



# SPS FINQUEST LIMITED

CIN : L67120MH1996PLC098051

## 23rd Annual Report

## ANNUAL REPORT

2018-2019

Directors	:	Mr. Pramod P. Shah, Chairman Mr. Girish T. Jajoo, Managing Director Mr. Sandeep P. Shah Mr. Priyesh Jhaveri Mrs. Payal N. Shah Ms. Ankita M. Shah
Company Secretary	:	Mrs. Pinal R. Darji (up to 05-11-2018) Mrs. Sarita H Jotaniya (from 09-01-2019)
Bankers	:	Indusind Bank Bank of India
Auditors	:	Kochar & Associates
Registered Office	:	R-514, 5 <sup>th</sup> Floor, Rotunda Building, B.S.Marg, Fort, Mumbai- 400 001. PhoneNo.022-22722488 Website : <a href="http://www.spsfinquest.co.in">www.spsfinquest.co.in</a> Email : <a href="mailto:info@spsfinquest.co.in">info@spsfinquest.co.in</a> CIN : L67120MH1996PLC098051
Registrar & Share Transfer Agent	:	Universal Capital Securities Pvt.td. (Formerly known as M/s.Mondkar Computers Pvt.Ltd.) 21, Shakil Niwas, Mahakali Caves Road Andheri (East), Mumbai 400 093 Tel: 022-2836 66 20, 28207203-05 Fax: 022-2836 9704, 28207207

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[NOTICE]

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of SPS Finquest Limited will be held at 4.00 p.m. on Thursday, the 22<sup>nd</sup> August, 2019 at Room No.514, Rotunda Building, 5<sup>th</sup> floor, B.S. Marg, Fort, Mumbai 400 001, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2019 and Statement of Profit & Loss Account for the year ended on that date along with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Pramod P. Shah (DIN 00685016), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To consider and, if thought fit, to pass with or without modifications the following as a Special Resolution:

“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof consent of the Company be and is hereby accorded to the re-appointment of Mr. Girish Jajoo (DIN: 03108620) as a Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> February, 2019 to 31<sup>st</sup> January, 2024 (both days inclusive) at a managerial remuneration as specified in detail alongwith other terms and conditions of his re-appointment in the draft agreement to be entered into between the Company and Mr. Girish Jajoo and that the Board of Directors of the Company be and is hereby authorized to revised, amend, alter or otherwise vary the terms and conditions of his re-appointment from time to time as it deems fit, but at no time the remuneration payable to Mr. Girish Jajoo shall exceed the maximum limit prescribed in Section I of Part II of Schedule V to the Companies Act, 2013 and in the event of the Company not earning profit or inadequacy of profit in any financial year, the aforesaid remuneration shall be paid to Mr. Girish Jajoo as minimum remuneration.

4. To consider and, if thought fit, to pass with or without modifications the following as a Special Resolution:

“RESOLVED THAT in reconfirmation of the resolution passed at the Extra-Ordinary General Meeting held on 15<sup>th</sup> February, 2013 the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 to the Board of Director of the Company to borrow from time to time any sum or sums of money together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; provided that the total amount of moneys borrowed by the Company shall not at any time exceed the limit of Rs.500,00,00,000/- (Rupees five hundred crores only).”

5. To consider and if though fit, to pass with or without modification, the following resolution as an Special Resolution :

“RESOLVED THAT in reconfirmation of the resolution passed at the Extra-Ordinary General Meeting held on 15<sup>th</sup> February, 2013 consent of the Company be and is hereby accorded under the provisions of 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors to mortgage and /or charge all or any of the movable and/or immovable properties and assets and the whole or the substantially the whole of the undertaking of the Company in such form and manner as the Board of Directors may deem fit or expedient together with power to take over the management of the business and concern of the Company in certain events, for securing loans obtained or as may be obtained from any financial institutions, banks, finance companies or persons together with interest at agreed rates, compound/further interest,

commitment charges, charges, expenses and all other monies payable by the Company to the above mentioned lending institutions in terms of the loan agreements entered into/to be entered into by the Company in respect of the said loans.”

*On behalf of the Board of Directors*

FOR SPS FINQUEST LTD.

PRAMOD P. SHAH

(CHAIRMAN)  
(DIN: 00685016)

**Registered Office:**

Room No.514, Rotunda Building  
B.S. Marg, Fort,  
Mumbai 400 001

Date: 8<sup>th</sup> July, 2019

**NOTES:**

- 1. A Member entitled to attend and vote is entitled to appoint one or more proxy (ies) to attend and vote instead of himself and the proxy (ies) need not be a member.**
2. The proxy to be effective should be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting.
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed.
4. The Register of Members and the Share Transfer Books will remain closed from 16/08/2019 to 22/08/2019 (both days inclusive).
5. As required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, profile of Directors seeking appointment/ re-appointment at the Annual General Meeting is provided separately in this report.
6. Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.
7. The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.
8. Corporate member, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution, authorizing their representatives to attend and vote at the meeting.
9. The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Share Transfer Agents.
11. Electronic copy of the Annual Report for 2018-19 is being sent to all the members, whose e-mail IDs are registered with the Company/depository participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their e-mail address, physical copies of the Annual Report for 2018-19 is being sent in a permitted mode. Rules 18(3)(i) of the Companies (Management & Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a financial year to the member to register his e-mail

address and any change therein. In compliance with the same, we request the members who do not have their e-mail ID registered with the Company, to get the same registered with the Company. Members are also requested to intimate to the Company the changes if any, in their e-mail address.

12. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management & Administration) Rules, 2014, the members are informed that the Company is pleased to offer e-voting facilities as an alternative mode to voting at the meeting. Necessary arrangements have been made by the Company with the Central Depository Services Ltd. (CDSL) to facilitate e-voting. The instructions for e-voting are as under:

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <SPS FINQUEST LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) The voting period begins on 19.08.2019 (9.00 a.m.) and end on 21.08.2019 (5.00 p.m.) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15.08.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Other Instructions:**

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 15.08.2019.
- b) Mr. Upendra Shukla, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members, who do not have access to the e-voting process) in a fair and transparent manner.

c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against if any, forthwith to the Chairman of the Company.

d) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and physical ballot shall be treated as invalid.

e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.spsfinquest.co.in](http://www.spsfinquest.co.in) and on the website of the CDSL within two days of the passing of the resolutions at the 23<sup>rd</sup> AGM and communicated to BSE Ltd., where the shares of the Company are listed.

Details of Directors seeking appointment/ re-appointment at the 23<sup>rd</sup> Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given hereunder:

<b>Name of the Director</b>	<b>Mr. Pramod P. Shah</b>	<b>Mr. Girish Jajoo</b>
Date of Birth	21/05/1945	06/04/1975
Date of Appointment	20/05/2010	01/04/2011
Qualification	Upto S.S.C.	EMBA, M.COM., ADCSSAA
Brief Profile	Mr. Pramod P. Shah has four decades' vast experience in capital & money market. Under his leadership, SPS has achieved success because of his passion & long term vision alongwith strong persistence	Mr. Girish Jajoo has experience of 25 years in Capital Market & Money Market. He has thorough knowledge of stock market operations/ financing business. He is responsible for day to-day management of the Company under supervision, guidance and control of the Board of Directors.
Directorship held in other Public Companies (excluding Section 25 and foreign Companies)	NIL	NIL
Memberships/ Chairmanship of committees of other companies (includes only Audit & Shareholders/ Investors Grievance/ Stakeholders Relationship Committee)	NIL	NIL
Shareholding in the Company (Equity)	13,04,600	NIL



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO: 3**

As the Members are aware, the terms of Mr. Girish Jajoo as a Managing Director was expiring on 1<sup>st</sup> February, 2019. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company in their meeting held on 9<sup>th</sup> January, 2019 re-appointed Mr. Girish Jajoo as a Managing Director for a further period of five years with effect from 1<sup>st</sup> February, 2019 to 31<sup>st</sup> January, 2024, subject to approval of Members.

The Board of Directors in its meeting held on 9th January, 2019 has also approved the remuneration payable to Mr. Girish Jajoo subject to approval of the Members as given hereunder:

Monthly basic salary – Rs.58,500/-, Monthly Special Allowance – Rs.500/-, House Rent Allowance – Rs. 27,250/-, Medical Allowance Rs.1,250/-, Conveyance Allowance – Rs.1,600/- and Education Allowance - Rs.200/-.

The above terms have been incorporated in the draft agreement to be entered into with Mr. Girish Jajoo as referred to in the resolution in Item No. 3 of the Notice convening the 23<sup>rd</sup> Annual General Meeting, with the authority to the Board of Directors to revise, amend, alter or modify the remuneration from time to time as it deems fit, but at no time, Mr. Jajoo shall be entitled to receive the remuneration and perquisites in excess of the limit prescribed in Section 1 of Part II of Schedule V to the Companies Act, 2013 read with section 197, as existing or as may be amended from time to time. The draft agreement, referred to as above, also provides that subject to the applicable provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof, in the event of the Company not earning profit or inadequacy of profit in any financial year, Mr. Girish Jajoo would be entitled to receive the above remuneration as minimum remuneration.

The draft agreement referred to in resolution No. 3 would be available for inspection by the members at the registered office of the Company on all working days except Saturday s and Sundays, between 11.00 a.m. to 1.00 p.m. upto the date of the AGM and also at the venue of the AGM.

The Board of Directors may in their discretion revise/modify any of the terms from time to time, within the limits stipulated.

Information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by ICISI is provided in annexure to this notice.

Mr. Girish Jajoo may be deemed to be interested in the resolution to the extent of his appointment and remuneration he will be entitled to as Managing Director. None of the other Directors, key managerial personnel or other relatives is concerned or interested, financially or otherwise, in the Resolution.

The Board of Directors recommends the resolution for approval of the Members.

The information required to be provided to the shareholders in terms of Schedule V of the Act is set-out as under:

**I. GENERAL INFORMATION:**

1. Nature of Industry : Non-banking Finance Company
2. Date or expected date of commencement of commercial production: The Company is already in the business.
3. In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators (Rs.)

Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
Total Income	3,59,74,185	42,73,552
Expenditure other than Finance cost, Interest and Depreciation	37,04,330	88,78,512
Profit before Finance costs, Depreciation and Tax	3,22,69,855	(46,04,960)
Finance costs	1,81,40,033	41,30,015
Depreciation	5,24,943	38,553
Profit before Tax and exceptional items	1,36,04,879	(87,73,528)
Exceptional Items	-	--
Profit/(Loss) before Tax	1,36,04,879	(87,73,528)
Tax Provision	(1,54,53,836)	80,64,141
Net Profit (Loss)	(18,48,957)	(7,09,386)

## II. INFORMATION ABOUT THE APPOINTEE:

Background	Mr. Girish T. Jajoo is the Master Degree holder in Business Administration & Commerce. He has experience of 25 years in Capital Market & Money Market. He has thorough knowledge of stock market operations and financing business.
Past Remuneration (FY 2018-19)	Rs.11,07,500/-
Recognition & Awards	--
Job Profile & Suitability	Subject to supervision and guidance of the Board of Directors, the Managing Director shall have the general control of the business of the Company with power to appoint and dismiss employees, to enter into contracts on behalf of the Company in ordinary course of the business and to do and perform all acts, deeds and things which in the ordinary course of the business, he may consider necessary or proper in the interest of the Company. Considering the above and having regard to his age, qualifications, ability and experience and looking to the business requirement, the proposed remuneration is in the interest of the Company.
Remuneration proposed	The remuneration including perquisites shall be as stated in the special resolution attached herewith.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Compare to the remuneration with respect of the industry, size of the Company etc. the remuneration proposed to be paid to Mr. Girish Jajoo is lower than the industry standard.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel	Besides the remuneration proposed to be paid to Mr. Girish Jajoo as Managing Director, he does not have any other pecuniary relationship with the Company or with any other managerial personnel.