

SPARC SYSTEMS LIMITED

Reg Off.: Plot No.11, Survey No.118/1 & 118/2, Village Pundhe, Taluka Shahapur, At Post Athgaon, District Thane – 421601
Phone 9820700310, 27792481 www.sparcsys.com sparc@mtnl.net.in
CIN L72100MH1989PLC053467

Notice

Notice is hereby given that the 26th Annual General Meeting of the Members of Sparc Systems Limited will be held on Wednesday, September 30, 2015 at 10.00 am, at the Registered Office of the Company at Plot No. 11, Survey No. 118 - 1 & 2, Village Pundhe, Taluka Shahapur, At Post Athgaon, District Thane - 421601, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015 including the Audited Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss Account and Cash Flow for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. J T D'souza (DIN: 00958844), who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of appointment of Auditors

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the appointment of M/s. R Soni & Co., Chartered Accountants, Mumbai (ICAI Registration Number 130349W), as Auditors of the Company by resolution passed at the 25th Annual General Meeting of the Company, to hold office from the conclusion of the 25th Annual General Meeting until the conclusion of the 28th Annual General Meeting, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 26th Annual General Meeting until the conclusion of the 28th Annual General Meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in pursuance to Clause 49 of the Listing Agreement, Mr. Ashok Jain (DIN: 03013476), who was appointed as Additional Director by the Board of Directors on August 13, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting has submitted a declaration that he is eligible for appointment and that he meets the criteria of independence as provided in Section 149(6) of the Act and Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for five

consecutive years for a term up to 12.08.2020."

5. To re-appoint Mr. Jude Terrence D'souza (DIN: 00958844) as Chairman & Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, subject to such sanctions as may be necessary, the approval and consent of the members be and is hereby accorded to re-appoint Mr. Jude Terrence D'souza (DIN: 00958844) Key Managerial Personnel as Chairman & Managing Director of the Company for a period of 3 years with effect from December 1, 2015, whose period of office is liable to retire by rotation. The aggregate remuneration to be paid to Mr. Jude Terrence D'souza is set out herein below:

- i. **Salary:** Rs. 15,000/- per month.
- ii. **Perquisites:** Perquisites shall be allowed in addition to salary. Perquisites shall be restricted to an amount equal to the annual salary. The perquisites will comprise of medical reimbursement, leave travel concession, club fees and other benefits, allowances, expenses for self and family. For the purpose of perquisites stated hereinabove, family means spouse, dependent children and dependent parents of the Managing Director.

RESOLVED FURTHER THAT in the absence of profit or inadequacy of profit in any financial year during his tenure, the remuneration as set out above be paid to Mr. Jude Terrence D'souza (DIN: 00958844) as minimum remuneration, subject to necessary approval(s), as may be required.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorised to amend, alter, modify or otherwise vary the terms and conditions of re-appointment of Mr. Jude Terrence D'souza (DIN: 00958844) Managing Director, including the components of the above mentioned remuneration payable to him."

6. To re-appoint Ms. Punit Neb (DIN: 01026300) as a Whole-time Director designated as Executive Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, subject

to such sanctions as may be necessary, the approval and consent of the members be and is hereby accorded to re-appoint Ms. Punit Neb (DIN: 01026300) as Whole-time Director of the Company for a period of 3 years with effect from December 1, 2015, whose period of office is liable to retire by rotation. The aggregate remuneration to be paid to Ms. Punit Neb is set out herein below:

- i. **Salary:** Rs. 7,500/- per month.
- ii. **Perquisites:** Perquisites shall be allowed in addition to salary. Perquisites shall be restricted to an amount equal to the annual salary. The perquisites will comprise of medical reimbursement, leave travel concession, club fees and other benefits, allowances, expenses for self and family. For the purpose of perquisites stated hereinabove, family means spouse, dependent children and dependent parents of the Whole-time Director.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of the Whole-time Director the remuneration shall be governed as provided under section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorised to amend, alter, modify or otherwise vary the terms and conditions of re-appointment of Ms. Punit Neb (DIN: 01026300) Whole-time Director, including the components of the above mentioned remuneration payable to her.”

For and on behalf of the Board

J. T. D'souza
Chairman & Managing Director
DIN 00958844
Mumbai, August 13, 2015

NOTES:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(S) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY (S) NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM MUST REACH THE COMPANY'S REGISTERED OFFICE ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- b. Explanatory Statement pursuant to section 102(1) of the Companies Act, setting out the material facts in respect of the business under item Nos. 4 to 6 set out above and the details under clause 49 of the Listing Agreement with Stock Exchange in respect of Director's proposed to be appointed / re-appointed at the Annual General Meeting, is annexed hereto.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2015 to September 30, 2015, inclusive of both days.
- d. The Members are requested to intimate to the Registrar & Share Transfer Agent of the Company – **Universal Capital Securities Pvt. Ltd. (Formerly known as Mondkar Computers Pvt Ltd.)** 21 Shakil Niwas, Mahakali Caves Road, Andheri (E) Mumbai – 400093, immediately of any changes, if any, in their Registered Address. Members are requested to address the correspondence relating to the share registry both in physical and electronic mode to the said Registrar & Share Transfer Agents.

- e. Notice is being sent to all the Members, whose names appear in the Register of Members / Record of Depositories as on August 31, 2015. Members who have registered their e-mail id with the Company, notice is sent electronically by e-mail and to the remaining Members notice is sent by the permitted mode.
- f. Mr. Rajesh Soni of M/s. R Soni & Co., Chartered Accounts has been appointed as Scrutinizer for conducting the voting by Ballot at the Meeting and remote e-voting process in a fair and transparent manner.

g. Remote Voting Through Electronic Form (Remote E-Voting)

In Compliance with the provisions of section 108 of the Companies Act, 2013, read with rule 20 of Companies (Management and Administration) Rules, 2014, and the revised clause 35B of the Equity Listing Agreement with Bombay Stock Exchange (“BSE”), the Company is pleased to offer remote E-Voting facility for the Members to enable them to cast their votes electronically. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Members who have not cast their votes by remote e-voting can exercise their voting rights at the AGM. The Company will provide polling papers at the AGM venue. The Members who have casted their votes by remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but they shall not be allowed to cast vote again at the Meeting.

For the purpose of E-Voting, the Company has signed an agreement with Central Depository Limited (“CDSL”) for facilitating E-Voting. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.

1. Instructions for members for voting electronically are as under

- i. The Remote e-voting period begins on September 26, 2015 at 9.00 am and ends on September 29, 2015 at 5.00 pm. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 24, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL after 5:00 PM (IST) on September 29, 2015.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form & Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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. • 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. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. <ul style="list-style-type: none"> • 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 (v). |

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant Sparc Systems Limited on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. 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.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

- 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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 mailed to 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
2. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting.
 3. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.sparcsys.com and on the website of CDSL at www.cdslindia.com, immediately after the results are declared by the Chairman.
 4. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the

cut-off date i.e. Thursday, September 24, 2015, may obtain the User ID and Password by sending an email request to sparc@mtnl.net.in. Members may also call on +912227792473 / 78 / 81 or send a request to Ms. Punit Neb ,Whole-time Director, by writing to her at Sparc Systems Ltd., #16 Ground Floor, Lovely, Sector 2, Airoli, Navi Mumbai – 400708.

5. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- h. Members are requested to Register their email address and changes therein from time to time for shares held in physical form & bring their copy of the Annual Report to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The Statement pursuant to Section 102(1) of the Companies Act, 2013 for item Nos. 4 to 6 of the accompanying notice is as under

Item No. 4

Members be informed that Mr. Ashok Jain was appointed as an Independent Director of the Company. He was appointed as an Additional Director (Independent) w.e.f. August 13, 2015 by the Board of Directors of the Company Mr. Ashok Jain holds office upto the conclusion of the date of this Annual General Meeting. The Company has received notice from the member along with deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidature of Mr. Ashok Jain for the office of Director of the Company.

The Nominations Committee has recommended the appointment of Mr. Ashok Jain as Independent Director from 13.08.2015 to 12.08.2020 not liable to retire by rotation.

Mr. Ashok Jain is a post-graduate in Commerce and has experience of about 15 years. He has been associated with various reputed organisations. His appointment would be beneficial to the Company.

Mr. Ashok Jain, Non-Executive Independent Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013. In the opinion of the Board, director fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Director Mr. Ashok Jain as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday and also posted on Company's website – www.sparcsys.com.

Brief profile alongwith other details of Mr. Ashok Jain are provided in the Report on Corporate Governance forming part of the Annual Report. He does not hold any Equity Shares of the Company.

None of the Directors (except Mr. Ashok Jain), Key Managerial Personnel and relatives of Directors of the Company are directly / indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

The Board of Directors recommend the ordinary resolution for approval by the members.

Item No. 5

Mr. Jude Terrence D'souza (DIN: 00958844), aged 56 years, Key Managerial Personnel, is a Promoter Director designated as Chairman and Managing Director of the Company. Mr. Jude Terrence D'souza has rich experience in the field of Electronics, Computing, Software and Embedded Systems. He looks after the

day-to-day affairs of the management of the Company, subject to the supervision of the Board.

Mr. Jude Terrence D'souza was re-appointed as a Managing Director of the Company w.e.f. December 1, 2012 for a tenure of 3 (three) years and his current term of appointment as Managing Director of the Company will expire on November 30, 2015 & in the previous AGM his term of office was changed to liable to determination by rotation. The Board of Directors hereby propose to seek the shareholders approval for reappointment and remuneration payable to Mr. Jude Terrence D'souza as Managing Director of the Company for a further period of 3 years, in terms of applicable provisions of the Act as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The above mentioned salary is to be made effective from December 1, 2015 and be paid accordingly after approval from the Board of Directors of the Company from time to time during the tenure of appointment.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 and any rules made thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Mr. Jude Terrence D'souza satisfies all the conditions as set out in Part I of Schedule V and conditions as set out in sub section (3) of Section 196 of the Act, being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Jude Terrence D'souza under section 190 of the Act.

None of the Directors / Key Managerial Personnel of the Company except Mr. Jude Terrence D'souza & Ms. Punit Neb is concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the ordinary resolution set out in Item No. 5 of the Notice for approval by the members.

Item No. 6

Ms. Punit Neb (DIN: 01026300), aged 47 years was re-appointed

as a Whole-time Director of the Company w.e.f. December 1, 2012 for a tenure of 3 (three) years. Ms. Punit Neb is a Bachelor of Electronics Engineering and Master of Marketing Management. She has vast experience in the field of technology design & development. She looks after the day-to-day affairs of the management of the Company, subject to the supervision of the Board and overall authority of the Managing Director.

Her current term of appointment as Whole-time Director of the Company will expire on November 30, 2015 & in the previous AGM her term of office was changed to liable to determination by rotation. The Board of Directors hereby propose to seek the shareholders approval for reappointment and remuneration payable to Ms. Punit Neb as Whole-time Director of the Company for a further period of 3 years, in terms of applicable provisions of the Act as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Ms. Punit Neb satisfies all the conditions as set out in Part I of Schedule V and conditions as set out in sub section (3) of Section 196 of the Act, being eligible for her reappointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Ms. Punit Neb under section 190 of the Act.

None of the Directors / Key Managerial Personnel of the Company except Ms. Punit Neb & Mr. Jude Terrence D'souza is concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the ordinary resolution set out in Item No. 6 of the Notice for approval by the members.

For and on behalf of the Board

J. T. D'souza
Chairman & Managing Director
DIN 00958844
Mumbai, August 13, 2015

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

| Particulars | J. T. D'souza | Punit Neb | Ashok Jain |
|---|--|---------------------------------------|---|
| DIN | 00958844 | 01026300 | 03013476 |
| Nationality | Indian | Indian | Indian |
| Date of Birth | August 28, 1959 | December 26, 1967 | June 8, 1980 |
| Date of Appointment | September 14, 1989 | July 6, 1991 | August 13, 2015 |
| Qualifications | Radio Officer | B. E., Master of Marketing Management | B. Com., M. Com. |
| Expertise in specific functional areas | Techno-commercial and business development | Technology design & development | International Financial Analyst |
| Directorships held in other companies (excluding foreign companies) | NIL | Epson Finance & Investments Pvt. Ltd. | G I M Financial Solutions Pvt. Ltd., Pansoft Infrastructure Pvt. Ltd., Sindu Valley Technologies Ltd. |
| Memberships / Chairmanships of Board Committees of other companies | NIL | NIL | 1 |
| Number of shares held in the Company | 51200 | 28300 | NIL |