
Rajath Finance Ltd.

Annual Report

Financial Year 2022-23

Corporate Information:

Board of Directors

Hitesh Bagdai
Managing Director

Bhavdeep Vala
Executive Director

Poonam Bagdai
Non-executive &
Non-Independent Director

Kantilal Khakhar
Independent Director

Ketanbhai Dhulesiya
Independent Director

Janish Ajmera
Independent Director

CS Dea Vachhani
Company Secretary &
Compliance Officer

Audit Committee

Kantilal Khakhar, Chairman
Ketan Dhulesiya, Member
Bhavdeep Vala, Member

Nomination

& Remuneration Committee

Kantilal Khakhar, Chairman
Ketan Dhulesiya, Member
Janish Ajmera, Member

Shareholder's Grievance Committee:

Ketan Dhulesiya, Chairman
Kantilal Khakhar, Member
Bhavdeep Vala, Member

Statutory Auditors

A D Vyas & Co.,
Chartered Accountants,
Navin Complex,
Kotechanagar Main Road,
Opp. Kotecha Girls High School,
Rajkot – 360 001,
Gujarat, India

Registrars & Share Transfer Agent

LINK INTIME INDIA PVT. LTD.
05th Floor, 506 To 508, Amarnath
Business Centre – 1(ABC-1), Beside Gala
Business Centre, Nr St. Xavier's College
Corner, Off C G Road, Elisbridge,
Ahmedabad – 380 009
Tele No. 079 – 26465179
Email: ahmedabad@linkintime.co.in

Listed on:
BSE Limited

NOTICE OF AGM

Rajath Finance Limited

CIN: L65910GJ1984PLC007486

Address of Registered Office:

208 - 215 Star Plaza, Phulchhab Chowk, Rajkot – 360 001 Gujarat,
India

Phone: 0281 – 2447800/3013344 Fax: 0281-2454271

E-Mail Id: investorrelationsrajath@hotmail.com WEB:

www.rajathfinance.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting of the Members of the Company will be held on Saturday, 30th September, 2023 at 03:00 p.m. at the Registered Office of the Company situated at 208-215, Star Plaza, Phulchhab Chowk, Rajkot-360001, Gujarat, India to transact the following businesses:

❖ Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the yearended March 31, 2023 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Bhavdeep Vajubhai Vala [DIN: 00153775], who retires by rotation and, being eligible, offers himself for re-appointment.

❖ Special Business:

3. Appointment of Mr. Gautam Kirtikumar Shah as Director of the Company

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

“RESOLVED THAT Mr. Gautam Kirtikumar Shah (DIN: 06379806) who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting of the Company, is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a Director.”

4. Appointment of Mr. Prakash Dharshibhai Shah as Independent Director of the Company

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

“RESOLVED THAT Mr. Prakash Dharshibhai Shah (DIN: 00286277) who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting of the Company, is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a Director.

RESOLVED FURTHER THAT pursuant to Section 149 of the Companies Act, 2013 Mr. Prakash Dharshibhai Shah be and is hereby appointed as an Independent Director of the Company to hold office for a consecutive term of five years commencing from May 8, 2023 to May 07, 2028.”

NOTICE OF ANNUAL GENERAL MEETING

5. Appointment of Mr. Sarat Malik as Independent Director of the Company

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

“RESOLVED THAT Mr. Sarat Malik (DIN: 09791314) who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting of the Company, is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a Director.

RESOLVED FURTHER THAT pursuant to Section 149 of the Companies Act, 2013 Mr. Sarat Malik be and is hereby appointed as an Independent Director of the Company to hold office for a consecutive term of five years commencing from May 8, 2023 to May 07, 2028.”

6. Appointment of Mrs. Jayna Rachit Shah as Independent Director of the Company

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

“RESOLVED THAT Mrs. Jayna Rachit Shah (DIN: 10161760) who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting of the Company, is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a Director.

RESOLVED FURTHER THAT pursuant to Section 149 of the Companies Act, 2013 Mrs. Jayna Rachit Shah be and is hereby appointed as an Independent Director of the Company to hold office for a consecutive term of five years commencing from May 22, 2023 to May 21, 2028.”

7. Appointment of Mrs. Jaya Nigam as Director of the Company

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

“RESOLVED THAT Mrs. Jaya Nigam (DIN: 05193565) who was appointed as an Additional Director and holds office up to the date of this Annual General Meeting of the Company, is eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of a Director, be and is hereby appointed as a Director.

8. Reclassification of Promoter & Promoter Group to Public Category

To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

NOTICE OF ANNUAL GENERAL MEETING

"RESOLVED THAT in accordance with Regulation 31A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons/entities (hereinafter individually & jointly referred to as the 'applicants') forming part of the Promoter Group from 'Promoter & Promoter Group category' to 'Public category':

- i. Mr. Bhavdeep Vajubhai Vala
- ii. Mr. Hitesh Mansukhlal Bagdai
- iii. Mrs. Poonamben H Bagdai

RESOLVED FURTHER THAT on approval of the SEBI Board/ Stock Exchange upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions.

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary or the Compliance Officer or such other person as authorized by the Board, be and is hereby authorized to submit application for reclassification to the SEBI Board, Stock Exchanges, wherein the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution."

9. Approval for Related Party Transaction

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 Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), as may be necessary from time to time and basis the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter into Material Related Party Transaction with M/s. Parshwashanti Buildinfra Projects Private Limited, the company in which Director is interested within the meaning of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of Related Party Transactions, for such amount and on such material terms and conditions as detailed in the Explanatory Statement to this Resolution and as may be mutually agreed between both the Companies, for FY 2023-2024, provided that the said transaction shall not be carried out at arm's length basis and in the ordinary course of business of the Company.

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RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including any material modifications, finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, and to take all such actions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board/Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

10. Shifting of Registered Office of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 12, 13 and 110 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014, such other rules and regulations made thereunder and all other applicable provisions, if any, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of the Regional Director, North Western Region, Ahmedabad, Gujarat, the Registrar of Companies, Gujarat, Ahmedabad and any other regulatory authority(ies), the consent of the Members of the Company be and is hereby accorded for shifting of the Registered office of the Company from the ‘State of Gujarat’ to the ‘State of Maharashtra.”

“RESOLVED FURTHER THAT Clause II of the Memorandum of Association of the Company, be and is hereby altered and substitution of the following clause :

Clause II: The Registered office of the Company will be situated in the “State of Maharashtra within the jurisdiction of Registrar of Companies, Mumbai”.

NOTICE OF ANNUAL GENERAL MEETING

“RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorised severally to sign the petition, application, affidavits and such other documents as may be necessary in relation to filing of Application with the Regional Director (Central Government), North Western Region, Gujarat, Ahmedabad, the Registrar of Companies, Ahmedabad, Gujarat and/or any other concerned authority in respect to the Shifting of Registered Office of the Company from the ‘State of Gujarat’ to the ‘State of Maharashtra’.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorize and appoint M/s. MEHTA & MEHTA, Practicing Company Secretaries, Mumbai and their Associates, to enter in to appearance and represent the Company before the Regional Director, North Western Region, Gujarat, Ahmedabad and any other concerned authority in the appropriate proceedings under Section 13(4) of the Companies Act 2013, filed for seeking approval for the shifting of the Registered office of the Company from the ‘State of Gujarat’ to the ‘State of Maharashtra’, and to accept such modifications and/or alterations in the Special Resolution as may be deemed necessary by the Regional Director, North Western Region, Gujarat, Ahmedabad, while giving its approval and to do all such acts, things, matters and deeds as may be necessary and appropriate in this regard.”

11. Adoption of new sets of Articles of Association as per Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company with immediate effect;

RESOLVED FURTHER THAT any of the directors of the company be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

12. Adoption of new sets of Memorandum of Association as per Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the Company with immediate effect;

NOTICE OF ANNUAL GENERAL MEETING

RESOLVED FURTHER THAT any of the directors of the Company be and are hereby severally authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

13. Change in Main Object Clause of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, to append following clause (III) after clause (II) of the Memorandum of Association of Company:

[A] OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE”.

1. To carry on in India and elsewhere the business of financing, secured or unsecured, industrial micro financing to individuals, micro entities, companies, societies, institutions or other entities, incorporated or not through individual lending basis, group lending basis, joint liability group basis or supply chain financing, Digital Bill Discounting, Short Term long and Medium and long term Financing, issue of Bonds and supply chain business bonds, green bonds etc. through any other method for meeting their requirement for working capital needs, housing needs, acquisition and buying in of goods or merchandise of any description or for their productive or personal financial requirements and business of leasing of movable properties of any kind and industrial machinery, plant of all kinds and financing the purchase thereof with financing the purchase of immovable properties of all kinds such as real estate, buildings, flats and apartments and to finance the sale of furniture, apparatus, machinery, materials, goods and articles, and to lease out or sell any of the same on hire purchase system.
2. To advance, deposit or lend money, securities and properties to or with any company, body corporate, firm, person or association whether falling under the same management or otherwise, in accordance with and to extant permissible under the provisions contained in Sections 185 and 186 of the companies Act, 2013 with or without any securities and on such terms as may be determined from time to time and to carry on business of money lending. However, the company shall not carry on the business of banking as defined under the Banking Regulation Act, 1949.
3. To carry out financing operation and perform financing services including factoring, project finance, consultancy, credit reporting, credit collectors, underwriters, registrars, brokers with provisions for computer services.
4. To provide a leasing advisory consulting services to other entities and/or form the leasing arm of other entities.

NOTICE OF ANNUAL GENERAL MEETING

5. To carry on the business of providing Microfinance Services (mainly Non-Banking Financial Services as permitted by the Reserve Bank of India), financing to targeted to the poor men and women in generation and enhancement of livelihoods, business development, employment generation, the economic and development activities of poor men and women through term loans, collateral free credit, other forms of credits, thrift and savings, and other financial services, rendering financial services to people by acting as intermediary for banks and financial institutions, providing finance to agricultural related activities, provide / arrange finance / financial services for rural & urban housing development related activities and to carry on and undertake the business of research, consultancy, technical assistance and training in the field of livelihood promotion, development of micro/community development finance and other financial services, as intermediary for other companies or organizations, resource center institutions.
6. To carry out such other business which are permissible under direction of Reserve Bank of India and other applicable laws in force which includes but not limited to Forex, Derivatives, hedging etc. in India or elsewhere.

[B] MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE.

1. To undertake and execute any trust may seem desirable or otherwise.
2. To invest surplus funds of the Company in shares, stocks, debentures, debenture-stocks, bonds, securities, real estate and to finance industrial enterprises.
3. Subject to the provisions of Companies Act and rules there under and rules and directives issued by Reserve Bank of India to borrow or raise or secure the payment of money or to receive money on deposit at interest for any of the purpose of the Company and at such time and from time to time and in such manner as may be thought fit and in particular by the issue of debenture or debenture stocks convertible into shares of this or any other company or perpetual annuities and as security for any such money so borrowed, raised or received for any such debentures or debenture stocks so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company present or future including its uncalled capital by special assignments or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem or pay-off any such securities and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company as the case may be provided that the Company shall not carry on banking business as defined in the Banking Regulation Act, 1949.
4. To form, constitute, float, lend money to assist and control similar companies, associations or undertaking whatsoever.