

# **42<sup>nd</sup> Annual Report**

**&**

## **Accounts**

### **2021-2022**

**QUEST FINANCIAL SERVICES LIMITED**

**Board of Directors:**

Mr. Bijay Kumar Agarwal  
Mr. Rabindra Kumar Hisaria  
Mr. Tarun Laha

Mr. Nagina Kharwar

Non-Executive-Independent-Chairperson  
Executive- Non Independent-Director  
Managing Director With effect from  
24.08.2022 &Non Executive-Independent  
Director  
Non Executive-Independent Director

**Audit Committee:**

Mr. Bijay Kumar Agarwal  
Mr. Tarun Laha

Mr. Rabindra Kumar Hisaria

Non-Executive-Independent-Chairperson  
Managing Director With effect from  
24.08.2022 &Non Executive-Independent  
Director  
Executive-Non Independent

**Nomination And Remuneration Committee:**

Mr. Rabindra Kumar Hisaria  
Mr. Bijay Kumar Agarwal  
Mr. Tarun Laha

Non-Executive-Independent  
Non-Executive-Independent  
Managing Director With effect from  
24.08.2022 &Non-Executive-Independent

**Stakeholder's Relationship Committee:**

Mr. Bijay Kumar Agarwal  
Mr. Rabindra Kumar Hisaria  
Mr. Tarun Laha

Non-Executive-Independent-Chairperson  
Non-Executive-Independent  
Managing Director With effect from  
24.08.2022 &Non-Executive-Independent

**Risk Management Committee:**

Mr. Bijay Kumar Agarwal

Mr. Rabindra Kumar Hisaria  
Mr. Tarun Laha

Non-Executive-Independent- Chairperson

Non-Executive-Independent  
Managing Director With effect from  
24.08.2022 &Non-Executive-Independent

**Fair Practice Code Committee:**

Mr. Rabindra Kumar Hisaria  
Mr. Bijay Kumar Agarwal  
Mr. Tarun Laha

Non-Executive-Independent-  
Non-Executive-Independent  
Managing Director With effect from  
24.08.2022 &Non-Executive-Independent-  
Chairperson

**Chief Financial Officer:**

Mr. Rabindra Kumar Hisaria

**Registered Office:**

"Centre Point", 21, Hemanta Basu Sarani  
2<sup>nd</sup> Floor, Room No. 230, Kolkata – 700 001  
Phone No.: (033) 3028 7790  
E-Mail Id: [investorsquestfinancial@yahoo.co.in](mailto:investorsquestfinancial@yahoo.co.in)  
Website: [www.questfinancial.in](http://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](mailto:nichetechpl@nichetechpl.com)

**Bankers:**

Canara Bank

# QUEST FINANCIAL SERVICES LTD

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

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report of the Company together with Audited Financial Accounts for the year ended 31<sup>st</sup> March, 2022.

### 1. Financial Highlights

The highlights of the financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2022 as compared to the previous financial year are as under:-

(₹. in thousand)		
Particulars	2021-2022	2020-21
Total Revenue	1,689	1,267
(Less): Total Expenditure	(1,780)	(1,482)
Profit/(Loss) before Exceptional & Extraordinary Items	(91)	(215)
Profit/(Loss) Before Tax	(91)	(215)
(Less): Item that will not be reclassified to profit or loss	-	-
(Less): Provision for Current Tax	-	-
(Less): Contingent provision for Standard Assets	-	-
Net Profit/(Loss) after Tax	(91)	(215)
(Less): Transfer to Statutory Reserve	-	-
Add/(Less): Brought forward from previous year	(8,00,066)	(7,99,851)
Balance carried to Balance Sheet	(8,00,157)	(8,00,066)

### 2. Performance

#### (a) Annual Financial Results

The total Revenue from operations of the Company during the Financial Year 2021-22 was ₹16.89 Lakh as compared to ₹12.67 Lakh for the previous financial year. The loss before tax stood at ₹ 0.91 Lakh as compared to ₹ 2.15 Lakh loss in the previous financial year.

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

During the year under review, the Company does not have any subsidiary or associate Companies nor is associated with any joint ventures. Therefore, the disclosure pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable for the Company.

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

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

### 3. The amount proposed to be carried to reserves.

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During the year, considering the operating performance of the Company, no amount was transferred 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 ₹1,23,34,00,000 /- divided into 1,233,400 Equity Shares of ₹ 10 each. The Paid-up Share Capital of the Company is ₹1,23,31,65,000 /- divided into 12,33,16,500 Equity Shares of ₹10/- each.

## 5. Dividend

Due to loss, the Board of Directors has not recommended any dividend on the Equity Shares of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

## 6. Listing

The equity shares of the Company continue to be listed on the Calcutta Stock Exchange Limited and BSE Limited.

## 6. Corporate Governance Report

The 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. Annual Return

In accordance with the Companies Act, 2013 ("the Act"), the Annual Return in the prescribed Format is uploaded on the website of the Company and can be viewed via the link: <https://www.questfinancial.in>

## 8. Directors & Key Managerial Personnel

### i. Board of Directors

As on 31<sup>st</sup> March, 2022, the composition of the Board is as under:

- a) Mr. Bijay Kumar Agarwal (DIN-00634259) – Chairperson (Non-Executive Independent) Director;
- b) Mr. Rabindra Kumar Hisaria (DIN-05170751) – Non-Independent Executive Director;
- c) Mr. Tarun Laha (DIN-07477757) – Independent Non-Executive Director was appointed as a Managing Director w.e.f. 24<sup>th</sup> August, 2022.
- d) Mrs. Nagina Kharwar (DIN: 09280504) – Non Executive Independent Director

### ii. Company Secretary

Mr. Anand Lohia has been appointed as the Company Secretary with effect from 1<sup>st</sup> July, 2022.

### iii. Chief Financial Officer.



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

## 9. Number of Meetings of the Board

The Board of Director of the Company met Six (6) times during the Financial Year under review, i.e. 29/06/2021, 14/08/2021, 04/09/2021, 18/10/2021, 10/11/2021 and 12/02/2022.

All the Meetings were held in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Secretarial Standards I issued by the Institute of Company Secretaries of India

Sl. No.	Name of the Directors	No. of Board Meeting entitled to attend	No. of Board Meeting attended
1.	Bijay Kumar Agarwal(DIN-00634259)	6(Six)	6(Six)
2.	Rabindra Kumar Hisaria(DIN-05170751)	6(Six)	6(Six)
3.	Tarun Laha(DIN-07477757)	6(Six)	6(Six)
4.	Nagina Kharwar(DIN-09280504) (appointed w.e.f. 14.08.2021)	5(Five)	5(Five)

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.(hereinafter referred to as "the Listing Regulations") was held on 12.02.2022.

The Meetings were held in accordance with the provisions of the Act and the Listing Regulations, 2015 and Secretarial Standards issued by the ICSI.

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

As on 31<sup>st</sup> March, 2022 the composition of the Audit Committee is as under,

- Mr. Bijay Kumar Agarwal (DIN- 00634259) Chairperson (Non-Executive Independent) Director;
- Mr. Rabindra Kumar Hisaria (DIN-05170751) Non-Independent Director
- Mr. Tarun Laha (DIN-07477757) Independent Non-Executive Director

The Company Secretary is the Secretary to the Committee

During the Financial Year under review, the Audit Committee met Six (6) times and all such meetings were held in accordance with the provisions of the Act, readwith the Rules made there under and the Listing Regulations. Details of the same, including the meeting dates and the attendance of the Committee members, are provided in the Corporate Governance Report.

Further, the Board has accepted all the recommendations of the Audit Committee in the Financial Year 2021-2022.

## 11. Composition of the Nomination and Remuneration Committee.

As on 31<sup>st</sup> March, 2022 the composition of the Nomination and Remuneration Committee is as under:

- Mr. Bijay Kumar Agarwal (DIN- 00634259) Chairperson (Non-Executive Independent) Director;

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- b) Mr. Rabindra Kumar Hisaria (DIN-05170751) Non-Independent Director
- c) Mr. Tarun Laha (DIN-07477757) Independent Non-Executive Director

The Company Secretary is the Secretary to the Committee

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.

As on 31<sup>st</sup> March, 2022 the composition of the Stakeholders Relationship Committee is as under:

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

The Company Secretary is the Secretary to the Committee

The detail of the Committee, including the meeting dates and the attendance of the Committee members, is 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, 2022 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

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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.

Pursuant to the proviso of sub-section (4) of Section 178 of the Companies Act, 2013, the aforesaid policy is available on the Company's website –

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**

M/s. Verma S & Associates, Chartered Accountants (FRN: 328962E) of 22/3, S K Deb Road, 1<sup>st</sup> Bye Lane, Ground Floor, Near Tetultala Bus Stop, Kolkata – 700 048 is the Statutory Auditor of the Company and holds office till the conclusion of the ensuing 42<sup>nd</sup> Annual General Meeting. Based on the recommendation of the Audit Committee, your Board has accordingly proposed its re-appoint for a term three years.

M/s. Verma S & Associates has furnished a Certificate of Eligibility pursuant to Section 141 of the Act read with the Rules framed thereunder.

### **b. Independent Auditors' Report**

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

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## c. Secretarial Auditor

Mr. Abbas Vithorawala (C.P. No. 8827, Membership No. 23671), Company Secretary in whole-time Practice, issued the Secretarial Audit Report for the Financial Year ended 31st March, 2022.

## d. Secretarial Audit Report

The Secretarial Audit Report is appended to the Directors' Report in **Annexure-I**. 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. The Company has appointed Company Secretary w.e.f. 1<sup>st</sup> July, 2022.
2. Every company incorporated on or before 31<sup>st</sup> December, 2017 shall file the particulars of the company and its registered office, in e-Form INC- 22A 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.
4. Regulation 55A (1) of SEBI (Depositories and Participants) Regulations, 1996, requires every issuer to submit to the Stock Exchanges, audit report by a practicing company secretary or qualified chartered accountant on a quarterly basis, for the purposes of reconciliation of the total issued capital, the Company has not filed the report with the BSE Ltd. for the quarter 30.06.2021, 30.09.2021, 31.12.2021 and 31.03.2022
5. As per Second proviso to sub-section (1) of Section 149 of the Companies Act, 2013 every listed company should appoint a women Director on its board, the Company has appointed Ms. Nagina Kharwar on 14.08.2021 as a Women director on its board
6. As per Regulation 40 (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not filed certificate with the BSE Ltd. for the half year ended 30.09.2021 and 31.03.2022.
7. The Company has appointed Managing Director w.e.f 24<sup>th</sup> August, 2022.
8. Mr. Tarun Laha appointed as additional director on 12.02.2019 Form DIR-12 for change in designation for regularization not filed. Ms. Nagina Kharwar appointed as additional director on 14.08.2021 Form DIR-12 for change in designation for regularization not filed

The Board of Directors' point-wise comments is as under:-

1. The Company has appointed Company Secretary w.e.f. 1<sup>st</sup> July, 2022.
2. The Company has appointed Company secretary, therefore e-Form ACTIVE (Active Company Tagging Identities and Verification) will be filed.
3. The Company will request the BSE Ltd. for waiving of the fines imposed.
4. The same was inadvertently not submitted.
5. As on 31<sup>st</sup> March, 2022, the composition requirement of the Nomination & Remuneration Committee could not be met. Subsequently, the same was duly complied with and as on



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*the date of this Directors' Report, the composition has been duly met.*

6. *The same was inadvertently not submitted.*
7. *The Company has appointed Managing Director w.e.f 24<sup>th</sup> August, 2022.*
8. *The same was inadvertently not submitted. The same will be submitted at the earliest.*

## **e. Internal Audit Report**

The Internal Audit Report does not contain any adverse remarks.

## **19. Maintenance of Cost Records.**

During the financial year under review, the maintenance of cost records as well the requirement of Cost Audit was not applicable to the Company.

## **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 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.**

During the financial year under review, total revenue has increased by Rs. 4.22 Lacs (approx). However, due to low generation of income, the Company has incurred loss of Rs. 0.91 Lacs (approx). As the recovery process of the global economy against the backdrop of the COVID-19 pandemic has already begun, the Company expects increase in growth prospects in the coming years.

As on 31<sup>st</sup> March, 2022, the Company is 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 2022-2023 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.

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## **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.

As on 31<sup>st</sup> March, 2022, 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.