

**NISHTHA FINANCE AND INVESTMENT (INDIA) LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR**

**2017-18**

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## **CORPORATE INFORMATION**

### **Registered Office**

Unit No. 2, Narnarayan Complex,  
Nr. Navrangpura Cross Road, Navrangpura,  
Ahmedabad 360009.  
Email id: [nishtha.finvest@gmail.com](mailto:nishtha.finvest@gmail.com)  
Website: [www.nishthafin.com](http://www.nishthafin.com)  
(O) 079 – 40027017  
CIN: L74110GJ1983PLC102253

### **Statutory Auditors:**

S. D .Mehta & Co.  
Chartered Accountants  
Ahmedabad

### **Bankers:**

Yes Bank Limited

### **Board of Directors**

Ashishbhai Jitendrabhai Joshi  
CEO & Managing Director

Chunilal Vrujlal Chovatiya  
Director and Chief Financial Officer

Chetankumar Haribhai Chovatiya  
Non Executive Director

Miraben Chetankumar Chovatiya  
Non Executive Director

Nikul Haribhai Chovatiya  
Non Executive Director

Sanjaybhai Vrujlal Chovatiya  
Non Executive Director

Nikunj Hasmukhbhai Savaliya  
Non Executive Director

Bhargavkumar Jaysukhbhai Undhad  
Independent Director

Piyush Rameshbhai Bhuva  
Independent Director

Jayeshbhai Kantilal Paghdar  
Independent Director

### **Corporate office**

Unit No. 2, Narnarayan Complex,  
Nr. Navrangpura Cross Road, Navrangpura,  
Ahmedabad 360009.  
Email id: [nishtha.finvest@gmail.com](mailto:nishtha.finvest@gmail.com)  
Website: [www.nishthafin.com](http://www.nishthafin.com)  
(O) 079 – 40027017

### **Registrar and Share Transfer Agent**

Skyline Financial Services Private Limited  
153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase – I, New Delhi – 110020.

**(O) 011 – 26812682**

**(E) [info@skylinerta.com](mailto:info@skylinerta.com)**

**(W) [www.skylinerta.com](http://www.skylinerta.com)**

### **Audit Committee**

Bhargavkumar Jaysukhbhai Undhad  
Chairman  
Piyush Rameshbhai Bhuva  
Member  
Ashishbhai Jitendrabhai Joshi  
Member

### **Nomination Remuneration Committee**

Jayeshbhai Kantilal Paghdar  
Chairman  
Chetankumar Haribhai Chovatiya  
Member  
Ashishbhai Jitendrabhai Joshi  
Member

### **Stakeholder Relationship Committee**

Chetankumar Haribhai Chovatiya  
Chairman  
Bhargavkumar Jaysukhbhai Undhad  
Member  
Ashishbhai Jitendrabhai Joshi  
Member

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## **NOTICE**

**Notice** is hereby given that 35<sup>th</sup> Annual General Meeting of members of Nishtha Finance and Investment (India) Limited will be held on Saturday, 29<sup>th</sup> September 2018 at 01:30 pm at the Registered Office of the Company situated at A/202, 2nd Floor, Narnarayan Complex, Nr. Navrangpura Bus Stop, Swastik Char Rasta, Navrangpura Ahmedabad, Gujarat-380009, India to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **01. Adoption of Audited Financial Statements:**

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

To receive, consider and adopt the Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2018, including Audited Balance Sheet as at 31<sup>st</sup> March 2018 and the statement of Profit and Loss Account for the year ended on that date along with the reports of Auditors and Directors thereon.

#### **02. Appointment of Director liable to retire by rotation:**

To appoint a Director in place of Mr. Chetankumar Chovatiya (DIN 07542592) whose term as Director is liable to determination by rotation and being eligible offers himself for reappointment.

#### **03. Appointment of Director liable to retire by rotation:**

To appoint a Director in place of Ms. Mira Chovatiya (DIN 07614738) whose term as Director is liable to determination by rotation and being eligible offers herself for reappointment.

### **Special Business:**

#### **04. Appointment of Mr. Nikunj Hasmukhbhai Savaliya as Director of the Company:**

**To Consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

“RESOLVED THAT Mr. Nikunj Hasmukhbhai Savaliya holding (DIN: 08052041), who was appointed as an Additional Director of the Company w. e. f. 29.01.2018 pursuant to the provisions of Section 161(1) of the Companies Act 2013 and provisions of Articles of Association of the Company and other provisions if applicable of the Act and who is entitled to hold the office till commencement of this ensuing Annual General Meeting and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non Executive Professional Director of the Company who shall be liable to retire by rotation.”

#### **05. Issue of 33,00,000 Convertible Warrants at the price of INR 16/- each on Preferential basis**

**To Consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under (including any statutory

modification(s) or re- enactment thereof for the time being in force) (“Act”), the rules and regulations issued by the Securities and Exchange Board of India (“SEBI”), including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and the policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the such other approvals as may be required to be obtained and subject to such conditions and modifications as might be prescribed while granting such approvals and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, from time to time in one or more tranches up to 33,00,000 (Thirty Three Lakhs) Convertible Warrants (“Warrants”) for consideration to be received in Cash on a preferential basis to allottees mentioned hereunder, with a right to Warrant Subscriber to apply for and get allotted one Equity Share of face value of INR 10/- (Rupees ten only) each (the “Equity Shares”) for each Warrant, within a period of 18 (Eighteen) months from the date of allotment of Warrants, at a price (including the warrant subscription price and the warrant exercise price) of INR 16/- per warrant (Rupees Sixteen only) aggregating to 5,28,00,000/- (Rupees five crores twenty Eight lakhs only), a price determined as per requirement of Chapter VII of SEBI Regulations, on such other terms and conditions as may be approved by the Board.

#### **List of Allottees to whom Warrants are proposed to be offered**

<b>Sr. No.</b>	<b>Name</b>	<b>Proposed</b>	
		<b>Nos. of Warrants</b>	<b>% of Issue size</b>
1	Ashish Jitendra Joshi	11,00,000	33.33
2	Nikunj Hasmukhbhai Savaliya	11,00,000	33.33
3	Bhaveshbhai Sheta	11,00,000	33.33
	<b>Total</b>	<b>33,00,000</b>	<b>100.00</b>

“RESOLVED FURTHER THAT in accordance with the applicable provisions of the ICDR Regulations, the Warrant Holder shall pay an amount equivalent to atleast 25% of the price fixed per Warrant on or before the allotment of respective number of Warrants.”

“RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII of the ICDR Regulations, the “Relevant Date” for the purpose of minimum issue price for the issue of Warrants is Thursday, 30<sup>th</sup> August 2018 which is 30 (Thirty) days prior to the date of the shareholders' meeting to be held on Saturday, 29<sup>th</sup> September, 2018.”

“RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of such approvals.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue of Warrants including reduction of the size of the issue, as it may deem expedient, in its discretion.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

1. The Warrants may be exercised by the Warrant Holder at any time before the expiry of 18 (Eighteen) months from the date of allotment of the Warrants (“Tenor”) on payment of balance amount of 75% of issue price;
2. In the event the Warrant Holder does not exercise the Warrants within 18 (Eighteen) months from the date of allotment of the Warrants, the Warrants shall lapse and the initial amount paid on such Warrants shall stand forfeited by the Company;
3. The Warrant Holder shall be entitled to exercise the option of exercising any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company, prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Warrant holder;
4. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank *pari-passu* in all respects including dividend, with the existing Equity Shares of the Company;
5. Upon exercise of the Warrants by the Warrant Holder, the Company shall issue and allot appropriate number of Equity Shares and perform such actions as are required to credit the Equity Shares to the depository account of Warrant Holder and entering the name of Warrant Holder in the records of the Company as the registered owner of such Equity Shares;
6. A Warrant subscription price equivalent to atleast 25% of the issue price of the Equity Shares will be payable at the time of subscription to the Warrants, as prescribed by Regulation 77 of the ICDR Regulations. A Warrant exercise price equivalent to the 75% of the issue price of the warrants will be payable by the Warrant holder at the time of exercising the Warrant; and the amount paid against Warrants shall be adjusted / set off against the Issue Price payable for the resultant Equity Shares.
7. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof;
8. The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under Chapter VII of ICDR Regulations relating to preferential issues;
9. The Warrants by itself, until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder(s) of the Company;

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to

generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with Registrar of Companies, the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any government authorities and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents without being required to seek any fresh approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and utilization of proceeds of the Warrants and Equity Shares issued upon exercise of such Warrants, take all other steps which may be incidental, consequential, relevant or ancillary to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT, the Company do make an application to NSDL and CDSL for admission of New ISIN for series of Convertible Warrants to be issued and allotted on preferential basis.”

“RESOLVED FURTHER THAT, the Company do apply for listing of the new Equity Shares as may be issued on conversion of warrants with Stock Exchange where securities of the Company are listed.”

“RESOLVED FURTHER THAT, the Company do make an application to NSDL and CDSL for admission of the new Equity Shares to be issued on conversion of Warrants issued on preferential basis”.

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her self and the proxy need not be the member of the company. A person can act as proxy on behalf members not exceeding 50 (fifty) and holding in aggregate not more than 10% (ten per cent) of share capital of the Company. However a member holding more than 10% (ten per cent) of share capital in company may appoint a single person as proxy and in such case proxy shall not act as proxy for any other member.
2. A form of proxy is herewith attached. The proxies in order to be effective must be submitted at the registered office of the company not less than 48 hours before the commencement of the meeting duly signed by the member. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable. Members/ proxies/ authorized representative are requested to bring the attendance slip sent herewith, duly filled in for attending the meeting.
3. In case of joint holders, only a 1<sup>st</sup> Joint holder will be permitted to vote.
4. The Register of Members of the company will remain closed from September 24, 2018 to September 29, 2018 (both days inclusive) in connection with ensuing Annual General Meeting for Financial Year 2017-18.

5. The Statement pursuant to section 102 of Companies act 2013 and /or Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2016 with regard to Explanatory Statement, is herewith annexed to this notice.
6. Members are requested to inform the company of any change in their addresses, contact details and Email id immediately so as to enable the Company to send any further communication at their correct addresses.
7. The Companies Act provides nomination facility to the members. As a member of the Company you have an option to nominate any person as your nominee to whom you shares shall vest in case of unfortunate event of death. It is advisable to avail this facility especially by the members holding shares on single name. This nomination would avoid process of acquiring rights in shares through transmission. In case of joint holders, nomination shall be effective only on death of the all the joint holders. If the shares are held in Dematerialized form, the nomination form needs to be forwarded to your Depository Participant.
8. Trading in Equity Shares of the Company is compulsorily in Dematerialized mode by all the investors. Members are therefore requested to convert their Physical Shareholding in Demat Form in case they wish to trade their Equity Shares.
9. Pursuant to SEBI Circular dated 20<sup>th</sup> April 2018 vide circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73, all the shareholders of the Company holding shares in physical form are requested to provide and update their respective self certified Copies of PAN and Bank Statement of Active Bank Account to the Issuer Company and / or Registrar and Share Transfer Agent of the Company.
10. Pursuant to SEBI Circular dated 20<sup>th</sup> April 2018 vide circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73, the Shareholder may please be informed that after 5<sup>th</sup> December 2018, the shareholders holding shares in Physical form will not be able to Sale/transfer their shares in physical form. However, transmission and transposition of Shares shall be permitted in Physical Form. Hence Shareholders are again requested to get their shares demated. For any help / assistance for Demat of shares, shareholder may approach the Registrar and Share Transfer Agent of the Company or the Secretarial Department of the Company.
11. Members holding shares in physical form in multiple folios on the same name and in the same order are requested to consolidate all their folios. For this purpose, application may be submitted to M/s Skyline Financial Services Private Limited.
12. Members seeking any information or clarification on the financial accounts are requested to send written queries to the Company; at least 10 days before the meeting to enable the management keep the required information available at meeting.
13. Annual Report for the financial year 2017-18 of the company has been uploaded on website of the Company <http://www.nishthafin.com>
14. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the Company during normal business hours up to the date of and during the Annual general Meeting.

15. Electronic copy of the Notice along with Annual Report including remote E Voting instructions, Attendance Slips, Proxy Form is being sent to all the members whose emails id are registered with the Company / Depository Participants for communication purpose. For members who have not registered their email ids, physical copy of notice along with Annual Report including Remote E Voting instructions, Attendance Slips, Proxy Form is sent by permitted mode of dispatch.
16. For protection of environment and to conserve natural resources, members are requested to register their emails, with Company / RTA or Depository Participant to enable company to send communication including Annual Report, notices, circulars etc. electronically.
17. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member / beneficial owner as on the cutoff date i. e. Friday, 21<sup>st</sup> September, 2018.
18. In terms of section 108 of Companies Act 2013 read with Companies (Management and Administration) Rules 2014, as amended from time to time and as per Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the remote e voting facility through Central Depository Services Limited (CDSL) to its members holding shares in physical or dematerialized form, as on cutoff date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice.

This is to clarify that it is not mandatory for a member to vote using the E voting facility and a member may avail the facility at his / her discretion, subject to compliance with the instruction for Remote E-Voting.

Further in case of Members who are entitled to vote, amongst members present in person at the meeting, but have not exercised right to vote by electronics means, the Chairman of the Company shall allow voting by way of poll in terms of Rule 20(4)(xi) of the said rules for the business specified in the accompanying notice.

It is specifically clarified that members who have exercised their right to vote by remote electronics means, may be allowed to participate in Annual General Meeting but shall not be eligible to vote by way of poll at the meeting as per proviso to Rule 20(4)(vii).

The Information with respect to voting process and other instructions regarding remote e-voting are detailed in note no. 23.

19. Shri Viral Ranpura, Company Secretaries, Ahmedabad (Mem. No. 28496) has been appointed as Scrutinizer to scrutinize voting and remote e voting process in fair and transparent manner.
20. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the Annual General Meeting make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorized by him in writing, who shall countersign the same.
21. The results shall be declared forthwith by the Chairman or a person so authorized by him in writing on receipt of report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be placed on the Company's website <http://www.nishthafin.com> and on the website of CDSL.