

Sparc Systems Ltd.

Reg Off: P No. 11, S.No.118/1-2, Vill Pundhe, Athgaon, Dist. Thane-421601
Phone 9820700310 / 27792481 www.sparcsys.com sparc@mtnl.net.in
CIN L72100MH1989PLC053467

Notice

Notice is hereby given that the 29th Annual General Meeting of the Members of Sparc Systems Limited will be held on Saturday, September 29, 2018 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, 2018 including the Audited Balance Sheet as at March 31, 2018 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 Ms. Punit Neb (DIN 01026300), Whole Time Director, who retires by rotation and being eligible, offers herself for re-appointment and for the said purpose to consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution**.

"RESOLVED THAT Ms. Punit Neb (DIN 01026300), Whole Time Director of the Company, who retires by rotation be and is hereby re-appointed as Director of the Company liable to retire by rotation".

SPECIAL BUSINESS

3. To re-appoint Mr. Jude Terrence D'souza (DIN 00958844) as 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, and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval and consent of the members be and is hereby accorded to re-appoint Mr. Jude Terrence D'souza (DIN 00958844) as Managing Director of the Company on a annual remuneration of Rs. 1,80,000/-, for a period of 3 years with effect from December 1, 2018, and shall be liable to retire by rotation.

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 also 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."

4. 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, and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, 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 on a annual remuneration of Rs. 90,000/-, for a period of 3 years with effect from December 1, 2018, and shall be liable to retire by rotation.

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 Ms. Punit Neb (DIN 01026300) 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 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
Managing Director
DIN 00958844
Mumbai, August 31, 2018

NOTES:

- a. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business as set out in Item No.3 & 4 above and the relevant details of the Directors seeking re-appointment under Item No.3 & 4 above as required by Regulations 26(4) and 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.
- b. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is attached herewith. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy holder shall prove his identity at the time of attending the Meeting.**
- c. Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the Meeting venue is given on page no. 46 of this Annual Report. Further, the Company has uploaded the above route map on its website at www.sparcsys.com.
- d. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2018 to September 29, 2018, inclusive of both days for the purpose of Annual General Meeting.
- e. 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.
- f. The shares of Company are under compulsory demat trading. Members holding shares in physical form are requested to convert their shares in their own interest.**
As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, w.e.f. 5th December, 2018 shares are required to be held in dematerialized form only. Members holding shares in physical form are requested to do the needful. For assistance / information required in this matter, kindly contact the RTA Universal Capital Securities Pvt. Ltd.
- g. Notice is being sent to all the Members, whose names appear in the Register of Members / Record of Depositories as on August 24, 2018. 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. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA / Depositories.
- h. In terms of the provisions of Section 152 of the Act Ms. Punit Neb (DIN 01026300), Whole Time Director, retires by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend her re-appointment.
- i. Mr. J T D'souza & Ms. Punit Neb are interested in the Ordinary Resolution set out at Item Nos. 3 & 4 of the Notice with regard to their re-appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Business set out under Item Nos. 3 & 4 of the Notice.
- j. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018

issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 29, 2017.

- k. Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
- l. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- m. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.
- n. Mr. Rajesh Soni of M/s. R Soni & Co., Chartered Accountant 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.
- o. Remote E-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 Regulation 44 of the SEBI (LODR) Regulations, 2015, 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 Wednesday September 26, 2018 at 9.00 am and ends on Friday September 28, 2018 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 Saturday September 22, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL after 5:00 PM (IST) on September 28, 2018.
- 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
- vi.
 - 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.
- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. 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.

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	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"> 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.
- xix. 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. Apple 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.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

xx. 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.

xxi. 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.

- 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 48 hours 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.
- 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.
- 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. Saturday, September 22, 2018, 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.
- 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.
- 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.

For and on behalf of the Board

J. T. D'souza
Managing Director
DIN 00958844
Mumbai, August 31, 2018

Explanatory Statement
Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

The following statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 3

Mr. Jude Terrence D'souza (DIN 00958844) was earlier re-appointed as Managing Director of the Company for the period of three years commencing from December 1, 2015. The Members approved his reappointment by passing ordinary resolution in their Annual General Meeting which was held on September 30, 2015.

Based on the recommendation made by the Nomination and Remuneration Committee (NRC), the Board of Directors at their meeting held on August 31, 2018, passed a resolution for re-appointment of Mr. Jude Terrence D'souza as Managing Director of the Company for a period of 3 years commencing from December 1, 2018 to November 30, 2021 subject to approval of the Members.

Mr. Jude Terrence D'souza (DIN 00958844), aged 59 years, Key Managerial Personnel is a Promoter Director designated as Managing Director of the Company. Mr. Jude Terrence D'souza has vast 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.

The above mentioned remuneration is to be made effective from December 1, 2018 and be paid accordingly and the said remuneration 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, remuneration shall be evaluated at actual cost.

Mr. Jude Terrence D'souza (DIN 00958844) 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 Directors are of the view that the reappointment of Mr. Jude Terrence D'souza as Managing Director will be beneficial to the functioning and future growth opportunities of the Company. The remuneration payable to him is commensurate with the nature and quantum of business of the Company and, accordingly, recommend the ordinary resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

Other than Mr. Jude Terrence D'souza, & Ms. Punit Neb, spouse, none of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.3 of the accompanying Notice.

Item No. 4

Ms. Punit Neb (DIN 01026300), was earlier re-appointed as Whole Time Director of the Company for the period of three years commencing from December 1, 2015. The Members approved her reappointment by passing ordinary resolution in their Annual General Meeting which was held on September 30, 2015.

Based on the recommendation made by the Nomination and Remuneration Committee (NRC), the Board of Directors at their meeting held on August 31, 2018, passed a resolution for re-appointment of Ms. Punit Neb as Whole Time Director of the Company for a period of 3 years commencing from December 1, 2018 to November 30, 2021 subject to approval of the Members.

Ms. Punit Neb, aged 50 years, Key Managerial Personnel is a Director designated as Whole Time Director of the Company. Ms. Punit Neb is experienced in the field of technology design, development and project implementation. 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.

The above mentioned remuneration is to be made effective from December 1, 2018 and be paid accordingly and the said remuneration 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, remuneration shall be evaluated at actual cost.

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 re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Directors are of the view that the reappointment of Ms. Punit Neb as Whole Time Director will be beneficial to the functioning and future growth opportunities of the Company. The remuneration payable to her is commensurate with the nature and quantum of business of the Company and, accordingly, recommend the ordinary resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

Other than Ms. Punit Neb & Mr. Jude Terrence D'souza, her spouse, none of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

For and on behalf of the Board

J. T. D'souza
Managing Director
DIN 00958844
Mumbai, August 31, 2018

The information required pursuant to Schedule V of the Companies Act 2013 is given below:

I. General Information

- 1. Nature of Industry**
Software and Hardware Electronic Security Solutions.
- 2. Date of / expected date of commencement of commercial production**
The Company was incorporated on September 14, 1989 and commenced production in April 1995.
- 3. In case of new companies, expected date of commencement of activities**
Not applicable.
- 4. Financial performance based on given indicators**

(Rs in lakhs)

Particulars	For the year ended 31/03/2018	For the year ended 31/03/2017
Revenue from Operations (Gross)	3.13	6.59
Profit / (Loss) for the period	(1.92)	(3.90)

5. Foreign investments or collaborators, if any

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company. Foreign investors mainly comprise of investors in the Company because of past issuance of shares and secondary market purchase.

II. (A) Information about Mr. Jude Terrence D'souza, Managing Director**1. Background details**

Mr. Jude Terrence D'souza aged 59 years, Key Managerial Personnel is a Promoter Director designated as Managing Director of the Company. Mr. Jude Terrence D'souza is experienced 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.

2. Past Remuneration

(Rs. in lakhs)

Particulars	FY 2017-18	FY 2016-17
Annual Remuneration	1.80	0.80

3. Job Profile and his suitability

Mr. Jude Terrence D'souza has over 30 years of experience in the electronics industry. Given his background and experience in this field, the Board re-appointed Mr. Jude Terrence D'souza as the Managing Director of the Company effective from December 1, 2018.

4. Remuneration proposed

As stated in the Resolution under Item No. 3 given in the Notice.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Considering the industry in which the Company operates, the size of the business as well as the profile of Mr. Jude Terrence D'souza, the remuneration proposed is commensurate with the remuneration packages paid to similar senior level appointees in other companies in the industry.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any

Besides the remuneration proposed, Mr. Jude Terrence D'souza does not have any pecuniary relationship with the Company except with Ms. Punit Neb, his spouse. No other managerial personnel is concerned or interested in the above resolution.

7. The Managing Director shall be liable to retire by rotation.

8. The information provided above shall be treated as an abstract of contract of employment with the Managing Director under section 190 of the Companies Act 2013.

II. (B) Information about Ms. Punit Neb, Whole Time Director**1. Background details**

Ms. Punit Neb aged 50 years designated as Whole Time Director is a Bachelor of Electronics Engineering and Master of Marketing Management. She is experienced in the field of technology design, development and project implementation. 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.

2. Past Remuneration

(Rs. in lakhs)

Particulars	FY 2017-18	FY 2016-17
Annual Remuneration	0.90	0.65

3. Job Profile and her suitability

Ms. Punit Neb is well experienced in the electronics industry. Given her background and experience in this field, the Board re-appointed Ms. Punit Neb as the Whole Time Director of the Company effective from December 1, 2018.

4. Remuneration proposed

As stated in the Resolution under Item No. 4 given in the Notice.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Considering the industry in which the Company operates, the size of the business as well as the profile of Ms. Punit Neb, the remuneration proposed is commensurate with the remuneration packages paid to similar senior level appointees in other companies in the industry.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any

Besides the remuneration proposed, Ms. Punit Neb does not have any pecuniary relationship with the Company except with Mr. Jude Terrence D'souza, her spouse. No other managerial personnel is concerned or interested in the above resolution.

7. The Whole Time Director shall be liable to retire by rotation.

8. The information provided above shall be treated as an abstract of contract of employment with the Whole Time Director under section 190 of the Companies Act 2013.

III. Other information**1. Reasons for inadequate profits in earlier years:**

Due to globalization and proliferation of cheap imports in the country and other reasons beyond the control of management of the Company, the Company had been incurring operational losses since the Financial Year 2011 - 2012.

2. Steps taken by the Company to improve performance:

The Company operates in an industry where-in product life-cycles are extremely short and technology churn is extremely high. The Company makes continuous efforts to design and develop new products by incorporating latest available components and technology. The Company also constantly leverages and updates its existing technologies.

3. Expected increase in productivity and profits in measurable terms:

The Company makes continuous efforts to improve productivity and the Company expects to perform better in terms of profitability in the years to come.

IV. DISCLOSURES**Information of the remuneration package to the shareholders of the company:**

This information of the detailed in the Notice & Explanatory Statement attached to the respective resolution.

Disclosure mentioned in the Board of Directors; report under the heading of Corporate Governance, if any attached to the Annual Report:

Not applicable

The Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for the approval of Members. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Since the Resolution at Item No. 3 relates to re-appointment and payment of remuneration to Mr. Jude Terrence D'souza, Mr. Jude Terrence D'souza is deemed to be concerned or interested in the said resolutions along with his spouse Ms. Punit Neb. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for the approval of Members. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Since the Resolution at Item No. 4 relates to re-appointment and payment of remuneration to Ms. Punit Neb, Ms. Punit Neb is deemed to be concerned or interested in the said resolutions along with her spouse M. Jude Terrence D'souza. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

For and on behalf of the Board

J. T. D'souza
Managing Director
DIN 00958844
Mumbai, August 31, 2018

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

Name of Director	Mr. J. T. D'souza	Ms. Punit Neb
DIN	00958844	01026300
Nationality	Indian	Indian
Date of Birth	August 28, 1959	December 26, 1967
Date of Appointment	September 14, 1989	July 6, 1991
Qualifications	Radio Officer	B. E., Master of Marketing Management
Expertise in specific functional areas	Techno-commercial and business development	Technology design & development and project implementation
Directorships held in other companies (excluding foreign companies)	Epson Finance & Investments Pvt. Ltd. (Unlisted Company)	Epson Finance & Investments Pvt. Ltd. (Unlisted Company)
Memberships / Chairmanships of Board Committees of other companies	None	None
Number of shares held in the Company	4,49,400	29,300
Number of Board Meetings attended during the F.Y. 2017 – 2018	6 out of 6	6 out of 6
Chairman / Member of the Committee of the Company	None	Member of the following Committees Audit Committee Nomination and Remuneration Committee Stakeholders Relationship Committee
Details of Remuneration	As mentioned in the Explanatory Statement to the Notice dated August 31, 2018	As mentioned in the Explanatory Statement to the Notice dated August 31, 2018
Relationship	Spouse of Ms. Punit Neb	Spouse of Mr. J T D'souza
Terms and conditions of appointment or re-appointment	As per details described in Notice and Explanatory Statement	As per details described in Notice and Explanatory Statement

Route Map of AGM Venue

Sparc Systems Limited
Plot No. 11, Survey No. 118 - 1 & 2, Village Pundhe,
Taluka Shahapur, At Post Athgaon, District Thane – 421601

