Companies Act, 2013 read with the Rules made thereunder, is required to appoint a Whole Time Company Secretary. Company has not appointed the Company Secretary.*
2. *Every company incorporated on or before 31st December, 2017 shall file the particulars of the company and its registered office, in e-Form ACTIVE (Active Company Tagging Identities and Verification) with in prescribed time, as per Companies (Incorporation) Amendment Rules, 2019- Hence, Company has not filed e-form Active with in prescribed time, therefore Company is marked as "Active - Non-Compliant" in the MCA Master data.*
3. *BSE Ltd. has imposed penalty for non compliance of Regulation 6(1) of the SEBI (LODR) Regulations, 2015 pertaining to appointment of Company Secretary. Further, the Company has not paid the fine and hence BSE Ltd. has frozen the promoters demat accounts.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

I further report that during the audit period the Company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

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

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



(iv) Foreign technical collaborations.

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

Place : Kolkata
Dated : 03.12.2020

Abbas Vithorawala
Abbas Vithorawala
Company Secretary in Practice
M. No. 23671
C.P.No. 8827
UDIN:A023671B001391721

ANNEXURE - I

I. List of major heads/groups of Acts, Laws and Regulations as applicable to the Company.

The Management has identified and confirmed the following laws as specifically applicable to the Company:

1. The Reserve Bank of India Act, 1934 and all RBI Regulations made thereunder, as are applicable for NBFCs.
2. The Prevention of Money Laundering Act, 2002 read with various rules made thereunder as amended from time to time.
3. The Electricity Act, 2003 as in force from time to time.
4. Applicable acts prescribed under Environmental Protection.
5. Acts prescribed under Direct and Indirect Tax.
6. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on a contractual basis.
7. Land Revenue Laws of respective States.
8. Labour Welfare Act of respective States.
9. Local Laws as applicable to various branch offices.

Registered Office: -

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

Place : Kolkata
Dated : 03.12.2020

Abbas Vithorawala
Abbas Vithorawala
Company Secretary in Practice
M. No. 23671
C.P.No. 8827
UDIN:A023671B001391721

ANNEXURE - II

Auditor's Note on the Maintenance of Secretarial Records of the Company

1. The Company's Management is responsible for the maintenance of Secretarial Records in a manner to ensure compliance by the Company of applicable laws and to take adequate steps for the existence of proper and adequate systems and processes in this regard.

2. Secretarial Audit postulates verification on a test basis of records, books, papers and documents to check compliance with the provisions of various statutes, laws and rules & regulations. I have applied the following general techniques of auditing:

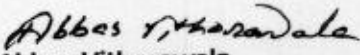
- a. Sample checking;
- b. Test checking;
- c. Random checking; and
- d. Trial and error checking.

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

4. In case of Financial Laws, I have relied on the Report of the Statutory Auditor and have not verified the financial records and Books of Accounts of the Company.

5. This Secretarial Audit Report is not an assurance of the effectiveness with which the Management has conducted the affairs of the Company.

Place : Kolkata
Dated : 03.12.2020


Abbas Vithorawala
Company Secretary in Practice
M. No. 23671
C.P.No. 8827
UDIN:A023671B001391721

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis Report contain forward-looking statements which are based on certain assumptions, risks, uncertainties and expectations of future events. All statements that address expectations or projections about the future are forward-looking statements. The actual results, performance or achievements can thus differ materially from those projected in any such statements depending on various factors including: the demand supply conditions, change in government regulations, tax regimes, economic development within the country and abroad and such other incidental factors over which, the Company does not have any direct control.

This Report is framed in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. Industry Structure & Development

Economic growth and social development go hand-in-hand in today's New India. Being primarily a Non-Banking Financial Company (NBFC), we are an important medium of meeting the financial requirements of the bottom of the pyramid population and thereby, play a significant role in taking forward the Financial Inclusion agenda of the country –thus contributing to the building of "Aatmanirbhar Bharat".

The last quarter of our financial year 2019-2020, has been marked in our Country with the outbreak of a highly infectious respiratory disease, caused by a new "corona virus" -hereinafter, "COVID-19". The disease was discovered in China in December, 2019 and has since, spread around the world. In view of the fact that, the disease spreads through contact transmission, a lockdown was imperative, which restricted travel movements to break the chain of transmission.

With the active support of citizens of India, our Country has been able to mitigate the spread of the virus so far. India has faced the COVID-19 situation with fortitude and a spirit of self-reliance. The exemplary role played by India in the global fight against COVID-19 has been recognized and appreciated widely. Additionally, India has demonstrated how it rises up to challenges and uncovers opportunities therein. Unlock Guidelines have been issued from time to time to enable resumption of economic activities while maintaining abundant caution thus allowing graded easing of restrictions.

The clarion call given by the Hon'ble Prime Minister to use these trying times to become Aatmanirbhar (self-reliant) has been very well received to enable the resurgence of the Indian economy. The Five pillars of Aatmanirbhar Bharat focus on: (i) Economy; (ii) Infrastructure; (iii) System; (iv) Vibrant Demography and (v) Demand. In this connection, one important phase of this self reliance goal has been: the encouragement to Micro, Small and Medium Enterprises ("MSMEs"). The MSME sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. In this connection, Government of India has announced a series of economic packages for the MSMEs - aimed to raise India's profile on the five Pillars of Aatmanirbhar Bharat. Your Company has been cautiously evaluating the benefits associated with the MSME sector with reference to our business structure.

In the recent past, NBFCs have played increasingly important role in resource mobilisation and credit intermediation. NBFCs will continue to play a significant role in economic growth and financial inclusion and in particular in meeting the country's goal of "Aatmanirbhar Bharat" as NBFCs are vital in meeting the financial needs of the unbanked segment of the population. The COVID-19 phenomenon has brought about a series of challenges for the NBFC sector and subsequently, the Government of India alongwith the Reserve Bank of India (R.B.I.) released a stimulus package, which includes: additional liquidity to sectors like NBFC. Also, the RBI announced a moratorium of another three months from 1st June, 2020 to 31st August, 2020 from the earlier 3 months on repayment of term loans and interest on working capital, taking the total period of applicability of the moratorium period to 6 months. It is expected that, NBFCs with proper planning can overcome the impact of the COVID-19 disruption, and continue its successful growth trajectory.

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, 2020 was satisfactory.

3. Opportunities and threats.

The competition in the NBFC Sector is intense on account of large number of players. However, regulations relating to governing non-banking financial companies (NBFCs) are being increasingly harmonized with those of banks to forge the right balance for financial stability while encouraging them to focus on specialized areas. Yet, adverse interest rates can significantly hit the cost of borrowing for NBFCs.

Being primarily a NBFC, our collections from customers has been deferred on account of the COVID-19 pandemic as the same has been adversely impacted due to restrictions on the movement of people, as a result of which, our employees have not been able to make on-field visits at the customer's place. Further, various customers are facing financial crunch due to the lockdown and this has also impacted our business. In this connection, we are providing moratorium support to our customers/borrowers on specific requests raised by them after assessing the merit of their requests and their loan repayment track record and in line with the RBI directives.

4. Segment – wise or product wise performance

During the year under review, the Company earned Interest on loan approximately amounting to Rs. 15.76 lakhs as compared to Rs. 18.95 lakhs in the previous year.

5. 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.

6. Risks and concerns

The risk management plan of the Company is monitored by the Risk Management Committee in accordance with the Risk Management Policy of the Company.

NBFCs success largely depends on correctly judging the creditworthiness of the customer. Your Company believes that, the success of NBFCs can be attributed to lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and better understanding of their customer segments. In this manner, the Company strives to achieve success not only in its traditional segment of financing – i.e.: business loan to corporate and individuals. The Company manages credit risks through stringent credit norms to verify the identity of an individual, corporate and determine their intent and ability to repay a loan.

Further, NBFC's on the one hand, are also exposed to Interest Rate Risk (resulting from changes in market interest rates may have adverse impact on NBFC's earnings by changing its Net Interest

Income) and liquidity risk (which poses a threat to the ability to meet short term financial demands). In this connection, Interest Risks and Liquidity Risks are managed through regular monitoring of maturity profile. Besides, operational risks in the form of risks of incurring losses due to manual errors, fraud or system failure, can be monitored through an effective internal control system management and its periodic assessment.

7. Internal Control Systems and their Adequacy.

The Company strives to continuously upgrade its Internal Control System in line with the best available practices to commensurate with its size and the nature of its operations. The Company's Internal Control Systems are thus adequate. Further, checks and controls have been exercised through remote access to systems by working from home during the shutdown period.

The Audit Committee in coordination with the Internal Audit team regularly reviews the adequacy and effectiveness of internal control systems, in view of the ever changing business environments.

8. Review of Operational and Financial Performance.

The Company concluded there is a decline in its core business. The Company is showing substantial decline 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 2019-20 was Rs.15.76 lakhs as compared to Rs. 18.95 lakhs for the previous financial year. The total expenses decreased to Rs. 64.21 lakhs in the reporting year as compared to Rs. 280.42 lakhs in the previous year.

9. Material developments in 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 endeavours 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 8 number of employees on roll at the end of the financial year under review.

10. Cautionary Statement

This Management Discussion and Analysis Report contain forward-looking statements which are based on certain assumptions, risks, uncertainties and expectations of future events. All statements that address expectations or projections about the future are forward-looking statements. The actual results, performance or achievements can thus differ materially from those projected in any such statements depending on various factors including: the demand supply conditions, change in government regulations, tax regimes, economic development within the country and abroad and such other incidental factors over which, the Company does not have any direct control.

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, 2020

We, Bijay Kumar Agarwal (DIN-00634259), Director and 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, 2020 and that to the best of my 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 my knowledge and belief, no transactions entered into by the listed entity during the year ending on 31st March, 2020 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps have been taken to rectify these deficiencies.

D. I 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 I 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. Bijay Kumar Agarwal
Director
DIN-00634259

Mr. Rabindra Kumar Hisaria
CFO
PAN- AASPH1680H

Place : Kolkata
Date : 03.12.2020

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

This is to confirm that the Company has adopted Code of Conduct for its employees. In addition, the Company has adopted the Code of Conduct for the Directors of the Company. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2020, received from the senior management team of the Company and the Members of the Board of Directors, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the officers/personnel of the Company who are members of its core management team excluding Board of Directors and this shall comprise all members of management one level below the executive directors, including all functional heads.

Place : Kolkata
Date : 03.12.2020

Rabindra Kumar Hisaria
Whole Time Director
DIN-05170751

Abbas Vithorawala

B.Com (Hons), ACS

Practising Company Secretary

Mobile : 0 90072 08362
Phone : +91 033 2284 5559

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Quest Financial Services Limited
Centre Point, 21, Hemanta Basu Sarani,
2nd Floor, Room No. 230,
Kolkata- 700 001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Quest Financial Services Limited having CIN-L65993WB1980PLC033060 and having registered office at Centre Point, 21, Hemanta Basu Sarani, 2nd Floor, Room No. 230, Kolkata- 700 001, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that except **Mrs. Jyoti Lohia whose DIN is deactivated due to non-filing of DIR-3KYC** none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Bijay Kumar Agarwal	00634259	31/01/2007
2	Rabindra Kumar Hisaria	05170751	14/02/2012
3	Jyoti Lohia	07113757	31/03/2015
4	Tarun Laha	07477757	12/02/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Dated : 03.12.2020

Abbas Vithorawala
Abbas Vithorawala
Company Secretary in Practice
M. No. 23671
C.P. No. 8827
UDIN:A023671B001391543

Residence : 41A/H/1, Jannagar Road, 1st Floor, Near Park Circus, Kolkata-700 017
E.mail : abbas.vithorawala@rediffmail.com, abbas.vithorawala@gmail.com

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Quest Financial Services Limited

I have examined the compliance of conditions of Corporate Governance by **Quest Financial Services Limited** for the year ended on **March 31, 2020** 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 me.

The compliance of conditions of Corporate Governance is the responsibility of the management. My 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 my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

I 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.

Place : **Kolkata**
Dated : **30.11.2020**

For Arun Jain & Associates
Chartered Accountants
FRN-325867E

Sd/-
CA Arun Kumar Jain
Proprietor
Membership No. 053693
UDIN: 21053693AAAAAJ8600

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 Governance.

Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholders value, keeping in view the needs and interests of all the stakeholders.

Your Company also believes that good Corporate Governance makes good business sense and build up a good Corporate Image. As such your Company not only complies with all requirements of Corporate Governance laid by various bodies, but follows it in spirit also.

During the period under review, the Company has complied with applicable Corporate Governance norms as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter, the "Listing Regulations").

2. Board of Directors

The Board of Directors (hereinafter referred to as "the Board") of the Company is a reflection of enriched experience, optimum diversity and vast knowledge. The Board of Directors have performed their role from time to time and have periodically reviewed the compliance reports as was required in terms of the applicable provisions of the Listing Regulations and other laws in force, if any. The Board has also sufficiently reviewed and acted upon the various agenda items placed before it.

2.1 The composition and category of the Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of shares held by them in the Company alongwith their Directorship and Committee Membership /Chairpersonship in other Companies.

The Company's Board of Directors as on 31st March, 2020, comprises of four Non-Executive Directors, including three Independent Directors and one Promoter Director.

Mr. Kishan Kumar Jajodia (DIN- 00674858), resigned from the Company with effect from 29th January, 2020.

Further Mr. Tarun Laha (DIN-07477757) was appointed as an Additional Director with effect from February 12, 2019 in the category of Non-Executive Independent Director. Accordingly his tenure expired at the conclusion of the 39th Annual General Meeting (AGM) held on 30th day of September, 2019 where he has been appointed for a period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th AGM 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 and who shall not be liable to retire by rotation. Considering his vast work experience, his appointment was considered prudent.

At the 39th Annual General Meeting, Mr. Bijay Kumar Agarwal (DIN-00634259) and Mr. Rabindra Kumar Hisaria (DIN-05170751) were re-appointed as Independent Director for a second term of five consecutive years from the conclusion of the 39th AGM held on 30th September, 2019.

Six Meetings of the Board were held during the financial year 2019-2020 i.e. on 22/04/2019, 28/05/2019, 14/09/2019, 14/12/2019, 29/01/2020 and 14/02/2020. The maximum time gap between any two Board Meetings was not more than 120 days.

Requisite quorum was present at all meetings and the Directors, who were unable to attend any particular Board Meeting(s), had obtained leave of absence from the Board.

The details are as follows:

Name of Director	Category	No of shares held & % of shareholding in the Co.	No. of Board Meetings attended	Whether last AGM Attended	No. of Directorships in other companies		No. of Committee(s) Membership/ Chairpersonship held in other companies	
					Public	Private	Member	Chairperson
Mr. Bijay Kumar Agarwal	Chairperson-Non-Executive - Independent	-	6	Yes	-	1	-	-
Mr. Rabindra Kumar Hisaria	Executive, Non-Independent	-	6	Yes	-	9	-	-
Mr. Kishan Kumar Jajodia*	Non-Executive-Non Independent	7,05,000 shares (0.57%)	5	Yes	8	4	2	-
Mrs. Jyoti Lohia	Non Executive, Independent Director	-	6	Yes	1	-	2	-
Mr. Tarun Laha***	Non Executive, Independent Director	-	6	Yes	6	2	-	-

*Mr. Kishan Kumar Jajodia (DIN- 00674858), Director resigned from the Company with effect from 29/01/2020.

*** Mr. Tarun Laha (DIN-07477757) was appointed as an Additional Director with effect from February 12, 2019 in the category of Non-Executive Independent Director. Accordingly his tenure expired at the conclusion of the 39th Annual General Meeting (AGM) held on 30th day of September, 2019 where he has been appointed for a period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th AGM 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 and who shall not be liable to retire by rotation. Considering his vast work experience, his appointment was considered prudent.

Mrs. Jyoti Lohia (DIN- 07113757) Non Executive Independent Director, disclosure pertaining to her directorships in listed entities as well as her committee memberships alongwith her category of Directorship, is as under:

Sl. No.	Name of the listed entity	Category of Directorship
1.	Shree Nidhi Trading Co Ltd	Non-Executive- Independent Director

Mr. Kishan Kumar Jajodia (DIN- 00674858) Non-Executive-Non Independent Director of the Company, resigned from the Company with effect from 29th January, 2019. Accordingly, the disclosure pertaining to his directorships in listed entities as well as his committee memberships, - is based on the data prevailing at the time of his resignation on 29th January, 2019. The names of the listed entities in which he was a Director as on the date of his resignation alongwith his category of Directorship, is as under:

Sl. No.	Name of the listed entity	Category of Directorship
1.	Jaisukh Dealers Limited	Non-Executive- Independent Director

None of the Directors on the Board is a member of more than 10 Committees & Chairperson of more than 5 Committees across all the Companies in which he or she is a Director. It be noted that, for the purpose of determination of limit, chairpersonship of the Audit Committee and the Stakeholders' Relationship Committee alone, have been considered.

None of the Independent Directors held directorship in more than 10 public limited Companies.

2.2 Disclosure of relationships between Directors inter-se.

No relationships exist between Directors inter-se.

2.3 Invitees

Apart from the Board members, the Chief Financial Officer (CFO) are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board.

2.4 Independent Directors

(a) Confirmation

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the Management.

(b) Separate meetings of the Independent Directors.

In terms of Regulation 25(3) of the Listing Regulations, read with Schedule IV of the Companies Act, 2013, one exclusive meeting of the Independent Directors was held on 14th February, 2020, to discuss inter-alia amongst others, the agenda items as specified in Regulation 25(4) of the Listing Regulations, read with Schedule IV of the Companies Act, 2013. The attendance details are as under:

Sl. No.	Name of the Committee member	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Bijay Kumar Agarwal	1	1
2.	Mrs. Jyoti Lohia	1	1
3.	Mr. Tarun Laha	1	1

The quorum for the separate meeting of the Independent Directors has been fixed as two (2).

(c) Tenure & Formal Letter of appointment to Independent Directors.

Mr. Tarun Laha (DIN-07477757) was appointed as an Additional Director with effect from February 12, 2019 in the category of Non-Executive Independent Director. Accordingly his tenure expired at the conclusion of the 39th Annual General Meeting (AGM) held on 30th day of September, 2019 where he has been appointed for a period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th AGM 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 and who shall not be liable to retire by rotation. Considering his vast work experience, his appointment was considered prudent.

Mrs. Jyoti Lohia (DIN: 07113757) appointed as an Independent Director for a term of five years at the 35th Annual General Meeting of the Company with effect from 29th September, 2015 & were issued Appointment Letters in this regard.

Mr. Rabindra Kumar Hisaria (DIN: 05170751) appointed as a Whole Time Director for a term of three years at the 39th Annual General Meeting of the Company with effect from 1st October, 2019 being liable to retire by rotation, & were issued Appointment Letters in this regard.

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

(d) Familiarisation programme for Independent Directors.

Pursuant to Regulation 25(7) of the Listing Regulations, effective from 1st December, 2015, the company shall familiarise the independent directors about the company, including- their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

In this connection, various familiarization programmes were conducted during the Financial Year 2019-20 and the details of such familiarisation programmes has been

disclosed on the website of the Company : viz: www.questfinancial.in , via the following link:

: <http://questfinancial.in/familiarisation-program-for-independent-directors.html>

2.5 Profile of the Directors appointed/re-appointed.

The profile of all the Directors is described on the website of the Company, viz: <http://www.questfinancial.in>

2.6 Disclosure to the Board of Directors by the Senior Management, in terms of Regulation 26(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There have been no material, financial and commercial transactions in which, the senior management have such personal interest that may have a potential conflict with the interest of the Company. Hence the question of disclosure by the senior management in terms of Regulation 26(5) of the Listing Regulations does not arise.

2.7 Chart/matrix setting out the skills/expertise/competence of the Board of Directors.

The Company's business is organized around two business segments namely, Financial and Embroidery. Financial activities consist of providing loans and investments in shares & securities.

The core skills / expertise / competences identified by the Board, as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board are as under:

Name of the Directors	Years of experience	Core skills / expertise / competences identified by the Board				
		Trading	Leadership & Governance	Financial	Corporate law	Marketing
Mr. Bijay Kumar Agarwal	18	✓	✓	✓	✓	✓
Mr. Rabindra Kumar Hisaria	29		✓	✓	✓	
Mr. Kishan Kumar Jajodia Resigned w.e.f.29.01.2020	26		✓	✓	✓	
Mrs. Jyoti Lohia	6	✓	✓	✓	✓	✓
Mr. Tarun Laha	3	✓		✓	✓	

2.8 Succession Planning

Pursuant to Regulation (4)(2)(f)(ii) read with Regulation 17(4) of the Listing Regulations, the Board has, during the financial year under review, satisfied itself that plans are in place for orderly succession for appointments to the Board and the senior management. The Company recognizes that succession planning will ensure that investors do not suffer due to sudden or unplanned gaps in leadership. Succession Planning will therefore ensure that the Company is well-prepared for expansion, loss of any key talent, business continuity and that there is an appropriate balance of skills, experience and expertise on the Board and Senior Management.

2.9 Policy on Board Diversity

Based on the Company's Policy on Board Diversity, as formulated by the Nomination and Remuneration Committee, the Board has time and again ensured that, optimum diversity on the Board is attained and maintained.

3. Audit Committee

3.1 Brief description of the terms of reference.

The Audit Committee has the power to investigate any activity within its terms of reference, including the powers /duties/responsibilities entrusted on it by the Listing Regulations, to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Audit Committee ensures that transparency, accuracy and quality of financial reporting is not compromised with.

The terms of reference of the Committee is in accordance with that specified in Regulation 18(3) of the Listing Regulations, read with Part C of Schedule II thereto, and also conforms to the requirements of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

3.2 The composition of the Committee, meetings and attendance of the members during the year.

The composition of the Audit Committee reflects independence and comprises of members with enriched qualification and all members are financially literate. As on 31st March, 2020, it comprises of two non-executive independent directors and one non-executive Non-Independent director as on 31st March, 2020.

The Committee met 5 (Five) times during the year i.e. on 28/05/2019, 14/09/2019, 14/12/2019, 29/01/2020 and 14/02/2020. The maximum time gap between any two Audit Committee Meetings was not more than 120 days.

Requisite quorum was present at all meetings and the committee members who were unable to attend any particular Meeting(s) of the Committee, obtained leave of absence from the Committee.

The details are enumerated herein below:

Sl. No.	Name	Category	No. of Meetings Attended
1	Mr. Bijay Kumar Agarwal	Chairperson-Non-Executive-Independent	5
2	Mr. Rabindra Kumar Hisaria	Non-Executive-Non Independent	5
3	Mrs. Jyoti Lohia	Non-Executive-Independent	5

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

3.4 Invitees

Apart from the Committee members other senior management executives, internal auditor, representative of the statutory auditor, etc., are called as and when necessary, to provide additional inputs for the items being discussed by the Committee.

4. Nomination and Remuneration Committee

4.1 Brief description of the 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.

The Nomination and Remuneration Committee has performed its role in accordance with its terms of reference of the Listing Regulations read with Part D of Schedule II thereto.

4.2 The composition of the Committee, meetings and attendance of the members during the year.

The Nomination and Remuneration Committee of the Company as on 31st March, 2020, comprises of three Non-Executive Independent Directors.

The Committee met 2 (Two) time during the year i.e. on 14/09/2019 and 14/02/2020. All the committee members were present at the meeting.

The details are as follows:

Sl. No.	Name	Status	No. of Meetings Attended
1.	Mrs. Jyoti Lohia	Chairperson-Non-Executive-Independent	2
2.	Mr. Bijay Kumar Agarwal	Non Executive, Independent Director	2
4.	Mr. Tarun Laha Appointed as a Meber w.e.f.12.02.2019	Non-Executive-Independent	2

4.3. Remuneration of Directors

4.3.1. All pecuniary relationship or transactions of the non-executive directors vis-à-vis, the Company.

There is no pecuniary relationship or related party transactions depicting, inter-alia amongst others, transactions of the non-executive directors, vis-à-vis, the Company.

4.3.2. Criteria of making payments to non-executive Directors.

No Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel.

During the financial year under review, the Nomination and Remuneration Policy was revised in line with the various amendments in the Listing Regulations. The Nomination and Remuneration Policy has been disclosed on the website of the Company. <https://www.questfinancial.in/nomination-and-remuneration-policy.html>

Disclosures with respect to remuneration

(a) Remuneration of the Non-Executive Directors.

Regulation 17(6) of the Listing Regulations, provides that:

(i) The board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders in general meeting.

(ii) The requirement of obtaining approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 2013, for payment of sitting fees without approval of the Central Government.

(iii) The approval of shareholders as mentioned in (i) above, shall specify the limits for the maximum number of stock options that may be granted to non-executive directors, in any financial year and in aggregate.

(iv) The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof. Such approval shall be valid only till the expiry of the term of such director.

(v) Independent directors shall not be entitled to any stock option.

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.

(b) Remuneration of the Executive Directors including Whole-time Director and Managing Director.

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:

(i) **The Fixed Components-** This broadly encompasses: Salary, allowances, perquisites, retirement benefits, etc.

(ii) **The Variable Components-** Performance based promotion and bonus are primarily included hereto.

Any annual increase in the remuneration of the Directors shall be at the sole discretion of the Board, based on the recommendation of the Nomination and Remuneration Committee.

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.

(c) Details of Remuneration paid to the Directors.

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.

Further, none of the Directors of the Company were paid any remuneration during the Financial Year under review.

(d) Service Contracts, notice period and severance fees.

Mr. Tarun Laha (DIN-07477757) was appointed as a Director in the category of Non-Executive Independent Director for a period of five consecutive years from the conclusion of the 39th AGM till the conclusion of 44th AGM 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 and who shall not be liable to retire by rotation.

Mrs. Jyoti Lohia (DIN: 07113757) appointed as an Independent Director for a term of five years at the 35th Annual General Meeting of the Company with effect from 29th September, 2015 & were issued Appointment Letters in this regard.

Mr. Bijay Kumar Agarwal (DIN: 00634259) re-appointed as an Independent Director for a term of five years at the 39th Annual General Meeting of the Company with effect from 30th September, 2019 & were issued Appointment Letters in this regard.

Mr. Rabindra Kumar Hisaria (DIN: 05170751) appointed as a Whole Time Director for a term of three years at the 39th Annual General Meeting of the Company with effect from 1st October, 2019 being liable to retire by rotation, & were issued Appointment Letters in this regard.

Mr. Kishan Kumar Jajodia (DIN- 00674858), Director resigned from the Company with effect from 29/01/2020.

(e) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

Not applicable.

4.4. Annual evaluation of Performance:

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 in accordance with the applicable provisions of the Listing Regulations/Guidance Note issued by SEBI on evaluation, the disclosure regarding the manner of formal annual evaluation of the performance of the Board, its Committees and of individual directors are as under:

a. Role of the Nomination and Remuneration Committee (NRC):

- i. NRC has formulated criteria for evaluation of performance of independent directors and the board of directors.
- ii. NRC carries out evaluation of every director's performance.
- iii. NRC determines whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors.

b. Role of independent directors:

In the meeting of independent directors of the company (without the attendance of non-independent directors and management), such directors :

- 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.
- IV. Bring an objective view in the evaluation of the performance of board and management.

c. Evaluation of independent directors:

The performance evaluation of independent directors is done by the entire Board of Directors, excluding the director being evaluated.

d. Performance Evaluation of the Committee

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

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.

5.1. Composition of the Committee and Compliance Officer.

The Committee consists of three Non - Executive Independent Director, as on 31st March, 2020. The details are as follows:

The Committee met 1 (One) time during the year i.e. on 31/01/2020. All the committee members were present at the meeting.

Sl. No.	Name	Category	No. of Meetings Attended
1	Mr. Bijay Kumar Agarwal	Non Executive, Independent Director - Chairperson	1
2	Mrs. Jyoti Lohia	Non-Executive-Independent	1
3.	Mr. Tarun Laha*	Non-Executive Independent	1

*Mr. Tarun Laha appointed as the member of the Committee with effect from 12/02/2019.

5.2 Brief description of the terms of reference

The Committee has performed the role assigned to it in terms of Schedule II of the Listing Regulations.

The Committee deals with matters relating to approval of Share Transfer, Transmissions and Transposition, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialisation and Rematerialisation requests, monitoring of shareholder complaints /requests, etc. The Committee is also empowered to resolves the grievances of the security holders of the Company.

5.3. Committee meeting details during the financial year 2019-20.

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

5.4 Status of Complaints received from the members:

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

The summary of complaints is provided herewith:

Particulars	No. of Complaints
Pending at the beginning of the Year	Nil
Number of shareholders' complaints received	Nil

Disposed of during the Year	Nil
Number of shareholders' complaints not solved to the satisfaction of the shareholders	Nil
Number of pending complaints	Nil

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.

Pursuant to the provisions of the Listing Regulations, the constitution of the Risk Management Committee is not mandatory for the Company. However, on account of good Corporate Governance principles, and the fact that, NBFCs are subjected to varieties of risks which require constant monitoring and mitigation, the Company has decided to continue with the functioning of the Risk Management Committee.

6.1 Composition

All the members of the Committee are Board members.

The details are as follows:

Sl. No.	Name	Category
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
4	Mr. Tarun Laha	Non-Executive Independent

*Mr. Kishan Kumar Jajodia (DIN- 00674858), Director resigned from the Company with effect from 29/01/2020.

6.2. Committee meeting details during the financial year 2019-20.

During the year, meeting of the Risk Management Committee was held on 14/12/2019.

7. Fair Practice Code Committee.

The Fair Practice Code Committee strives to ensure transparency in the Company's dealings with its customers, to strengthen mechanisms for redressal of customer grievances and to ensure compliance with legal norms in matters relating to recovery of advances.

7.1 Composition.

The composition of the Fair Practice Code Committee is as under:

Sl. No.	Name	Category
1	Mrs. Jyoti Lohia	Non-Executive-Independent-Chairperson
2	Mr. Bijay Kumar Agarwal.	Non-Executive-Independent
3	Mr. Tarun Laha, Appointed as a Member w.e.f.12.02.2019	Non-Executive-Independent

7.2. Committee meeting details during the financial year 2019-20.

During the year, meeting of the Fair Practice Code Committee was held on 20/08/2019 and 20/02/2020.

8. IT Strategy Committee

In terms of the RBI Master Direction on Information Technology Framework for the NBFC sector, the Company has an IT Strategy Committee which is required to act within the scope of the RBI Directions/Circulars as issued/to be further issued from time to time and to also perform such other roles as and when it may be empowered for the same by the Board of Directors.

8.1 Composition.

The composition of the Committee is as under:

Sl. No.	Name	Category
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
4	Mr. Tarun Laha, Appointed as a Member w.e.f.20.08.2019	Non-Executive-Independent

*Mr. Kishan Kumar Jajodia (DIN- 00674658), Director resigned from the Company with effect from 29/01/2020.

8.2. Committee meeting details during the financial year 2019-20.

The Committee met 2 times during the year on: 20/08/2019 and 20/02/2020. The attendance detail is as under:

Sl. No.	Name	No. of meetings entitled to attend.	No. of meetings attended.
1	Mr. Bijay Kumar Agarwal	2	2

2	Mr. Kishan Kumar Jajodia	1	1
3	Mrs. Jyoti Lohia	2	2
4	Mr. Tarun Laha, Appointed as a Member w.e.f. 20.08.2019	2	2

*Mr. Kishan Kumar Jajodia (DIN- 00674858), Director resigned from the Company with effect from 29/01/2020.

9. General Body Meetings

9.1. Location and time for last three Annual General Meetings :

Financial Year	Date of AGM	Venue	Time
2018-2019	30/09/2019	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	9.30 A.M.
2017-2018	26/09/2018	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	11.00 A.M.
2016-2017	15/09/2017	"Centre Point", 21 Hemanta Basu Sarani, Room No. 230, 2 nd Floor, Kolkata- 700 001	3.00 P.M.

9.2 Special Resolutions passed at the last three Annual General Meetings.

One Special Resolution passed at the 39th AGM held on 30/09/2019 for re-appointment of Mr. Bijay Kumar Agarwal (DIN-00634259) as a Non-Executive Independent Director of the Company, for a term of five consecutive years.

One Special Resolution passed at the 38th AGM held on 26/09/2018 for serving document to the members of the Company on charging such fees in advance equivalent to the estimated actual expense of delivery.

No Special Resolution passed at the 37th AGM held on 15/09/2017.

9.3 Details of Special Resolution passed through postal ballot during the financial year 2019-20.

No special resolution was passed through Postal Ballot during the Financial Year 2019-20.

9.4 Whether any Special Resolution proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

Presently, no special resolution is being proposed to be conducted through Postal Ballot.

10. Management Discussion and Analysis.

Management Discussion and Analysis Report forms part of the Directors' Report.

11. Means of Communications

11.1 Quarterly results and Newspapers wherein the results are normally published.

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 Business Standard (English Daily) and 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.

11.2 Website where displayed.

The financial results of the Company are also posted on the website of the Company, viz. www.questfinancial.in, under the "Stakeholder Focus" section.

11.3 Official news release.

The Company was not required to make any official news release during the period under review.

11.4 Presentations made to institutional investors or to the analysts.

The Company was not required to make any presentations to the institutional investors or analysts.

11.5 Annual Reports.

The Annual Reports are sent to every shareholder of the Company through the permitted mode within the stipulated time frame.

11.6 Outcome of the Annual General Meeting.

The voting results of the 39th Annual General Meeting were displayed on the website of the Company www.questfinancial.in. The outcome of the Annual General Meeting was also uploaded through the Listing Centre of the Exchange.

12. General shareholder information

12.1 Annual General Meeting

- (a) Date : 31st December, 2020
- (b) Time : 9.30 a.m.
- (c) Venue : Centre Point" 21, Hemanta Basu Sarani, 2nd Floor, Room No. 230, Kolkata -700001

12.2 Financial Calendar: (Tentative)

Financial Year – 1 st April, 2019 to 31 st March, 2020	Relevant Dates
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Board Meeting for consideration of accounts	30 th July, 2020.
Dividend payment date	The Board of Directors has not recommended any Dividend for the Financial Year under review.
Posting of Annual Report along with notice of AGM	Atleast 21 clear days before the date of the Annual General Meeting.
Book closure dates	25 th December, 2020 to 31 st December, 2020 (both days inclusive).
Last date for receipts of proxy forms	48 hrs. before the date of the Annual General Meeting (before 10.00 a.m.).
Unaudited results for the quarter ended on June 30, 2020.	On or before 15 th September, 2020.
Unaudited results for the quarter ended on September 30, 2020.	On or before 14 th November, 2020.
Unaudited results for the quarter ended on December 31, 2020.	On or before 14 th February, 2021.
Audited results for the year ended on March, 31, 2021.	On or before 30 th May, 2021.

12.3 Dividend payment date.

The Board of Directors has not recommended any dividend for the financial year 2019-20.

12.4 The name and address of the stock exchange at which the Company's securities are listed, alongwith the Stock code.

1. The BSE Ltd. (Stock code: 539962)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.
2. The Calcutta Stock Exchange Ltd. (Stock code: 10027006)
7, Lyons Range, Kolkata 700 001.

12.5 Listing Fees.

The Company has not paid the listing fee to the BSE Ltd. & The Calcutta Stock Exchange Ltd for the year 2019-2020.

12.6 Market price data- high, low, during each month in last financial year.

Month	High (₹)	Low (₹)	Volume (Nos.)
April, 2019	0.24	0.19	447465
May, 2019	0.22	0.19	812044
June, 2019	0.22	0.19	310742
July, 2019	0.19	0.19	135211
August, 2019	0.19	0.19	231325

September, 2019	0.20	0.19	102777
October, 2019	0.19	0.19	113911
November, 2019	0.20	0.19	238584
December, 2019	0.20	0.19	148805
January, 2020	0.24	0.19	744612
February, 2020	0.26	0.19	576406
March, 2020	0.19	0.19	66715

12.7 Performance in comparison to broad-based indices.

Month	BSE Sensex Closing (in ₹)	Quest Financial Services Ltd Closing Share Price (in ₹)
April, 2019	39031.55	0.21
May, 2019	39714.20	0.21
June, 2019	39394.64	0.19
July, 2019	37481.12	0.19
August, 2019	37332.79	0.19
September, 2019	38667.33	0.19
October, 2019	40129.05	0.19
November, 2019	40793.81	0.19
December, 2019	41253.74	0.19
January, 2020	40723.49	0.22
February, 2020	38297.29	0.19
March, 2020	29468.49	0.19
Average Share Price	38523.96	0.195

12.8 Trading eligibility of the securities.

The Equity Shares are eligible for active trading on the BSE Ltd. but they have been suspended from trading due to non payment of annual listing fees.

12.9 Registrar & Share Transfer Agent.

M/s. Niche Technologies Private Ltd.
3A, Auckland Place, 7th Floor,
Phone No.: (033) 2280 6616/17/18
Room No. 7A & 7B.
Kolkata - 700 017
E- mail: nichetechpl@nichetechpl.com

12.10 Share Transfer System

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, 2020.

12.11 Distribution of shareholding & shareholding pattern.

(a) Distribution of shareholding as on 31/03/2020.

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	4229	28.78	10,56,915	0.86
501-1000	3079	20.95	28,74,447	2.33
1001-5000	4440	30.21	1,24,08,210	10.07
5001-10000	1234	8.40	1,02,73,148	8.33
10001-50000	1360	9.26	3,08,77,762	25.04
50001-100000	215	1.46	1,55,76,235	12.63
100001 and above	139	0.94	5,02,49,783	40.74
Total	14,696	100.00	12,33,16,500	100.00

(b) Shareholding Pattern as on 31/03/2020

Category	% of shareholding
Promoters Holding	2.01
Public Holding	
Bodies Corporate	21.26
Individuals	76.42
NRIs	0.10
Clearing Members	0.21
Total	100.00

12.12 Dematerialization 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, 2019.

12.13 Outstanding American Depository Receipt/Global Depository Receipt/ Warrants/ convertible instruments, conversion date and likely impact on equity.

Not Applicable.

12.14 Commodity price risk or foreign exchange risk and hedging activities.

(a) Commodity price risk, hedging activities – not applicable.

(b) Foreign exchange risk:

The Money Changing Sector is exposed to various types of risks such as: adverse impact of Rupee depreciation as this would lead to escalating cost of foreign travel, foreign education, etc.

The Company strives to review and update, the adequacy of its Risk Management system from time to time in order to mitigate such risks. The Company has in place, detailed policies on customer acceptance policy, customer identification procedures etc. in accordance with the Reserve Bank of India guidelines to ensure that there is timely identification of business risks and operational risks, evaluation of their impact and mitigation of the same through appropriate measures. Further, while, Currency fluctuations can be managed by having a better geographic balance in revenue mix, the Company also closely monitors the exchange rate movement.

12.15 Address for correspondence.

(a) Address for matters related to shares, any correspondence.

M/s. Niche Technologies Private Ltd.
3A, Auckland Place, 7th Floor,
Room No. 7A & 7B.
Kolkata - 700 017
Phone Nos.: (033) 2280 6616/17/18
E- mail: nichetechpl@nichetechpl.com

(b) Address for any kind of assistance/clarification.

Mr. Rabindra Kumar Hisaria, CFO
C/o. Quest Financial Services Ltd.
Centre Point", 21, Hemanta Basu Sarani, Room No. - 230, 2nd Floor, Kolkata-700 001
E-mail: investorsquestfinancial@yahoo.co.in

(c) 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

(d) Website

www.questfinancial.in

13. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Not Applicable.

14 . Other Disclosures

14.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

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>.

14.2 Details of non-compliance by the Company, penalties and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

During the last three financial years, the Company has duly complied with all the various applicable requirements and regulations of the erstwhile Listing Agreement entered with the Stock Exchange and the Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange or any statutory authority, on matters related to Capital Market, in the last three (3) years.

14.3 Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee.

The Board of Directors of the Company have adopted a Vigil Mechanism/Whistle Blower Policy with a view to provide a vigil mechanism for the directors and employees of the Company to raise concerns 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.

During the financial year under review, the Vigil Mechanism/Whistle Blower Policy of the Company has been reconstituted in terms of the Listing Regulations. Further, the newly introduced Regulation 9A in the SEBI (Prohibition of Insider Trading) Regulations, 2015, requires inter-alia, requires the Company to have a Whistle Blower Policy to report instances of leak of unpublished price sensitive information ("UPSI"). Accordingly, the reconstituted Vigil Mechanism/Whistle Blower Policy includes the above amendments as well.

The Vigil Mechanism/Whistle Blower Policy is disclosed on the website of the Company.

The details of the Policy are provided hereunder:

(a) Main Objectives

i. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and to attain high level of transparency, accountability and equity with the ultimate objective of providing maximum level of customer satisfaction & increasing long term shareholders value keeping in view the needs and interest of all stakeholders. For achieving the same, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

ii. The Vigil mechanism of the Whistle Blower Policy shall provide a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. Further, this mechanism shall provide for adequate safeguards against the victimization of the director(s) / employee(s) who avail the mechanism and a direct access to the Chairperson/Chairperson of the Audit Committee in appropriate or/and exceptional cases.

(b) Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to issues covered under this Policy and concerning the Company.

(c) Receipt and Disposal of Protected Disclosures.

All Protected Disclosures should be reported in writing in English, Hindi or in the regional language of the place of employment of the Whistle Blower as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.

Alternatively, the same can also be sent through email with the subject "Protected disclosure under the Whistle Blower Policy".

On receipt of the protected disclosure, the Vigilance and Ethics Officer / Chairperson/ Chairperson of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he/she was the person who made the protected disclosure or not. He/she shall also carry out initial investigation either himself/herself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

(d) Contact details of the Vigilance and Ethics Officer.

Name	Designation	Correspondence address	e-mail id
Mr. Bijay Kumar Agarwal w.e.f.01.04.2020	Director	Quest Financial Services Ltd. "Centre Point", 21, Hemanta Basu Sarani, Room No.- 230, 2nd Floor, Kolkata-700 001	investorsquestfinancial@yahoo.co.in

14.4 Anti-Sexual harassment Policy.

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 readwith the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013. An Internal Complaints Committee has been

set up to redress Complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy. Mrs. Jyoti Lohia, Director, is the Presiding Officer of the Committee.

No complaint on sexual harassment was received during the Financial Year 2019-20. The details are as under:

Particulars	No. of Complaints
Number of complaints filed during the financial year.	Nil
Number of complaints disposed off during the financial year.	Nil
Number of cases pending as on end of the financial year.	Nil

14.5 Fees paid to the Statutory Auditor for the F.Y 2019-20.

During the financial year under review, the company has paid a total fees of ₹17,700/- to the Statutory Auditor in respect of various services rendered by the Statutory Auditor:

Particulars	Amount (in ₹)
For Statutory Audit	17,700
For Tax Audit	-
For Other Services	-
Total	17,700

14.6 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

(a) Compliance with mandatory requirements.

The Company has duly complied with all the applicable mandatory requirements as stipulated in the Listing Regulations, Companies Act, 2013, and other applicable laws in force.

(b) Adoption of non-mandatory/discretionary requirements.

The Company has fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the Listing Regulations:

i. The Board - Non-Executive Chairperson's Office.

The Board of Directors is Chaired by Mr. Bijay Kumar Agarwal, who is a Non-Executive Independent Director;

ii. Modified opinion(s) in audit report.

The Company's financial statements does not contain any modified audit opinion(s).

iii. Separate posts of Chairperson and Managing Director.

Mr. Bijay Kumar Agarwal is the Chairperson of the Board of Directors and there is no Managing Director.

iii. Reporting of internal auditor.

The Internal Auditor reports directly to the Audit Committee.

14.7 Web link where policy for determining 'material' subsidiaries is disclosed.

The Company does not have any material listed/unlisted subsidiary companies and is therefore, not required to comply with the provisions of Regulation 24 of the Listing Regulations, regarding the Corporate Governance requirements with respect to subsidiary.

The Company has formulated a policy for determining "material subsidiary". The same has been modified during the financial year under review, in line with the present Listing Regulations. The policy is disclosed on the website of the Company via the link :

: <http://questfinancial.in/subsidiary&related-party-transaction-policy.html>

14.8 Web link where policy on dealing with related party transactions is disclosed.

The Company has a Policy on Related Party Transactions and Materiality of Related Party Transactions. The same has been modified during the financial year under review, in line with the present Listing Regulations. The Policy is disclosed on the website of the Company via the link:

<http://questfinancial.in/subsidiary&related-party-transaction-policy.html>

14.9 Disclosures with respect to demat suspense account/ unclaimed suspense account.

None of the issued Equity shares of the Company are in the demat suspense account or unclaimed suspense account.

14.10. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Not Applicable

14.11. Certificate from a company secretary in practice that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

In terms of Schedule V of the Listing Regulations, the Practicing Company Secretary's Certificate stating the Directors on the Board of the Company have not been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, forms part of the Annual Report.

14.12. Acceptance of recommendations of the Committees of the Board.

During the financial year under review, the Board has accepted all the recommendations of the Committees of the Board.

15. Code of Conduct on Prevention of Insider Trading.

The Company had laid down a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been modified in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This Code has been disclosed on the website of the Company via the link:

<https://www.questfinancial.in>

Further, various policies have also revised / formulated in terms of the aforementioned revised regulations.

16. CEO/CFO Certification.

In terms of Regulation 17(8) of the Listing Regulations, the Certificate from the Director and the Chief Financial Officer (CFO) was obtained and placed before the Board.

17. Practising Company Secretary's Compliance Certificate on Corporate Governance.

The Practising Company Secretary's Certificate on Compliance of Conditions of Corporate Governance as provided in Chapter IV of the Listing Regulations, forms part of the Directors' Report.

18. Declaration – Code of Conduct for all Board members and select employees.

The Board has laid down a code of conduct for all Board members. It also suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 and is disclosed on the website of the Company.

The Company has a separate Code of Conduct for the senior management of the Company.

In terms of Regulation 26(3) of the Listing Regulations, the Board of Directors and select Employees have affirmed Compliance with the code of conduct and a declaration to this extent has been provided by the CFO, Mr. Rabindra Kumar Hisaria. The same forms part of the Annual Report.

Place : Kolkata
Dated : 03.12.2020

For and on behalf of the Board of Directors
Bijay Kumar Agarwal
Chairperson
DIN: 00634259

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 Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying Ind AS financial statements of "Quest Financial Services Limited" ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company, as at 31st March, 2020, and their profit, total comprehensive income, their cash flows and statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS 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 financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the



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2B, GRANT LANE
2nd FLOOR, ROOM NO. 74
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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 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 consolidated Ind AS 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 Board of Directors, as well as evaluating the overall presentation of the Ind AS 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 first sub-paragraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:



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

- (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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Ind AS financial statements.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure B", to this report.
- 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Ind AS financial statements disclose the impact of pending litigations on the financial position of the Company in accordance with the generally accepted accounting practice.
- 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Arun Jain & Associates

Chartered Accountants

ICAI Firm Registration No.: 325867E



(CA Arun Kumar Jain)
(Proprietor)

Membership No.: 053693

Kolkata, 30th day of July, 2020

UDIN : 20053693AAAABD2003

Arun Jain & Associates

CHARTERED ACCOUNTANTS

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

Annexure- A

ANNEXURE - A referred to in paragraph 1 under the section, 'Report on Other Legal and Regulatory Requirements' of our report of even date:

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, the Company has a system of verifying all its major fixed assets at reasonable intervals. The fixed assets so scheduled for verification during this year have been physically verified by the management. No discrepancies noticed on such verification.
- (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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) 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 loans, investments, guarantees, and security as applicable. The company has not granted any security in terms of Section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government 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 and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.



Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE
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- (x) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- (xii) The Paragraph 3(xii) of the order is not applicable since the Company is not the Nidhi Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) Based on the information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (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.

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



(CA Arun Kumar Jain)
(Proprietor)

Membership No.: 053693

Kolkata, 30th day of July, 2020

UDIN : 20053693AAAABD2003

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

In conjunction with our audit of the Ind AS financial statements of the Company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **Quest Financial Services Limited** (hereinafter referred to as "the Company"), which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.



Arun Jain & Associates

CHARTERED ACCOUNTANTS

2B, GRANT LANE

2nd FLOOR, ROOM NO. 74

KOLKATA - 700 012

Meaning of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2020, 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.

For Arun Jain & Associates

Chartered Accountants

ICAI Firm Registration No.: 325867E



(CA Arun Kumar Jain)

(Proprietor)

Membership No.: 053693

Kolkata, 30th day of July, 2020

UDIN : 20053693AAAABD2003

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata - 700001

CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Balance Sheet as at 31st March 2020

Sl. No.	Particulars	Note No.	As at March 31, 2020 (Amount in Rs')	As at March 31, 2019 (Amount in Rs')	As at April 1, 2018 (Amount in Rs')
A ASSETS					
	1. Non-current assets				
	(a) Property, Plant and equipment	3	1,32,564	1,67,828	7,41,815
	(b) Financial assets				
	(i) Investment	4	20,76,14,872	21,56,00,475	21,60,70,475
	(c) Deferred tax assets (net)	5	13,38,276	-	-
	Total non-current assets		20,90,85,712	21,57,68,303	21,68,12,290
	2. Current assets				
	(a) Inventories	6	16,64,84,660	16,71,31,898	18,82,26,219
	(b) Financial Assets				
	(i) Trade receivable	7	10,20,000	10,20,000	-
	(ii) Cash and cash equivalents	8	7,62,210	20,18,262	33,70,901
	(iii) Loans	9	5,18,67,310	5,06,84,518	5,31,44,418
	(c) Other current assets	10	62,17,121	61,29,641	64,46,241
			22,63,51,301	22,69,84,319	25,11,87,779
	Assets classified as held for sale				
	Total current assets		22,63,51,301	22,69,84,319	25,11,87,779
	Total assets		43,54,37,013	44,27,52,622	46,80,00,069
B EQUITY AND LIABILITIES					
	1. Equity				
	(a) Equity share capital	11(a)	1,23,31,65,000	1,23,31,65,000	1,23,31,65,000
	(b) Other equity	11(b)	(79,98,50,887)	(79,32,15,373)	(76,70,68,107)
	Total equity		43,33,14,113	43,99,49,627	46,60,96,893
	Total non-current liabilities		43,33,14,113	43,99,49,627	46,60,96,893
	2. Current liabilities				
	(a) Other current liabilities	12	12,22,589	19,02,685	10,02,866
	(b) Provisions	13	9,00,310	9,00,310	9,00,310
	Total current liabilities		21,22,899	28,02,995	19,03,176
	Total equity and liabilities		43,54,37,013	44,27,52,622	46,80,00,069

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached
For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Kumar Agarwal Jyothi Lohia
Director Director
DIN : 00634259 DIN : 07113757

For Quest Financial Services Limited

Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED


Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata - 700001
CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Statement of Profit & Loss for the year ended 31st March 2020

Sl. No.	Particulars	Note No.	As at March 31, 2020 (Amount in Rs)	As at March 31, 2019 (Amount in Rs)
	INCOME			
I	Revenue from Operations	14	15,76,432	18,94,784
II	Total Income		15,76,432	18,94,784
	EXPENSES			
III	Changes in inventories of finished goods, stock-in-Trade, WIP and Intermediates	15	6,47,238	2,10,94,321
	Employee benefits expense	16	8,64,000	10,05,833
	Finance costs	17	4,141	15,668
	Depreciation	18	35,264	1,10,245
	Other expenses	19	48,70,976	58,15,983
	Total Expenses		64,21,619	2,80,42,050
IV	Profit/(Loss) before exceptional items and taxes (II-III)		(48,45,187)	(2,61,47,266)
V	Add / (Less) : Exceptional items		-	-
VI	Profit/(Loss) before Tax (IV-V)		(48,45,187)	(2,61,47,266)
VII	Tax expenses :			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
	(c) Tax adjustments for earlier years		-	-
VIII	Profit/ (loss) for the period after Tax (PAT)		(48,45,187)	(2,61,47,266)
IX	Other Comprehensive Income			
	A. (i) Item that will not be reclassified to profit or loss :		(17,90,327)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B. (i) Item that will be reclassified to profit or loss :			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total other comprehensive income		(17,90,327)	-
X	Total comprehensive income for the year (VIII-IX)		(66,35,514)	(2,61,47,266)
XI	Basic/Diluted (of Rs. 10 each)		(0.04)	(0.21)

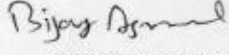
integral part of the Financial Statements

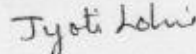
For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E


(CA Arun Kumar Jain)
Proprietor
Membership No. 053693

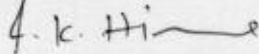
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited


Bijay Kumar Agarwal
Director
DIN : 00634259


Jyoti Lohia
Director
DIN : 07113757

For Quest Financial Services Limited


Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata - 700001
CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

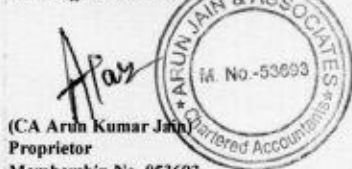
Cash Flow Statement for the year ended 31st March, 2020

(Amount in ')

Sl.No.	Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
A.	Cash flow from operating activities :				
	Net Profit/(Loss) after Tax & Extra-Ordinary Items		(48,45,187)		(2,61,47,266)
	Adjustments for :				
	Depreciation	35,264		1,10,245	
	Contingent Provision for Standard Assets written back	-		4,63,743	
	Loss On Investment	(31,28,602)		-	
	Interest Received	12,74,112	(18,19,226)	18,94,784	24,68,772
	Operating profit before working capital changes		(66,64,413)		(2,36,78,494)
	(Increase) / Decrease in trade and other receivables	-		(10,20,000)	
	(Increase) / Decrease in Inventories	6,47,238		2,10,94,321	
	(Increase) / Decrease in Long Term Loans & Advances	(11,82,792)		24,59,900	
	(Increase) / Decrease in Other Current Assets	(87,480)		3,16,600	
	Increase / (Decrease) in trade payables & other payables	(6,80,096)	(13,03,130)	8,99,819	2,37,50,640
	Cash generated from operations		(79,67,543)		72,146
	Less: Direct taxes (paid) / refunds including interest (net)				
	Net cash generated/(used) from operating activities		(79,67,543)		72,146
B.	Cash flow from investing activities :				
	Sale / (Purchase) of Investments (Net)	79,85,603		4,70,000	
	Sale / (Purchase) of fixed Assets	-		-	
	Interest received	(12,74,112)		(18,94,784)	
	Net cash from investing activities		67,11,491		(14,24,784)
C.	Cash flow from financing activities :				
	Proceeds / (repayment) of long term borrowings	-		-	
	Proceeds / (repayment) of short term borrowings	-		-	
	Interest paid	-		-	
	Net cash generated/(used) in financing activities		-		-
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		(12,56,052)		(13,52,638)
	Cash and cash equivalents -Opening balance		20,18,263		33,70,901
	Cash and cash equivalents -Closing balance		7,62,211		20,18,263
	CASH AND CASH EQUIVALENTS COMPRISE:				
	Balances with bank		13,739		10,179
	Cash on hand		7,48,470		20,08,083
			7,62,210		20,18,263

This is the Cash Flow Statement referred to in our report of even date

For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Kumar Agarwal Jyoti Lohia
Director Director
DIN : 00634259 DIN : 07113757

For Quest Financial Services Limited

Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata – 700001
CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Notes to the Financial Statements

1. Corporate information

Quest Financial Services Limited ('Non Banking Financial Company') having CIN No. - L65993WB1980PLC033060 and its registered office at Centre Point, 21, Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata WB 700001 IN, India is a public limited Company incorporated and domiciled in India.

2.1 Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015(the Rules).

For all periods up to and including the year ended 31st March, 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP)

These financial statements for the year ended 31st March, 2020 are the first time the Company has prepared in accordance with Indian Accounting Standards ("Ind-AS") consequent to the notification of the Rules issued by the MCA. Further, in accordance with the Rules, the Company has restarted its Balance Sheet as at 1st April, 2018 and financial statements for the year ended and as at 31st March, 2019 also as per Ind_AS. For preparation of opening balance sheet under Ind-AS as at 1st April, 2018, the Company has availed exemptions and first time adoption policies in accordance with Ind-AS 101 "First-time Adoption of Indian Accounting Standards", the details of which have been explained thereof in the "Footnote to Reconciliation of Equity".

Estimates

The estimates at 1st April 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies). Consequent to Company's transition to Ind-AS as explained in basis of preparation paragraph above, following are accounted for the first time in these financial statements and hence estimates for these items are based on conditions existing on the respective Balance Sheet dates:

The Company has exercised the option to measure investment in equity instruments, not held for trading at FVTOCI in accordance with Ind AS 109. It has exercised this irrevocable option for its class of unquoted equity shares. The option renders the equity instruments elected to be measured at FVTOCI non recyclable to Statement of Profit & Loss.

The estimates used by the Company to present these amounts in accordance with Ind-AS reflect conditions at 1st April, 2018. The date to transition to Ind-AS and as of 31st March, 2019.

2.2 Summary of Significant Accounting Policies

Basis of classification of Current and non-current

Assets and liabilities in the Balance Sheet have been classified as either current or non-current based upon the requirements of Schedule III to the Companies Act, 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) 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. All other assets have been classified as non-current.



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Notes to the Financial Statements

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company does not consider its operating cycle to be 12 months.

Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Revenue Recognition

Revenue, if any, from sale of goods will be recognized upon passage of title to the customers which would generally coincide with delivery thereof. Claims, due to uncertainty in realization, are accounted for on acceptance/cash basis.

Interest income, if any, will be recognized on a time proportion basis taking into account the amount outstanding and rate applicable. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between sale price, carrying value of Investment and other incidental expenses.

Retirement Benefits and other employee benefits

Retirement benefit in the form of Gratuity is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when an employee renders the related service. There are no obligations other than the contributions payable to the respective trusts/funds.

Short term Employee Benefits are recognised at the undiscounted amount as expense for the year in which the related service is rendered.



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Notes to the Financial Statements

Borrowing Costs

Borrowing Costs (including other ancillary borrowing cost) directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Taxation

Provision for current Income Tax is made on the taxable income using the applicable tax rules and tax laws. Deferred Tax, if any, arising on account of timing difference and which are capable of reversal in one or more subsequent period is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets, if any, subject to consideration of prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Earning Per Share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year attributable to 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 or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Property, Plant & Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet on cost. The Company has elected to regard those values as deemed cost at the date of transition.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on Tangible Fixed Assets

Depreciation on Fixed Assets is provided on basis over the useful life of respective assets as prescribed in Schedule II of the Companies Act, 2013.



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Notes to the Financial Statements

Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified in three categories:

- (a) Debt instruments at amortised cost
- (b) Debt instruments, derivatives, equity instruments and mutual fund investments at fair value through profit or loss (FVTPL)
- (c) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss.



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Notes to the Financial Statements

Debt instruments, derivatives, equity instruments and mutual fund investments at fair value through profit or loss (FVTPL)

All derivatives and mutual fund investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Equity instruments included within FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Equity instruments measured at fair value through the comprehensive income (FVTOCI)

For all equity instruments other than the ones classified as at FVTPL, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Profit & Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when the rights to receive cash flows from the asset have expired.

Impairment of Financial assets

The company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are reclassified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, financial guarantee contract payables, or derivative instruments.

All financial liabilities are recognised initially at fair value end, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on financial held for trading are recognised in the statement of profit or loss.



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Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognised in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans & Borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Cash and Cash equivalents

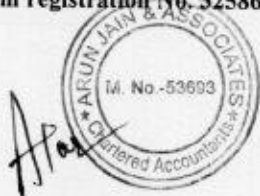
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

For Arun Jain & Associates

Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)

Proprietor
Membership No. 053693
Place : Kolkata

Date : 30/07/2020
UDIN : 20053693AAAABD2003

For Quest Financial
Services Limited

**Bijay Kumar
Agarwal
Director
DIN : 00634259**

**Jyothi Lohia
Director
DIN : 07113757**

For Quest Financial
Services Limited

**Rabindra Kumar
Hisaria
CFO**

QUEST FINANCIAL SERVICES LIMITED

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Notes to and forming part of Financial Statements
Note 3 - Fixed assets

Particulars	Gross Block			
	As at 1st April, 2018	Additions	Withdrawals and adjustments	As at 31st March, 2019
3 A. Property, Plant and Equipment				
Tangible Assets				
Furniture and Fixtures	10,68,796	-	-	10,68,796
Building	7,45,625	-	-	7,45,625
Plant & Machinery	1,05,50,380	-	-	1,05,50,380
Motor Vehicle	11,25,630	-	-	11,25,630
Office Equipments	6,74,460	-	-	6,74,460
Electrical Installations and Equipments	7,83,338	-	-	7,83,338
Computer	3,33,352	-	-	3,33,352
Intangible Assets				
Computer Software	34,500	-	-	34,500
TOTAL	1,53,16,081	-	-	1,53,16,081

Particulars	Depreciation and Amortization				Net Book Value				
	Upto 1st April, 2018	For the Year	On withdrawals and adjustments	Upto 31st March, 2019	For the Year	On withdrawals and adjustments	Upto 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
3 A. Property, Plant and Equipment									
Tangible Assets									
Furniture and Fixtures	8,95,587	49,523	-	9,45,110	35,264	-	9,80,374	88,822	1,73,209
Building	3,61,571	29,515	3,54,539	7,45,625	-	-	7,45,625	-	3,84,054
Plant & Machinery	1,05,50,380	-	-	1,05,50,380	-	-	1,05,50,380	-	-
Motor Vehicle	11,25,630	-	-	11,25,630	-	-	11,25,630	-	-
Office Equipments	6,38,597	460	9,655	6,48,712	-	-	6,48,712	25,748	35,863
Electrical Installations and Equipments	6,53,046	30,747	99,545	7,83,338	-	-	7,83,338	-	1,30,292
Computer	3,16,683	-	-	3,16,683	-	-	3,16,683	16,669	16,669
Intangible Assets									
Computer Software	32,775	-	-	32,775	-	-	32,775	1,725	1,725
TOTAL	1,45,74,269	1,10,245	4,63,739	1,51,48,253	35,264	-	1,51,83,517	1,37,564	7,41,812

For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E



Ajay
(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693.AAAAAA.BD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Agarwal
Bijay Kumar Agarwal
Director
DIN : 00634259

Jyothi Lohia
Jyothi Lohia
Director
DIN : 07113757

For Quest Financial Services Limited

Rabindra Kumar Hisaria
Rabindra Kumar Hisaria
CFO

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Notes to Financial Statements (Contd..)

Particulars	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
	No. of Shares/Units	Value	No. of Shares/Units	Value	No. of Shares/Units	Value
4. Non-current Investment (Contd.)						
(A) Investment in Unquoted Equity instruments of subsidiaries Companies.						
Zamira Agriculture Limited					5,100	51,000
Zamira Builders Limited					5,100	51,000
Zamira Floriculture Limited					5,100	51,000
Zamira Highrise Limited					5,100	51,000
Zamira Horticulture Limited					5,100	51,000
Zamira Moonview Limited					5,100	51,000
Zamira Projects Limited					5,100	51,000
Zamira Riverview Limited					5,100	51,000
Zamira Seaview Limited					5,100	51,000
Zamira Sunshines Limited					5,100	51,000
Belisma Agriculture Limited					5,100	51,000
Belisma Construction Limited					5,100	51,000
Belisma Floriculture Limited					5,100	51,000
Belisma Highrise Limited					5,100	51,000
Belisma Horticulture Limited					5,100	51,000
Belisma Moonview Limited					5,100	51,000
Belisma Projects Limited					5,100	51,000
Belisma Riverview Limited					5,100	51,000
Belisma Seaview Limited					5,100	51,000
Belisma Sunshine Limited					5,100	51,000
Total (A)					1,62,000	10,20,000
(B) Investment in Equity instruments of other entities (Unquoted)						
Awadh Heemglar Pvt. Ltd.						
Cyrus Infocomm Pvt. Ltd.	15,000	30,00,000	15,000	30,00,000	15,000	30,00,000
Expressware Housing Ltd.	25,000	25,00,000	25,000	25,00,000	25,000	25,00,000
Fastner Machinery Dealers Pvt. Ltd.	55,956	2,79,78,000	57,220	2,86,10,000	57,220	2,86,10,000
Jaguar Infra Developers Pvt. Ltd.	42,210	2,11,05,000	42,210	2,11,05,000	41,110	2,05,35,000
Kali Confectioners Pvt. Ltd.	3,219	11,26,500	3,219	11,26,500	1,69,000	42,25,000
Linkup Financial Consultants Pvt. Ltd.	4,88,500	48,85,000	4,88,500	48,85,000	3,219	11,26,500
Primary Iron Traders Pvt. Ltd.	13,50,000	13,72,73,975	13,50,000	13,72,73,975	4,88,500	48,85,000
Risorgimento Industrial Co. Ltd.	5,000	8,75,000	5,000	8,75,000	13,50,000	13,72,73,975
Victoria Cloth Merchants Pvt. Ltd.	8,000	40,00,000	8,000	40,00,000	5,000	8,75,000
Zonal Commercial Pvt. Ltd.					8,000	40,00,000
Total (B)	19,92,885	20,27,43,475	19,94,149	20,33,75,475	21,62,049	20,70,50,475
(C) Investment in Quoted Equity Shares						
Impex Services Ltd	4,00,000	80,00,000	4,00,000	80,00,000	4,00,000	80,00,000
Shreenidhi Trading Co Ltd			37,456	42,25,000		
Total (C)	4,00,000	80,00,000	4,37,456	1,22,25,000	4,00,000	80,00,000
Less Fair Value loss on investments						
Total (A+B+C)	23,92,885	20,76,14,872	24,31,605	21,56,00,475	26,64,049	21,60,70,475

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Kumar Agarwal
Bijay Kumar Agarwal
Director
DIN : 00634259 JIN : 07113757

For Quest Financial Services Limited

Rabindra Kumar Hisaria
Rabindra Kumar Hisaria
CFO



For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E

Arun Jain
(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For Quest Financial Services Limited

Rabindra Kumar Hisaria
CFO

Rabindra Kumar Hisaria
CFO

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Notes to Financial Statements (Contd..)

Particulars	As at March 31, 2020 (Amount in Rs)	As at March 31, 2019 (Amount in Rs)	As at April 1, 2018 (Amount in Rs)
5. Deferred tax assets (net)			
Deferred tax assets	13,38,276	-	-
Less : Deferred tax liabilities	-	-	-
Total	13,38,276	-	-
6. Inventories			
Stock-in-trade (at cost)	16,64,84,660	16,71,31,898	18,82,26,219
Total	16,64,84,660	16,71,31,898	18,82,26,219
7. Trade Receivables			
Unsecured, considered good			
Outstanding for more than six months	10,20,000	-	-
Others	-	10,20,000	-
Total	10,20,000	10,20,000	-
8. Cash and cash equivalents			
Balance with Banks			
In Current Account	13,739	10,179	50,787
Cash on hand	7,48,470	20,08,083	33,20,114
Total	7,62,210	20,18,262	33,70,901
9. Loans & Advances			
Advances Recoverable in cash or kind	5,18,67,310	5,06,84,518	5,31,44,418
Total	5,18,67,310	5,06,84,518	5,31,44,418
10. Other Current assets			
Security Deposit	2,000	2,000	6,02,000
Tax Deducted at Source	62,15,121	61,27,641	58,44,241
Total	62,17,121	61,29,641	64,46,241

11. A. Equity Share Capital			
Authorised Shares			
12,33,40,000 Equity Shares shares of Rs. 10 each	1,23,34,00,000	1,23,34,00,000	1,23,34,00,000
Total	1,23,34,00,000	1,23,34,00,000	1,23,34,00,000
Issued, subscribed and paid-up share capital			
12,33,16,500 Equity Shares shares of Rs. 10 each fully paid up	1,23,31,65,000	1,23,31,65,000	1,23,31,65,000
Total	1,23,31,65,000	1,23,31,65,000	1,23,31,65,000
a. Reconciliation of number of equity shares outstanding :			
As at the beginning of the year	12,33,16,500	12,33,16,500	12,33,16,500
Issued during the period	-	-	-
As at the end of the year	12,33,16,500	12,33,16,500	12,33,16,500
b. Shareholders holding more than 5% shares	% Holding	% Holding	% Holding
	Shares held (No.)	Shares held (No.)	Shares held (No.)
1	0.00%	0.00%	0.00%
2	0.00%	0.00%	0.00%
3	0.00%	0.00%	0.00%
4	0.00%	0.00%	0.00%

c. Rights, preferences & restrictions to shares & restrictions on distribution of dividend and repayment of capital

The Company has issued only class of equity shares issued having a par value of 10/- each. Each shareholder is eligible for one vote per share. Dividend proposed (if any) by the Board of Directors, is subject to the approval of shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

d. Share Reserved for issue:-

No Shares reserved for issue under option & contracts/commitments for sale of shares/ disinvestment, including the terms and amounts.



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II. B. STATEMENT OF CHANGE IN EQUITY

a. Equity Share Capital (Amount in `)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2019	1,23,31,65,000	-	1,23,31,65,000
For the year ended 31st March, 2020	1,23,31,65,000	-	1,23,31,65,000

b. Other Equity (Amount in `)

Particulars	Reserve and Surplus			Items of other com Net Gain/(Loss) on FVTOCI Investments	Total
	Amalgamation Reserve	Special Reserve	Retained Earnings		
Balance at 1st April 2018	(49,08,46,586)	8,98,101	(27,71,19,622)	-	(76,70,68,107)
Profit for the year 2018-19	-	-	(2,61,47,266)	-	(2,61,47,266)
Balance at 31st March 2019	(49,08,46,586)	8,98,101	(30,32,66,888)	-	(79,32,15,373)
Profit for the year 2019-20	-	-	(48,45,187)	-	(48,45,187)
Net Gain/(Loss) on FVTOCI Investments	-	-	-	(17,90,327)	(17,90,327)
Balance at 31st March 2020	(49,08,46,586)	8,98,101	(30,81,12,075)	(17,90,327)	(79,80,60,560)

For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAA.BD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Agarwal

Bijay Kumar Agarwal
Director
DIN : 00634259

Jyoti Lohia

Jyothi Lohia
Director
DIN : 07113757

For Quest Financial Services Limited

d.k. Hisaria

Rabindra Kumar Hisaria
CFO

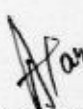

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata - 700001
CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Notes to Financial Statements (Contd..)

Particulars	As at March 31, 2020 (Amount in Rs)	As at March 31, 2019 (Amount in Rs)	As at April 1, 2018 (Amount in Rs)
12. Other current Liabilities			
Liability for Expenses	-	-	9,93,866
Audit Fees Payable	17,700	1,12,558	-
Stock Exchange Fees Payable	9,90,390	6,17,510	-
Custody & RTA Fees Payable	1,76,331	1,87,054	-
Directors Remuneration & Other Payable	-	9,44,769	-
Advertising & Posting Charges Payable	35,808	36,954	-
CDSL Payables	2,360	-	-
TDS Payables	-	-	9,000
Income Tax Demand AY 2010-11 A/c Dristi	-	3,840	-
Total	12,22,589	19,02,685	10,02,866
13. Provisions			
Short term Provision	-	-	-
Provision against standard assets	9,00,310	9,00,310	9,00,310
Total	9,00,310	9,00,310	9,00,310

For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E

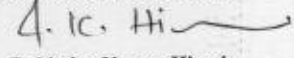


(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited


Bijay Kumar Agarwal
Director
DIN : 00634259


Jyoti Lohia
Director
DIN : 07113757

For Quest Financial Services Limited


Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

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Notes to Financial Statements (Contd..)

Particulars	As at March 31, 2020 (Amount in Rs `)	As at March 31, 2019 (Amount in Rs `)
14. Revenue from operations		
Sales	3,02,320	-
Interest on Loan	12,74,112	18,94,784
Total	15,76,432	18,94,784
15. Change in inventories of stock-in-trade		
Opening Stock of - Stock - in - trade	16,71,31,898	18,82,26,219
Total (a)	16,71,31,898	18,82,26,219
Closing Stock of - Stock - in - trade	16,64,84,660	16,71,31,898
Total (b)	16,64,84,660	16,71,31,898
(Increase) / Decrease in inventories (a-b)	6,47,238	2,10,94,321
16. Employee benefits expense		
Salaries , wages, bonus, allowances, etc	8,64,000	9,89,857
Staff welfare expenses	-	15,976
Total	8,64,000	10,05,833
17. Finance costs		
Bank Charges & Commission	4,141	15,668
Total	4,141	15,668
18. Other Expenses		
a. Administration expenses :		
CDSL Charges	88,500	-
Certification Charges	2,500	-
Demat Charges	2,414	-
Donation	15,000	-
Listing Fees	3,83,500	3,54,000
Bad Debts	-	42,71,284
Registrar & Transfer Agent Expenses	14,423	2,94,053
Evoting Charges	39,243	-
Loss on sale of Assets	-	3,19,993
Loss on Sale of Investments	38,76,559	-
Monitoring Foreign Investment Limit Charges	11,800	-
Telephone Expenses	-	14,250
Printing and stationery	56,208	75,608
Postage & Telegram	45,555	49,024
Filing Fees	-	1,200
Impairment of Assets	-	94,646
Income Tax Demand AY 2010-11 A/c Dristi	-	28,740
Interest on CDSL Late Payment	5,035	-
Travelling & Conveyance	47,533	12,899
Rent	1,80,000	1,80,000
Repair & Maintenance	-	3,422
General Charges	-	24,163
Office Maintenance	33,763	14,178
Legal, Professional & Consultancy Charges	-	19,060
Scrutinizer Report Charges	5,000	-
Secretarial Audit Charges	10,000	-
Website Charges	6,785	-



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Notes to Financial Statements (Contd..)

Particulars	As at March 31, 2020 (Amount in Rs)	As at March 31, 2019 (Amount in Rs)
Auditor's Remuneration		
- Statutory Audit Fee	17,700	17,700
- Tax Audit Fee	-	4,720
Total (a)	48,41,518	57,78,940
b.Selling and distribution expenses :		
Advertisement & Publicity Expenses	29,458	37,043
Total (b)	29,458	37,043
Total (a+b)	48,70,976	58,15,983

For Arun Jain & Associates
Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)
Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Agarwal *Jyoti Lohia*
Bijay Kumar Agarwal Jyoti Lohia
Director Director
DIN : 00634259 DIN : 07113757

For Quest Financial Services Limited

Rabindra Kumar Hisaria
Rabindra Kumar Hisaria
CFO

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata – 700001
CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Notes to the Financial Statements

- 19 In the opinion of the Board the current assets, loans and advances are not less than the stated value if realised in ordinary course of business. The provisions for all known liabilities are adequate. There are no contingent liabilities, as informed by the management.
- 20 The Business of the company falls under a single segment i.e. Financial Services. In view of the general classification notified by Central Government in exercise of powers conferred u/s 129 of Companies Act, 2013 for companies operating in single segment, the disclosure requirement as per Accounting Standard - 17 on "Segment Reporting" are not applicable to the company. The company's business is mainly concentrated in similar geographical, political and economical conditions; hence disclosure for geographical segment is also not required.
- 21 **Earnings Per Share in accordance with AS-20:-**

Earnings per share is computed as under:-		2019-20	2018-19
Profit/(Loss) after tax available for equity shareholders (A) (')		(48,45,187)	(2,61,47,266)
Weighted average number of equity shares outstanding (B)		12,33,16,500	12,33,16,500
Face value per equity share		10	10
Earnings per share - Basic & Diluted (A/B)		(0.04)	(0.21)

- 22 **Related party disclosures:-**

(A) Key Management Personnel and their relatives:-

Sl.No.	Name	Designation /Relationship
1.	Bijay Kumar Agarwal	Director
2.	Rabindra Kumar Hisaria	Director & Chief Financial Officer
3.	Jyoti Lohia	Director
4.	Tarun Laha	Director

(B) Enterprises where control exists:-

Sl. No.	Name Of Enterprise
1	NIL

Disclosure of transactions with enterprises where control exists:-

(Amount in `)

Nature of Transaction	As at 31.03.2020 Rs.	As at 31.03.2019 Rs.
Opening Balance (inclusive of interest)	NIL	NIL
Amount Received during the year		
Amount Paid during the year		
TDS		
Interest for the year		
Closing Balance (including interest)		



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Notes to the Financial Statements

23. None of the sundry creditors are Micro and Small Enterprises under “Micro, Small and Medium Enterprises Development Act, 2006”. Hence, disclosures related to amount unpaid etc., are not applicable.
24. There is no amount to be credited to Investors Education and Protection Fund as on 31st March 2020.
25. The figures of previous year have been reclassified and regrouped wherever considered necessary.

26. **First time adoption of Ind AS**

These financial statements for the year ended 31st March, 2020 are the first, the Company has prepared in accordance with Ind AS, For periods upto and including the year ended 31st March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with IND AS applicable for periods ending on 31st March 2020, together with the comparative period data as at and for the year ended 31st March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018, the Company's date of transition to IND AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2018 and the financial statements as at and for the year ended 31st March 2019.

A Optional Exemptions availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1 The Company has elected to continue with the carrying value of Property, plant and equipment and intangible assets as recognised in its Indian GAAP financial statement as deemed cost at the transaction date, viz, 1st April 2018.

B Applicable Mandatory Exceptions

1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies)

Ind AS estimates as at 1st April 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in quoted equity instruments carried at FVTOCI.

2 Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in equity instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C Reconciliation

The following reconciliations provides the effect of Transition to Ind AS from IGAAP in accordance with Ind AS 101



QUEST FINANCIAL SERVICES LIMITED

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CIN : L65993WB1980PLC033060 ; E mail Id: investorsquestfinancial@yahoo.co.in

Notes to the Financial Statements

- i. Reconciliation of Balance sheet as at April 1, 2018
- ii. Reconciliation of Balance sheet as at March 31, 2019.
- iii. Reconciliation of Statement of Profit & Loss for the year ended March 31, 2019.
- iv. Reconciliation of Equity as at April 1, 2018 and as at March 31, 2019

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous Gaap information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

In terms of our report attached
For Arun Jain & Associates

Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)

Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For Quest Financial Services
Limited

Bijay Kumar

Bijay Kumar
Agarwal
Director
DIN : 00634259

Jyoti Lohia

Jyothi Lohia
Director
DIN : 07113757

For Quest Financial Services
Limited

Rabindra Kumar Hisaria

Rabindra Kumar Hisaria
CFO

27 Financial Instruments-Accounting, Classification and Fair Value Measurements

Financial Instruments by category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Sl No.	Particulars	Refer Note No.	Total Fair Value	31st March, 2020			
				Carrying Value			Total
				FVTPL	FVTOCI	Amortized Cost	
1	Financial Assets						
(a)	Investments		20,76,14,872	-	-	-	20,76,14,872
(b)	Trade and Other Receivables		10,20,000	-	-	-	10,20,000
(c)	Cash and cash Equivalents		7,62,210	-	-	-	7,62,210
(d)	Loans		5,18,67,310	-	-	-	5,18,67,310
	Total		26,12,64,392	-	-	-	26,12,64,392
2	Financial Liabilities						
(a)	Trade and Other Payables						
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises;						
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises;						
	Total		-	-	-	-	-

Sl No.	Particulars	Refer Note No.	Total Fair Value	31st March, 2019			
				Carrying Value			Total
				FVTPL	FVTOCI	Amortized Cost	
1	Financial Assets						
(a)	Investments		21,56,00,475	-	-	-	21,56,00,475
(b)	Trade and Other Receivables		10,20,000	-	-	-	10,20,000
(c)	Cash and cash Equivalents		20,18,262	-	-	-	20,18,262
(d)	Loans		3,06,84,518	-	-	-	3,06,84,518
	Total		26,93,23,255	-	-	-	26,93,23,255
2	Financial Liabilities						
(a)	Trade and Other Payables						
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises;						
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises;						
	Total		-	-	-	-	-

Sl No.	Particulars	Refer Note No.	Total Fair Value	31st March, 2018			
				Carrying Value			Total
				FVTPL	FVTOCI	Amortized Cost	
1	Financial Assets						
(a)	Investments		21,60,70,475	-	-	-	21,60,70,475
(b)	Trade and Other Receivables		-	-	-	-	-
(c)	Cash and cash Equivalents		33,70,901	-	-	-	33,70,901
(d)	Loans		5,31,44,418	-	-	-	5,31,44,418
	Total		27,25,85,794	-	-	-	27,25,85,794
2	Financial Liabilities						
(a)	Trade and Other Payables						
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises;						
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises;						
	Total		-	-	-	-	-

For Arun Jain & Associates
 Chartered Accountants
 Firm registration No. 325867E

(CA Arun Kumar Jain)
 Proprietor
 Membership No. 053693
 Place : Kolkata
 Date : 30/07/2020
 DIN : 20053693AAAABD2003



For and on behalf of the Board
 For Quest Financial Services Limited

Bijay Agarwal Jyoti Lohia

Bijay Kumar Agarwal Jyoti Lohia
 Director Director
 DIN : 00634259 DIN : 07113757

For Quest Financial Services Limited

A. K. Hisaria
 Rabindra Kumar Hisaria
 CFO

QUEST FINANCIAL SERVICES LIMITED

Centre Point, 21 Hemanta Basu Sarani, Room No 230, 2nd Floor, Kolkata – 700001
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Notes to the Financial Statements

28 CAPITAL RISK MANAGEMENT

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

29 FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board OF Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, equity prices and other market changes that affect market risk sensitive instruments. The Company's market risk is managed by its management, which evaluates and exercises independent control over the entire process of market risk management.

Market Risk- Interest Rate Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises risk such as : interest rate risk, equity price risk. Financial instruments affected by market risk include loans and borrowing, and investments.

a. Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the long term debt obligations.

b. Equity price risks

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments.

Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers.



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Notes to the Financial Statements

Liquidity Risk

Liquidity Risk is the risk that the company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company monitors its risk to a shortage of funds by managing own sources of fund and short term loans from Holding Company.

For Arun Jain & Associates

Chartered Accountants
Firm registration No. 325867E



(CA Arun Kumar Jain)

Proprietor
Membership No. 053693
Place : Kolkata
Date : 30/07/2020
UDIN : 20053693AAAABD2003

For Quest Financial Services
Limited

Bijay Agarwal

Bijay Kumar
Agarwal
Director
DIN : 00634259

Jyoti Lohia

Jyothi Lohia
Director
DIN : 07113757

For Quest Financial Services
Limited

R. K. Hisaria
Rabindra Kumar Hisaria
CFO

Jyoti Lohia
Director
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Maturity Patterns of other financial liabilities

Particulars	31.03.2020	31.03.2019	31.03.2018
Trade Payables - within 1 Year			
(A) Total outstanding dues of micro enterprises and small enterprises;	-	-	-
(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises;	-	-	-
Total	-	-	-

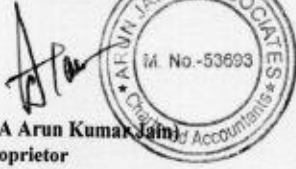
30 Earning Per Share

The Computation of Basic/Diluted earning

Particulars	31.03.2020	31.03.2019
Net Profit/Loss attributable to Equity Shareholders	(48,45,187)	(2,61,47,266)
Weighted Average No. of Equity Shares	12,33,16,500	12,33,16,500
Nominal Value of Equity Shares	10	10
Basic/Diluted Earning Per Share	(0.04)	(0.21)

For Arun Jain & Associates
Chartered Accountants

Firm registration No. 325967E



(CA Arun Kumar Jain)

Proprietor

Membership No. 053693

Place : Kolkata

Date : 30/07/2020

UDIN : 20053693AAAABD2003

For and on behalf of the Board
For Quest Financial Services Limited

Bijay Agarwal *Jyoti Lohia*
Bijay Kumar Agarwal Jyoti Lohia
Director Director
DIN : 00634259 DIN : 07113757

For Quest Financial Services Limited

R. K. Hisaria
Rabindra Kumar Hisaria
CFO