
Rajath Finance Ltd.

Annual Report

Financial Year 2020-21

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
Bhavdeep Vala, 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

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 **36th Annual General Meeting** of the Members of the Company will be held on **Wednesday, 29th September, 2021** at 11:00 a.m. at the Registered Office of the Company situated at 208-215, Star Plaza, Phulchhab Chowk, Rajkot-360001, Gujarat, India to transact the following business:

❖ **Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of **Mr. Bhavdeep V. Vala** [DIN: 00153775] who retires by rotation and, being eligible, offers himself for re-appointment.

Date : 03.09.2021

Place : Rajkot

By Order of the Board of Directors,
For, Rajath Finance Limited

Sd/-
(HITESH BAGDAI)
Managing Director
DIN: 00575732

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

- A. 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 poll and the proxy need not be a member of the Company. 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 carrying voting rights. A member holding more than ten percent of the total share capital may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
- B. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 22nd September, 2021 to Wednesday, 29th September, 2021.**
- C. Soft copy of the Annual report is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual report is being sent in the permitted mode.
- D. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number. Members may also note that the Annual Report for FY 2020-21 will also be available on the Company’s website www.rajathfinance.com for their download.
- E. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the members to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by Link Intime India Private Limited (LIPL).
- F. The person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Wednesday, 22nd September, 2021 i.e. cutoff date only shall be entitled to avail the facility of remote e-voting as well as the voting in the Annual General Meeting. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). **The remote e-voting period will commence on Sunday, 26th September, 2021 at 9.00 a.m. and will end on Tuesday, 28th September, 2021 at 5.00 p.m.** The Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mrs. Nayna Pratik Lunker, Practising Company Secretary, Mumbai to act as the Scrutinizer & scrutinize the entire e-voting process in Annual General Meeting in a fair and transparent manner. The latest

NOTICE OF ANNUAL GENERAL MEETING

instructions for e-voting as per the SEBI Circular dated 09th December, 2020 is given in this notice and being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode. The instructions for remote e-voting are given hereunder after closure of notes.

G. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

BRIEF PROFILE OF DIRECTORS SEEING APPOINTMENT:

Director's Name	Mr. Bhavdeep V. Vala
Age	53 Years
Date of Appointment as Director in Company	27 th February, 2007
Qualification	Undergraduate
Experience in specific functional area	Wide experience in real estate business
Directorship held in other public limited Indian Companies (excluding Directorship in Rajath Finance Limited)	Nil
Membership/Chairmanship of Committees public limited Indian Companies (excluding Membership/Chairmanship of Committees in Rajath Finance Limited)	Nil

Date :03.09.2021

Place : Rajkot

By Order of the Board of Directors,
For, Rajath Finance Limited

(HITESH BAGDAI)
Managing Director
[DIN: 00575732]

NOTICE OF ANNUAL GENERAL MEETING

❖ Instructions for e-Voting:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2017 as amended by the Companies (Management and Administration) Amendment Rules 2015 and as per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the 36th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Link Intime India Private Limited (LIPL).

The e-voting facility will be commenced on Sunday, 26th September, 2021 at 9.00 a.m. and will end on Tuesday, 27th September, 2021 at 5.00 p.m. The cut-off date for the purpose of ascertaining the eligibility of members to avail e-voting facility is Wednesday, 22nd September, 2021. The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

Please read the instructions given below before exercising the vote.

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration

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	<ul style="list-style-type: none"> • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.</p>	<p>1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in</p> <p>▶ Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -</p> <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> • Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above <p>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p>▶ Click “confirm” (Your password is now generated).</p>

NOTICE OF ANNUAL GENERAL MEETING

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
 - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
 - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

NOTICE OF ANNUAL GENERAL MEETING

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

CS (Mrs.) Nayna Pratik Lunger, Practising Company Secretary (Membership No. A32833) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The results shall be declared on or after the AGM of the Company. The Results along with the Scrutinizer's Report(s) will be available on the website of the Company (www.rajathfinance.com) and on LIPL's website (<https://instavote.linkintime.co.in>), within two (2) days of passing of the resolutions at the AGM and communicated to the BSE Limited, where the shares of the Company are listed.

DIRECTORS' REPORT

To,
The Members,
Rajath Finance Limited,

Your Directors are pleased to present their **36th Annual Report** for the financial year ended on 31st March, 2021.

FINANCIAL RESULTS:

Your Company's performance for the year ended on 31st March, 2021, is summarized as under:

(Amt. in Rs.)

SR. NO.	PARTICULARS	2020-21	2019-20
1.	Revenue from Operation	37,46,214	42,00,910
2.	Other Income	--	37,033
3.	Total Revenue (1+2)	37,46,214	42,37,943
4.	Employee Benefit Expenses	6,19,307	6,68,154
5.	Depreciation & Amortization Exp.	2,75,828	3,31,248
6.	Other Expenses	23,79,890	42,80,458
7.	Profit/(Loss) Before Tax	4,71,189	(10,41,917)
8.	Current Tax	0	0
9.	Deferred Tax	(2,97,452)	(2,72,117)
10.	Profit/(Loss) After Tax (PAT)	1,73,737	(7,69,800)

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK :

During the year under review, your Company's revenue from operation has decreased from Rs. 42,00,910/- for previous F.Y. 2019-20 to Rs. 37,46,214/- in reporting year. Due to consistent efforts of the management, Employee benefit expenses and other expenses of the company decreased during the year under report as compared to previous financial year 2019-20. Other expenses of the company have been decreased due to decrease in travelling expenses of the company to the major extent during the reporting year. Employee benefit expenses and other expenses of the company is Rs. 6,19,307/- and Rs. 23,79,890 respectively, as compared to Financial year 2019-20 was Rs. 6,68,154/- and Rs. 42,80,584 respectively. Further, during the year under report company has reported net profit of Rs. 1,73,737/- as compared to loss of Rs. 7,69,800 during the previous financial year. Management has been trying to improve the performance of the Company.

DIRECTORS' REPORT

DECLARATION OF DIVIDEND & TRANSFER OF AMOUNT TO RESERVES:

In order to conserve resources for operational purposes, your Directors do not recommend any dividend.

Further, no amount has been transferred to general reserves in the Financial Year 2020-21.

SHARE CAPITAL:

The paid-up Equity Share Capital of the company as on March 31, 2021 was Rs. 4,00,00,000 divided into 40,00,000 equity shares of Rs. 10/- each. During the year under Report, the Company has not issued any shares or any convertible instruments.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134 (3) (a) of Companies Act, 2013, Form MGT 9 [as specified in Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014] the extract of Annual Return for the Financial Year 2020-21 is enclosed with this report as Annexure-I.

The Extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act shall be hosted on the website of the company viz. <http://rajathfinance.in/annual-report-36th>

BOARD MEETINGS AND INDEPENDENT DIRECTOR'S MEETING:

The Board of Directors of the Company respectively met seven times on 28/05/2020, 30/07/2020, 02/09/2020, 30/09/2020, 31/10/2020, 26/11/2020 and 11/02/2021 during the financial year 2020-21.

Further, the Independent Directors meeting was held on 11/02/2021 to review the performance of non-independent directors and the Board as a whole, taking into account the views of executive directors and non-executive directors and assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

BOARD'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, the Directors based on the information and representations received from the operating management confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;

DIRECTORS' REPORT

- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis; and
- e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DECLARATION (OF INDEPENDENCE) BY INDEPENDENT DIRECTORS:

The Company has received declarations from each Independent Director under section 149 (7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

The Company has the practice to take the declaration of independence from all Independent Directors on his appointment/ re-appointment and also in first meeting of the Board of Directors every year. All these Directors are abiding to intimate to the Board about any change in their status of independence in the very next board meeting after such change.

RATIO OF REMUNARATION OF EACH DIRECTOR TO THE MEDIAN REMUNARATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20:

The information required pursuant to section 197 (12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the Company for the financial year 2020-21 will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of Annual General Meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the officer of the Company in this regard.

DIRECTORS' REPORT

COMPANY'S POLICY ON DIRECTORS APPOINTMENT, NOMINATION, REMUNERATION AND FORMAL EVALUATION:

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

FORMAL ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Shareholders Grievance committee.

STATUTORY AUDITOR AND AUDITORS' REPORT:

Members are already aware that company has appointed M/S. A. D. Vyas & Co., Chartered Accountants and a peer reviewed firm [FRN 113588W] as a statutory auditor of the company, in the annual general meeting held in the year 2019 (for the financial year 2018-19) to hold office till the conclusion of Annual General Meeting to be held in the year 2024 (for financial year 2023-24).

The Auditors' Report does not contain any qualification, reservation or adverse remark AND the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not require any further comment thereon.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board has appointed CS Nayna Pratik Lunker, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as Annexure II.

- **Observation by Secretarial Auditor**

1. The Secretarial Auditor has pointed out that the Board has not appointed new Independent Directors after expiry of terms of existing Independent Directors.

Reply by Board of Directors: Board of Directors of the Company assures for appointment of new Independent Directors at the earliest.

DIRECTORS' REPORT

2. The Secretarial Auditor has observed about the non-appointment of Chief Financial Officer, Company Secretary and Internal Auditor in the Company and as a result of non-appointment of required Key Managerial Personnel Company fails to comply Rule 25A of Companies (Incorporation) Rules, 2014 and as on 31st March, 2021 the Company's status was 'Active Non-Compliant', as it had not filed Form 22A with the Registrar.

Reply by Board of Directors: The delay in the appointments has been occurred due to weak financial position of the Company. However, the management is assuring that the Company will soon proceed for the appointment of the required KMPs in terms of the provisions of the Companies Act, 2013. The Company had already appointed Whole-time Company Secretary w.e.f 08th April, 2021.

3. The Secretarial Auditor has reported that some compliance under applicable regulations of LoDR have been submitted to the BSE after due date and Stock exchange had levied the fine for such delay in compliance as well as for non-appointment of Company Secretary in terms of Regulation 6(1) of SEBI (LODR) Regulations, 2015.

Reply by Board of Directors: Company had paid fine levied by the Stock Exchange for the delayed compliance of Regulation 6(1) of the SEBI (LODR), 2015. Further, in compliance of Regulation 6(1), company had appointed whole-time Company Secretary w.e.f 08th April, 2021. Company has also applied for the waiver of fine levied by the Stock Exchange and pending for reply from the Stock Exchange. The Board of Directors of the Company ensures for the timely compliances of applicable SEBI Regulations in the future.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS MADE:

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment exceeding the limits as specified in Section 186 (2) of the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any contract or arrangement with related party which was not at arms' length requiring approval of shareholders in the general meeting as required under section 188 of the Companies Act, 2013. The Audit Committee reviews all the transactions with related party on quarterly basis and recommends the same to the Board for their approval. The details regarding of contracts/arrangement with related parties are disclosed in the AOC-2 is attached herewith as Annexure-III

DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with a net worth of Rs. 500 Crores or more OR an annual turnover of Rs.1000 Crores or more OR with a net profit of Rs. 5 Crores or more, during immediately preceding financial year is required to constitute a CSR Committee. At present, the Company is not required to constitute a CSR Committee in this regards as none of the above referred limits have been triggered.

BOARD OF DIRECTORS:

During the year under review there was no change in the composition of the Board of Directors of the Company.

In terms of Section 152 (6) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Bhavdeep V. Vala, Director (DIN: 00153775) retires by rotation and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

As on 31st March, 2021, Composition of Board of Directors was as follows:

Sr No.	Name	Designation	Category	Director Identification Number (DIN)	Date of Appointment
1	Mr. Hitesh Manubhai Bagdai	Managing Director	Executive	00575732	27/02/2007
2	Mr. Bhavdeep Vajubhai Vala	Director	Executive	00153775	27/02/2007
3	Mr. Kantilal Kalidas Khakhar	Director	Independent	01957569	05/02/2008
4	Mr. Ketanbhai Govindbhai Dhulesiya	Director	Independent	02252208	31/03/2009
5	Mrs. Poonam Hitesh Bagdai	Director	Non-Executive & Non-Independent	00353024	30/10/2015
6	Mr. Janish Navinchandra Ajmera	Director	Independent	06708217	30/12/2013

Company had appointed Mrs. Dea Vachhani [M. No. A26801] as a Company Secretary and Compliance Officer of the Company w.e.f 08th April, 2021.

DIRECTORS' REPORT

BOARD COMMITTEES:

AUDIT COMMITTEE: The Company is having an adequate Audit Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mr. Kantilal Khakhar (DIN: 01957569)	Chairman of Audit Committee	Non - Executive and Independent Director
2	Mr. Ketan Dhulesia (DIN: 02252208)	Member	Non - Executive and Independent Director
3	Mr. Bhavdeep Vala (DIN: 00153775)	Member	Executive Director

Audit Committee of the company respectively met four times during the year on 28th May, 2020, 30th July, 2020, 31st October, 2020 and 11th February, 2021. During the year under report, all the recommendations of the Audit Committee were duly considered.

NOMINATION AND REMUNERATION COMMITTEE: The Company is having an adequate Nomination and Remuneration Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mr. Kantilal Khakhar (DIN: 01957569)	Chairman of Nomination & Remuneration Committee	Non - Executive and Independent Director
2	Mr. Ketan Dhulesia (DIN: 02252208)	Member	Non - Executive and Independent Director
3	Mr. Bhavdeep Vala (DIN: 00153775)	Member	Executive Director

Nomination and Remuneration Committee of the company met once during the year under report on 28th May, 2020. During the year under report, all the recommendations of the Committee were duly considered.

DIRECTORS' REPORT

SHAREHOLDERS GRIEVANCE COMMITTEE: The Company is having a Shareholder Grievance Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mr. Ketan Dhulesia (DIN: 02252208)	Chairman of Shareholder Grievance Committee	Non - Executive and Independent Director
2	Mr. Kantilal Khakhar (DIN: 01957569)	Member	Non - Executive and Independent Director
3	Mr. Bhavdeep Vala (DIN: 00153775)	Member	Executive Director

Shareholders Grievance Committee of the company met once during the year under report on 31st October, 2020. During the year under report, all the recommendations of the Committee were duly considered.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has not taken any significant step for conservation of energy during the year under Report. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. Further, during the year under review, there was no foreign earning or expenditure in the Company.

PARTICULARS OF EMPLOYEES:

There are no employees in the Company drawing remuneration of more than Rs. 8,50,000/- per month or Rs.1,02,00,000/- per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE :

Provisions relating to Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to our company. However, company has filed with stock exchange certificate regarding non-applicability of Corporate Governance requirements from a Practising Company Secretary for every quarter during the year under report. However, in pursuance of applicable provisions of the Companies Act, 2013, the Company has constituted the Audit Committee, Stakeholder Grievances Committee, and Nomination & Remuneration Committee.

DIRECTORS' REPORT

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on 31st March, 2021, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

INTERNAL FINANCIAL CONTROLS:

The Company has adequate internal financial controls with reference to financial statements. During the year under report, no reportable material weakness was observed.

VIGIL MECHANISM:

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report their genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.rajathfinance.com

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:

The company has in place a policy for prevention, prohibition and redressal of Sexual Harassment at workplace. Appropriate mechanisms are in place for protection against sexual harassment and right to work with dignity.

During the year under review, the company has not received any complaints regarding this matter and there were no suits filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

OTHER DISCLOSURES :

- Your Company has not invited/ accepted any Deposits under the provisions of Section 73 of the Companies Act, 2013 and the Rules made there under.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- There have been no instances of any revision in the Board's Report or the financial statement, hence disclosure under Section 131(1) of the Act.
- The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not applicable.

DIRECTORS' REPORT

- The Company has not issued any shares to any employee, under any specific scheme, and hence, disclosures under Section 67(3) are not required to be made.
- No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.
- The Company is not required to get its cost records audited for the financial year 2020-21.

ACKNOWLEDGEMENT :

Your directors put on record their whole hearted gratitude to bankers, employees of the Company for their sincere efforts for the Company.

Date : 03/09/2021

Place : Rajkot

By Order of the Board of Directors
For, **RAJATH FINANCE LIMITED,**

Sd/-
(HITESH M. BAGDAI)
MANAGING DIRECTOR
(DIN: 00575732)

Sd/-
(BHAVDEEP V. VALA)
DIRECTOR
(DIN: 00153775)

“ANNEXURE -I TO ‘DIRECTORS’ REPORT OF RAJATH FINANCE LIMITED

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

Financial Year ended on 31/03/2021

(I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	L65910GJ1984PLC007486
(ii)	Registration date	13 TH December, 1984
(iii)	Name of the Company	Rajath Finance Limited
(iv)	Category/Sub-category of the Company	Company having share capital
(v)	Address of the Registered Office and Contact Details	<u>Address of Registered Office:</u> 208 - 215 Star Plaza, Phulchhab Chowk, Rajkot - 360 001 Gujarat <u>Contact Details:</u> Phone: 0281 - 2447800 / 3013344 Fax: 0281 - 2454271 E-Mail Id: investorrelationsrajath@hotmail.com website: www.rajathfinance.com
(vi)	Whether Listed Company? Yes/No	Yes
(vii)	Name, address and contact details of Registrar and Share Transfer Agent.	Link Intime India Private Limited 05 th Floor, 506 to 508, Amarnath Business Centre - 1 (Abc-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006 Tele No. 079-26465179 Email: ahmedabad@linkintime.co.in

(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Non - Banking Financial Services	6599	100%

(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1	NONE				

Continue from previous page....

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2020				No of Shares held at the end of the year 31.03.2021				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	20966	112618	133584	3.33%	20966	112618	133584	3.33%	---
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	87000	---	87000	2.17%	87000	---	87000	2.17%	---
(c)	Others (specify)									
	Hindu Undivided Family	999	---	999	0.025%	999	---	999	0.025%	---
	Non-Resident Indians (Non Repat)	50	---	50	0.0013%	50	---	50	0.0013%	---
	Sub-total(B) (2)	1095327	114118	1209445	30.24%	1095327	114118	1209445	30.24%	---
	Total Public shareholding (B)=B(1)+B(2)	1095327	114118	1209445	30.24%	1095327	114118	1209445	30.24%	---
C	Shares held by Custodian for ADRs and GDRs.	---	---	---	---	---	---	---	---	---
GRAND TOTAL		3885882	114118	4000000	100%	3885882	114118	4000000	100%	---

P. T. O.

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% Change
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Hitesh Mansukhbhai Bagdai	8,96,853	22.42%	---	8,96,853	22.42%	---	---
2	Poonamben Hitesh Bagdai	8,96,851	22.42%	---	8,96,851	22.42%	---	---
3	BhavdeepVajubhaiVala	9,96,851	24.92%	---	9,96,851	24.92%	---	---
GRAND TOTAL		27,90,555	69.76%	---	27,90,555	69.76%	---	---

(iii) Change in Promoter's Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No. of Shares	% of total shares of Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	27,90,555	69.76%	27,90,555	69.76%
2	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No Change	No Change	No Change	No Change
3	At the end of the year	27,90,555	69.76%	27,90,555	69.76%

(iv) Shareholding Pattern of top ten shareholders:**(Other than Directors, Promoters & Holders of GDRs & ADRs):**

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2020		Particulars			Cumulative Shareholding during the year 31.03.2021	
		No. of Shares	% of total shares of Company	Date	Increasing Decreasing in Share holding	Reason	No. of Shares	% of total shares of the Company
1	OLUMPUS TRADING AND ADVISORY LLP	826012	20.65%	---	---	---	826012	20.65%
2	SAMRUDDHIFINSTOCK PRIVATE LIMITED	160000	4.00%	---	---	---	160000	4.00%
3	HEMANT RATILAL SHAH	87000	2.18%	---	---	---	87000	2.18%
4	SHUKLA NATWARLAL B	4000	0.1%	---	---	---	4000	0.1%
5	PIPALIA LALJIBHAI M	2400	0.06%	---	---	---	2400	0.06%
6	PRITI NAVIN NISHAR	2001	0.05%	---	---	---	2001	0.05%
7	RAJESHKUMARRAMJIBHAI PATEL	1603	0.04%	---	---	---	1603	0.04%
8	KAMLESH KUMAR PAL	1464	0.03%	---	---	---	1400	0.035%
				23/10/2020	Decrease	1300	164	0.0041%
				22/01/2021	Increase	1300	1464	0.0366%
9	MUKUND G SHAH	1400	0.03%	---	---	---	1400	0.03%
10	BABULAL R. PRAJAPATI	1100	0.0275%	---	---	---	1100	0.0275%

Note: (i) The increase / decrease in the no. of shares are due to purchase/sale of shares

(ii) Change in the top 10 shareholders at the beginning of the year and at the end of the year

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**1. Hitesh Manubhai Bagdai – Managing Director:**

Sr. No.	For Each of the Director and KMP	Shareholding at the beginning of the year 01.04.2020		Cumulative shareholding during the year 31.03.2021	
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
1	At the beginning of the year	896853	22.42%	896853	22.42%
2	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer,	---	---	---	---

	bonus, sweat equity, etc.)				
3	At the end of the year (or on the date of separation, if separated during the year)	896853	22.42%	896853	22.42%

2. Bhavdeep Vajubhai Vala –Director:

Sr. No.	For Each of the Director and KMP	Shareholding at the beginning of the year 01.04.2020		Cumulative shareholding during the year 31.03.2021	
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
1	At the beginning of the year	996851	24.92%	996851	24.92%
2	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer, bonus, sweat equity, etc.)	---	---	---	---
3	At the end of the year (or on the date of separation, if separated during the year)	996851	24.92%	996851	24.92%

3. Poonam Hitesh Bagdai –Director:

Sr. No.	For Each of the Director and KMP	Shareholding at the beginning of the year 01.04.2020		Cumulative shareholding during the year 31.03.2021	
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
1	At the beginning of the year	896851	22.42%	896851	22.42%
2	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer, bonus, sweat equity, etc.)	No Change	No Change	No Change	No Change

3	At the end of the year (or on the date of separation, if separated during the year)	896851	22.42%	896851	22.42%
---	--	--------	--------	--------	--------

(V) INDEBTEDNESS:

Indebtedness of the Company interest outstanding / accrued but not due for payment:

	Secured Loans Excluding Deposited	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i)Principal Amount	---	---	---	---
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	---	---	---	---
Change in Indebtedness During the financial year				
• Addition	---	---	---	---
• Reduction	---	---	---	---
Net Change	---	---	---	---
Indebtedness at the end of the financial year				
(i)Principal Amount	---	---	---	---
(ii)Interest due but not paid	---	---	---	---
(iii)Interest accrued but not due	---	---	---	---
Total(i+ii+iii)	---	---	---	---

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Hitesh M. Bagdai (Managing Director)	Total Amount
1.	Gross Salary: (a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites under section 17(2) Income-tax Act, 1961 © Profits in lieu of salary under section 17(3) Income-tax Act, 1961	4,50,000/- --- ---	4,50,000/- --- ---
2.	Stock option	---	---
3.	Sweat equity	---	---
4.	Commission: - As % of profit - Other, specify...	---	---
5.	Others, please specify	---	---
Total (A)		4,50,000	4,50,000

B. Remuneration to other Directors:

Sr No	Particulars of Remuneration	BhavdeepVala Executive Director	Kantilal Khakhar Independent Director	Ketan Desai Independent Director	Janish Ajmera Independent Director	Poonam Bagdai Non-executive & Non-Independent Director
1	Independent Director	---	---	---	---	---
-	Fees for attending Board/ Committee Meeting					
-	Commission					
-	Other, please specify					
--	TOTAL (B) (1)					
2	Other Non - Executive Director	---	---	---	---	---
-	Fees for attending Board/ committee meeting					
-	Commission					
-	Other, please specify					
--	TOTAL (B) (2)					
	TOTAL (B) (2)	---	---	---	---	---
	Total(B) = (1+2)	---	---	---	---	---
	Total Managerial Remuneration	---	---	---	---	---

C. Remuneration to Key Managerial Personnel other than as Managing Director / Manager / Whole-time Director:

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary <ul style="list-style-type: none"> • Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 • Value of perquisites under section 17(2) Income tax Act, 1961 • Profit in lieu of salary under section 17(3) Income tax, 1961 	---	---	---	---
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission <ul style="list-style-type: none"> • As % of profit • Other, specify 	---	---	---	---
5.	Other, please, specify	---	---	---	---
	Total	---	---	---	---

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

Date : 03/09/2021

Place : Rajkot

By Order of the Board of Directors
For, **RAJATH FINANCE LIMITED,**

Sd/-
(HITESH BAGDAI)
Managing Director
(DIN: 00575732)

Sd/-
(BHAVDEEPVALA)
Director
(DIN: 00153775)

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Rajath Finance Limited [CIN: L65910GJ1984PLC007486]

Rajkot

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practises by **RAJATH FINANCE LIMITED [CIN: L65910GJ1984PLC007486]** (hereinafter called the company). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **RAJATH FINANCE LIMITED** books, papers, minutes book, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents, and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and other returns filed and other record maintained by the **RAJATH FINANCE LIMITED** for the financial year ended on 31st March, 2021 according to the provision of:

- i. The Companies Act, 2013 (The Act) and the Rules made there under;

-
- ii. The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made there under;
 - iii. The Depositories Act, 1956 and the Regulations and Bye laws framed there under and amendments thereof;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations framed there under to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT');
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereof;
 - c) The Securities and Exchange Board of India (Issues of Capital and Disclosures Requirements) Regulations, 2018 and amendments thereof;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during audit period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008; **(Not applicable to the Company during the audit period)**
 - f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client; **(Not applicable as company is not registered as a Registrar to an issue and Share Transfer Agent during the audit period)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the audit period)**and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998; **(Not applicable o the Company during the Audit Period)**
 - vi. Reserve Bank of India Act, 1934, Non-Banking Prudential Norms (Reserve Bank) Directions, 1998, Non-Banking Finance Company (Establishment and regulation) Rules, 2003, Non-Banking Financial Companies Acceptance OF public Deposits (Reserve Bank) Directions 1998, Issuance of Non Convertible Debentures (Reserve Bank) Directions, 2010, Consolidated FDI Policy 2013 issued by DIPP, Securitisations Companies and Reconstruction Companies (Reserve Bank) Guideline and Directions, 2003

-
- vii. Employee Provident Fund and Miscellaneous Provisions Act, 1952;
 - viii. Indian Contract Act, 1872;
 - ix. Income Tax Act, 1961 and Indirect Tax laws;
 - x. Indian Stamp Act, 1899;
 - xi. Negotiable Instrument Act, 1881;
 - xii. Goods and Service Tax Act, 2017

I have also examined in general, compliance with the applicable clauses of the following:

- i. Secretarial Standard with respect to Meetings of Board of Directors and Committee (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and made effective -01st July, 2015 and Revised Secretarial Standard made effective from 01st October, 2017
- ii. The Listing Agreement entered into by the Company with BSE Limited as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments there upon.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Further, as on 31st March, 2021, the Company's status was 'Active Non-Compliant', as it had not filed Form 22A with the Registrar. Further, as on that date, the Company had not appointed the Chief Financial Officer and Company Secretary. The Company had filed Forms within prescribed time, as well as with payment of additional fees, during the year under Audit. However, vide email dated 22.02.2021, 08.03.201 and 12.03.2021 BSE Limited had informed to Company that some compliance under applicable regulations of LoDR have been submitted to BSE after due date, and Stock exchange had levied the fine for such delay in compliance as well as for non-appointment of Company Secretary in terms of Regulation 6(1) of SEBI (LODR) Regulations, 2015. The Company had paid the fine levied by BSE for some non-compliances. Further, the Company had submitted a Request letter to BSE Ltd for waiver of fine on other non-compliances as the Company had complied with the same subsequently.

Adequate notice is given, in general, to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exist for seeking and obtaining information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried out through while the dissenting members' view are captured and recorded as part of the minutes.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- a. Public/Right/Preferential issue of shares/debentures/Sweat equity.
- b. Redemption/Buy back of Securities
- c. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- d. Merger/Amalgamation/Reconstruction etc.
- e. Foreign Technical Collaborations

Place: Mumbai

Date:02/09/2021

Sd/-

CS NaynaLunker

Practising Company Secretary

ACS: 32833 CP NO. 12187

UDIN: A032833C000882990

Please note that secretarial audit report to be read with my letter of even date attached as Annexure A to the report and report also forms the integral part of the report.

ANNEXURE A

To,

The Members,

Rajath Finance Limited [CIN: L65910GJ1984PLC007486]

Rajkot.

Dear Sir,

My Secretarial Audit Report of even date for the financial year ended on 31st March, 2021 is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit process and practises as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practise, I followed provide a reasonable basis for my opinion.
4. I have relied on the representations made by the company and its officers for systems and mechanisms formed by the company for compliances under other laws and regulations applicable to the company and verification of documents and records procedures on test check basis.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.
7. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai

Date:02/09/2021

CS NaynaLunker

Practising Company Secretary

ACS: 32833 CP NO. 12187

Nayna Pratik Lunker

A.C.S., M.Com

B 41 Yogi Saraswati CHS, Flat No. 405,

Eksar Road, Yogi Nagar,

Near Ajmera Global School,

Borivali West, Mumbai -400091.

Chopranayna108@gmail.com

M. NO. 7874836259

UDIN: A032833C000882990

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/ Transaction	Duration of the contracts/arrangements/ transaction	Salient Features & value	Date of approval by the Board	Amount paid as advances, if any
1	Mr. Hitesh M. Bagdai Managing Director	Car hire Charges	Continues	4,80,000/	---	---

Note:

- ⇒ Date of approval by the Board: Not Applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.
- ⇒ All transactions are reviewed at regular interval and it is generally renewed on year to year basis.

Date : 03.09.2021

Place : Rajkot

By Order of the Board of Directors

For, Rajath Finance Limited,

Sd/-

(HITESH M. BAGDAI)
MANAGING DIRECTOR
[DIN: 00575732]

Sd/-

(BHAVDEEP V. VALA)
DIRECTOR
[DIN: 00153775]

MANAGEMENT DISCUSSION AND ANALYSIS

"ANNEXURE - IV" TO DIRECTORS' REPORT OF RAJATH FINANCE LIMITED

INDUSTRY OVERVIEW:

The country's financial services sector consists of Capital Markets, Insurance Sector and Non-Banking Financial Companies (NBFCs). India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30.50 % in the year 2019 and continuously increasing thereafter. Further, raising income is driving the demand for financial services across the income brackets. Credit, Insurance and investment penetration is rising in the rural area. NBFCs contribute largely to the economy by lending to the infrastructure projects, which are very important to a developing country like India. The banking sector would always be the most important sector in the field of business because of its credibility in supporting manufacturing, infrastructural development and even being the backbone for the common man's money. But despite this, the role of NBFCs is critical and their presence in a country would only boost the economy in the right direction.

ECONOMY OVERVIEW:

Non-Banking Financial Companies (NBFCs) play an important in promoting inclusive growth in the country, by catering to the diverse financial needs of bank excluded customers. Further, NBFCs often take lead role in providing innovative financial services to Micro, Small and Medium Enterprises most suitable to their business requirements. NBFCs also play a critical role in participating in the development of an economy by providing a fillip to transportation, employment generation, wealth creation, bank credit in rural segments and to support financially weaker section of the society. In terms of year-over-year growth rate, the NBFC sector beat the banking sector and is contributing more to the economy every year.

SEGMENTS:

Rajath Finance Limited does not have multiple segments, and hence, comments are not required.

PERFORMANCE:

During the year under Report the Company has recorded total revenue from operations of Rs. 37,15,870/-. Major part of the revenue of the Company is generated through interest income. During the year under review the Company had incurred Net Profit of Rs. 1,73,737/- as compared to loss of Rs. 7,69,800/- during the previous financial year 2019-20. Management of the Company has made total effort to convert its loss into profit and had succeeded.

OPPORTUNITIES AND THREATS:

There are some of the opportunities for the future of NBFC in India which would help them to growth and emerge and contribute in the economy. One of the biggest opportunities for NBFC is its new to credit investment customers. Such customers are those people who belong from the rural area and have never borrowed credits or loans from any financial institution in the past. The NBFC industry also holds immense potential and the Government of India's increased focus towards financial inclusion has created various opportunities for existing NBFC to leverage on their established

MANAGEMENT DISCUSSION AND ANALYSIS

customer base in rural areas. The huge market size undoubtedly presents a huge opportunity too. Over the years, Rajath Finance Limited has understood and hence anchors to the belief that every opportunity is as good as its execution. The most significant threat for any lending activity is to constantly exhibit operational excellence and contain the loss given defaults within the acceptable limits. The Company believes that this task is to be worked upon continuously through a very sharp learning and unlearning in order to achieve operational excellence.

For supporting the growth of NBFCs includes better product lines, wider and effective reach, quick turnaround time, short risk management capability and better understanding of customer segment. The young generation of India is rapidly adopting Technology to interact and to transact with the world. New technology such as cloud and analytics are gaining importance. This all would provide a huge opportunity to nimble and innovative players in the financial sector to use technology to strengthen their business. Technology can be used to reach the customers in a cost-effective manner and better risk control and pricing.

In the financial service industry security of data is of utmost importance. A regular and continuous threat for the firms is data theft malicious malware and email. Technology has not only increased the player, vendors and customers but has also added multiple threats to the business. Cyber threats are getting larger in scale and size.

INTERNAL CONTROL SYSTEM

The Company has designed and implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorised, recorded and reported correctly. The System ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, and information security.

RISK MANAGEMENT AND COMPLIANCE:

As company is not a part of the top thousand entity based on the Market Capitalization as list out by the Stock exchange, therefore constitution of the Risk Management Committee is not applicable to the company. The Company ensures compliance of all applicable laws and changes in the law and applicable regulations including Company laws, SEBI Act and regulations, BSE Listing regulations, employment and immigration, taxation, health safety and environment, data privacy, anti-bribery and anti-corruption regulations. As in the case of any lending entity, the entire proposition of the Company - providing finance to various segments of the economy is on the fundamentals of managing the risk rather than avoiding it. With tried and tested credit models and robust operational systems in place, the Company successfully manages these risks.

MANAGEMENT DISCUSSION AND ANALYSIS

CAUTIONARY STATEMENTS :

All statements made in Management and Discussion Analysis has been made in good faith. Many unforeseen and unexpected factors may come into play and affect the actual results, which could be different from what the Management envisages in terms of performance and outlook. Market data, industry information etc. contained in this Report have been based on information gathered from various published and unpublished reports and their accuracy, reliability, and completeness cannot be assured.

Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statues and other incidental factors, may affect the final results and performance of the Company.

Date : 03/09/2021

Place : Rajkot

By Order of the Board of Directors
For, **RAJATH FINANCE LIMITED,**

Sd/-
(HITESH BAGDAI)
MANAGING DIRECTOR
(DIN: 00575732)

Sd/-
(BHAVDEEP VALA)
DIRECTOR
(DIN: 00153775)

Rajath Finance Limited

AUDIT REPORT

For the

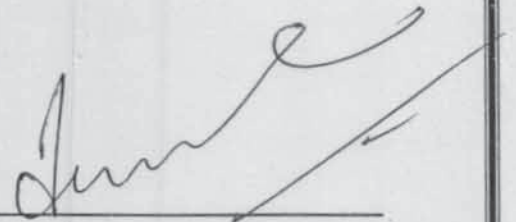
F.Y. 2020-21

A.Y. 2021-22

CONDUCTED BY: -

**A.D. VYAS & Co.
CHARTERED ACCOUNTANTS**

NAVIN COMPLEX, KOTECHANAGAR MAIN ROAD,
OPP. KOTECHA GIRLS HIGH SCHOOL, RAJKOT.
PHONE: 0281 2474020, 2456366
E-mail ID: ashavyas47250@gmail.com





A. D. Vyas

B.Com., F.C.A., D.I.S.A.

A. D. Vyas & Co.
Chartered Accountants

Auditor's Additional Report

The Board of the Directors
Rajath Finance Ltd.
Rajkot

1. This report is issued in accordance with the requirements of Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2008 (the "Directions") and on the basis of explanation provided by management of Rajath Finance Ltd. (hereinafter referred to as the "Company") and to the best of our knowledge and belief, for the year ending on 31st March, 2021, we report that
2. We have audited the accompanying financial statements of Company comprising Balance Sheet as at March 31, 2021 and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, on which we have issued our report dated 28/06/2021

Management's Responsibility for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, [that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



4. The Management is also responsible for compliance with the Reserve Bank of India (hereinafter RBI or Bank) Act, 1934 and other relevant RBI circulars and guidelines applicable to Non-Banking Financial Companies, as amended from time to time, and for providing all the required information to RBI.

Auditor's Responsibility

5. Pursuant to the requirements of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 as consolidated in RBI Master circular, it is our responsibility to examine the audited books and records of the Company for the year ended 31-03-2021 and report on the matters specified in the Directions to the extent applicable to the Company.
6. We conducted our examination in accordance with the 'Guidance Note on Audit reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India

Opinion

7. Based on our examination of the audited books and records of the Company for the year ended 31-03-2021 as produced for our examination and the information and explanations given to us we report that:
 - 7.1 The Company is engaged in the business of non-banking financial institution and has obtained a certificate of registration (CoR) from the bank bearing registration number 01.00245 dated 14th May, 2003.
 - 7.2 The Company is entitled to continue to hold such CoR in terms of its asset as on March 31, 2021
 - 7.3 Based on the criteria set forth by the Bank in Company Circular No. DNBS.PD. CC No. 85/03.02.089 /2006-07 dated 6th December, 2006; the company is not an Asset Finance Company (AFC) for the financial year 2020-21.
 - 7.4 Based on the criteria set forth by the Bank in the Notification viz. Non-Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2011 dated December 02, 2011 for classification of NBFCs as NBFC-MFIs, the company is not a NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the financial year 2020-21.



- 7.5 The Company has not accepted any public deposits during the year ended *March, 2021*
- 7.6 The Company has complied with the prudential norms relating to income recognition, accounting standards asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended up to the date of this report).
- 7.7 Company has not obtained membership of all four Credit Information Companies(CICs) and registered itself with CERSAI for CKYC as required in terms of relevant provisions of RBI Master Directions, Prevention of Money Laundering Act, 2002 and Prevention of Money Laundering (Maintenance of Records) Rules, 2005.

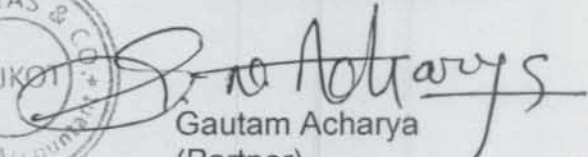
Restriction on Use

8. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing said in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.
9. This report is issued pursuant to our obligations under Directions to submit a report on additional matters as stated in the above Directions, to the Board of Directors of the Company and should not be used by any other person or for any other purpose. A D Vyas & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

Place : Rajkot
Date : 28/06/2021

For, A.D.Vyas & Co.
Chartered Accountants




Gautam Acharya
(Partner)

M.No.149632

UDIN: 21149632AAAAEE5102



A. D. Vyas

B.Com., F.C.A., D.I.S.A.

A. D. Vyas & Co.

Chartered Accountants

Statutory Auditor Certificate

We have examined the books of accounts and other records of **Rajath Finance Limited** for the Financial Year ending March 31, 2021 On the basis of the information submitted to us, we certify the following:

(Write NA whichever is Not applicable)

Sl.	Particulars	Details
1	Name of the company	Rajath Finance Ltd.
2	Certificate of Registration No.	01.00245
3	Registered office Address	208-215, Star Plaza, Nr. Phulchhab Chowk, Rajkot
4	Corporate office Address	208-215, Star Plaza, Nr. Phulchhab Chowk, Rajkot
5	The company has been classified by RBI as : (Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	Loan Company
6	Net Owned Fund (in Rs. Crore) (Calculation of the same is given in the Annex)	6.53
7	Total Assets (in Rs. Crore)	7.13
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	87.17% 99.19%



9	Whether the company was holding any Public Deposits, as on March 31, 2019? If Yes, the amount in Rs. Crore	(Yes/No)
10.	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? <i>(in terms of Sec 45-IC of the RBI Act, 1934).</i>	(Yes/No/NA)
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	(Yes/No)
12	If the company is classified as an NBFC-Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	NA
13	If the company is classified as an NBFC-MFI; % of Qualifying Assets to Net Assets <i>(refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)</i>	NA
14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	NA
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	NA
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI?	(Yes/No) If yes, please specify.



(please refer to per DNBR (PD) CC. No.
065/03.10.001/2015-16 dated July 09, 2015
on the subject for details)

In terms of paragraph 2 of Notification No. DNBS.201 /DG(VL)-2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

I have read and understood paragraph 5 of Notification No. DNBS. 201 /DG(VL)-2008 dated September 18, 2008.

Place: Rajkot
Date: 28/06/2021
UDIN :21149632AAAAEI7440



For A.D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)

(Gautam Acharya)
Partner

Membership no. :149632

Annex

Capital Funds - Tier I		<i>(Rs. In crore)</i>
1.	Paid up Equity Capital	4.00
2.	Pref. shares to be compulsorily converted into equity	Nil
3.	Free Reserves:	
	a. General Reserve	0.24
	b. Share Premium	Nil
	c. Capital Reserves	3.01
	d. Debenture Redemption Reserve	Nil
	e. Capital Redemption Reserve	Nil
	f. Credit Balance in P&L Account	Nil
	g. Other free reserves (may be specified)	Nil
4.	Special Reserves	0.50
	Total of 1 to 4	7.75
5.	Less: i. Accumulated balance of loss	1.07
	ii. Deferred Revenue Expenditure	Nil
	ii. Deferred Tax Assets (Net)	0.15
	iii. Other intangible Assets	Nil
	Owned Fund	6.53
6.	Investment in shares of	Nil
	(i) Companies in the same group	
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries	Nil
	(iv) Other NBFCs	Nil
7.	Book value of debentures, bonds outstanding loans and advances, bills purchased and iscounted(including H.P. and lease finance) made to, and deposits with	
	(i) Companies in the same group	Nil
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	Nil
8.	Total of 6 and 7	Nil
9.	Amount in item 8 in excess of 10% of Owned Fund	Nil
10.	Net Owned Fund	6.53





A. D. Vyas

B.Com., F.C.A., D.I.S.A.

A. D. Vyas & Co.
Chartered Accountants

To the Members of **M/S RAJATH FINANCE LTD.**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of M/S RAJATH FINANCE LTD. ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not



detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A. D. Vyas & Co.
Chartered Accountants
FRN: 113588W



Sd/ *Gautam Acharya*
GAUTAM ACHARYA
(PARTNER)

Membership No. 149632

Place:-Rajkot

Date: 28/06/2021

UDIN:21149632AAAAEE5102

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. The Company is not carrying any Trading or Manufacturing activity. Therefore Para 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March 2021 for a period of more than six months from the date they became payable,



- b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For A. D. Vyas & Co.
Chartered Accountants
FRN: 113588W



Sd/ *Gautam Acharya*
GAUTAM ACHARYA
(PARTNER)
Membership No. 149632

Place:-Rajkot
Date: 28/06/2021
UDIN:21149632AAAAEE5102

Report on Internal Financial Controls Over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/S RAJATH FINANCE LTD. ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

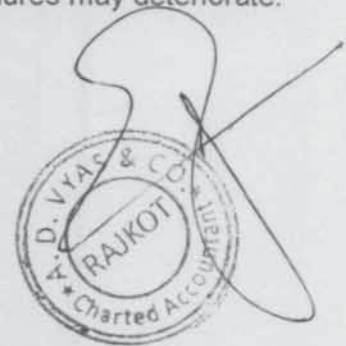
Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. D. Vyas & Co.
Chartered Accountants
FRN: 113588W

Place:-Rajkot
Date: 28/06/2021
UDIN:21149632AAAAEE5102



Sd/- *Gautam Acharya*
GAUTAM ACHARYA
(PARTNER)
Membership No. 149632

Rajath Finance Limited

Standalone Ind As Balance Sheet as on 31-03-2021

	Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS				
-1 Financial Assets				
(a)	Cash and cash equivalents	2	4,735,904	3,051,852
(b)	Bank Balance other than (a) above		-	-
(c)	Derivative financial instruments		-	-
(d)	Receivables			
	(I) Trade Receivables		-	-
	(II) Other Receivables		-	-
(e)	Loans	3	62,165,520	62,366,071
(f)	Investments	4	1,500	1,500
(g)	Other Financial assets (to be specified)	5	443,108	400,644
			67,346,032	65,820,067
-2 Non-financial Assets				
(a)	Inventories	6	209,430	209,430
(b)	Current tax assets (Net)			
(c)	Deferred tax Assets (Net)	7	1,483,912	1,781,364
(d)	Investment Property		-	-
(e)	Biological assets other than bearer plants		-	-
(f)	Property, Plant and Equipment	8	2,277,101	2,541,123
(g)	Capital work-in-progress		-	-
(h)	Intangible assets under development		-	-
(i)	Goodwill		-	-
(j)	Other Intangible assets		-	-
(k)	Other non-financial assets (to be specified)			
			3,970,443	4,531,917
	Total Assets		71,316,475	70,351,984
LIABILITIES AND EQUITY				
LIABILITIES				
-1 Financial Liabilities				
(a)	Derivative financial instruments			
(b)	Payables	9		
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		4,435,341	3,570,882
	(II) Other Payables			



	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,200	65,650
(c)	Debt Securities			
(d)	Borrowings (Other than Debt Securities)			
(e)	Deposits			
(f)	Subordinated Liabilities			
(g)	Other financial liabilities(to be specified)			
			4,438,541	3,636,532
-2	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)			
(b)	Provisions	10	10,000	21,254
(c)	Deferred tax liabilities (Net)			
(d)	Other non-financial liabilities(to be specified)		-	-
			10,000	21,254
-3	EQUITY			
(a)	Equity Share capital	1	40,000,000	40,000,000
(b)	Other Equity	1	26,867,935	26,694,198
			66,867,935	66,694,198
	Total Liabilities and Equity		71,316,476	70,351,984

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For A. D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)

For and on behalf of the Board of Directors

Bruh
Bhavdeep Vala

Director

DIN: 00153775

Hitesh Bagdai
Managing Director
DIN:
00575732

Gautam Acharya

PARTNER

Membership No.: 149632

Place: Rajkot

Date: 28/6/2021



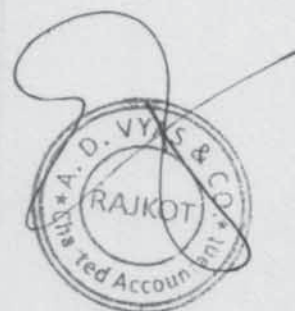
Standalone Ind AS Statement of Profit and Loss

For the year ended March 31, 2021

	Particulars	Note No.	Year Ended	Year Ended
			31.03.2021	31.03.2020
	Revenue from operations			
(i)	Interest Income	11	3,715,870	4,181,224
(ii)	Dividend Income	12	30,344	19,686
(iii)	Rental Income			
(iv)	Fees and commission Income			
(v)	Net gain on fair value changes			
(vi)	Net gain on derecognition of financial instruments under amortised cost category			
(vii)	Sale of products(including Excise Duty)			
(viii)	Sale of services			
(ix)	Others (to be specified)			
(I)	Total Revenue from operations			
(II)	Other Income (to be specified)	13	-	37,033
(III)	Total Income (I+II)		3,746,214	4,237,943
	Expenses			
(i)	Finance Costs			
(ii)	Fees and commission expense			
(iii)	Net loss on fair value changes			
(iv)	Net loss on derecognition of financial instruments under amortised cost category			
(v)	Impairment on financial instruments			
(vi)	Cost of materials consumed			
(vii)	Purchases of Stock-in-trade			
(viii)	Changes in Inventories of finished goods, stock-in- trade and work-in- progress	14	-	-
(ix)	Employee Benefits Expenses	15	619,307	668,154
(x)	Depreciation, amortization and impairment		275,828	331,248
(xi)	Others expenses (to be specified)	16	2,379,890	4,280,458
(IV)	Total Expenses (IV)		3,275,025	5,279,860
(V)	Profit / (loss) before exceptional items and tax (III- IV)		471,189	-1,041,917



(VI)	Exceptional items		
(VII)	Profit/(loss) before tax (V -VI)		
(VIII)	Tax Expense:		
	(1) Current Tax		
	(2) Deferred Tax	-297,452	-272,117
	Excess/short provision relating earlier year tax		
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)	173,737	-769,800
(X)	Profit/(loss) from discontinued operations		
(XI)	Tax Expense of discontinued operations		
(XII)	Profit/(loss) from discontinued operations(After tax) (X-XI)		
(XIII)	Profit/(loss) for the period (IX+XII)	173,737	-769,800
(XIV)	Other Comprehensive Income		
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)		
	(ii) Income tax relating to items that will not be reclassified to profit or loss		
	Subtotal (A)		
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		
	(ii) Income tax relating to items that will be reclassified to profit or loss		
	Subtotal (B)		
	Other Comprehensive Income (A + B)	-	-
	Total Comprehensive Income for the period		
(XV)	(XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)	173,737	-769,800



(XVI)	Earnings per equity share (for continuing operations)		
	Basic (Rs.)	0.04	-0.19
	Diluted (Rs.)	0	-0
(XVII)	Earnings per equity share (for discontinued operations)		
	Basic (Rs.)	-	-
	Diluted (Rs.)	-	-
(XVIII)	Earnings per equity share (for continuing and discontinued operations)		
	Basic (Rs.)	0.04	-0.19
	Diluted (Rs.)	0	-0

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For A. D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)

Gautam Acharya

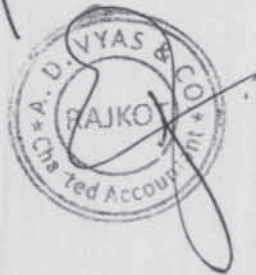
Gautam Acharya

PARTNER

Membership No.: 149632

Place: Rajkot

Date: 28/06/2021



Bhavdeep Vala

Bhavdeep Vala

Director

DIN: 00153775

For and on behalf of the Board of Directors

Hitesh Bagdal

Hitesh Bagdal
Managing Director
DIN: 00575732



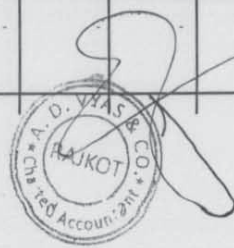
Standalone Ind AS statement of change in Equity
For the year ended March 31, 2021

NOTE NO. 1

a) Equity Share Capital	
Balances as on April 01, 2019	40000000
Add: Issue of share capital	0
Balances as on March 31, 2020	40000000
Add: Issue of share capital	0
Balances as on March 31, 2021	40000000

b) Other Equity

	Share applicati on money pending allotme nt	Equity compon ent of compou nd financial instrume nts	Reserves and Surplus						Debt instrum ents through Other Comprehen sive Income	Equity Instrum ents through Other Comprehen sive Income	Effecti ve portlio n of Cash Flow Hedge s	Revalu ation Surplus	Exchang e differenc es on translati ng the financial stateme nts of a foreign operatio n	Other items of Other Compre hensive Income (specify nature)	Money receiv e d again s t share warra nt s	Total
			Statutory Reser ves	Capita l Reser ve	Securiti es Premiu m	Special Reserve	General Reserve	Retain ed Earm in gs								
Balance at the beginning of the reporting period	-	-	-	30,056,500	-	5,016,603	2,432,879	-10,811,784	-	-	-	-	-	-	-	26,694,198
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	34,747	-	138,990	-	-	-	-	-	-	-	-	-	138,990
Balance at the end of the reporting period	-	-	-	30,056,500	-	5,051,350	2,432,879	-10,672,794	-	-	-	-	-	-	-	-	-	26,867,935



Note No. 1 Share Capital

₹ in rupees

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised :		
7500000 (31/03/2019:7500000) Equity shares of Rs. 10.00/- par value	7,50,00,000	7,50,00,000
Issued :		
4000000 (31/03/2019:4000000) Equity shares of Rs. 10.00/- par value	4,00,00,000	4,00,00,000
Subscribed and paid-up :		
4000000 (31/03/2019:4000000) Equity shares of Rs. 10.00/- par value	4,00,00,000	4,00,00,000
Total	4,00,00,000	4,00,00,000

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Issued during the Period	Nil	Nil	Nil	Nil
Redeemed or bought back during the period	Nil	Nil	Nil	Nil
Outstanding at end of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000

Details of shareholders holding more than 5% shares in the company

Type of Share Name of Shareholders

Type of Share	Name of Shareholders	As at 31st March 2021		As at 31st March 2020	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Hitesh Bagdai	896,853	22.42	896,853	22.42
Equity [NV: 10.00]	Poonam Bagdai	896,851	22.42	896,851	22.42
Equity [NV: 10.00]	Bhavdeep Vala	996,851	24.92	996,851	24.92
Equity [NV: 10.00]	Samco Securities Limited	826,012	20.65	826,012	20.65
	Total :	3,616,567	90.41	3,616,567	90.41

Note: 2 Cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Cash on Hand	418,918	456,757
Balance with Bank		
- In Current Accounts	4,316,986	2,595,095
Total	4,735,904	3,051,852



NOTE NO.3 LOANS

	(Current Year)						(Previous Year)					
	Amortised cost	At Fair Value			Sub- total	Total	Amortise d cost	At Fair Value			Sub- total	Total
		Through Other Comprehensive Income	Through profit or loss	Designat ed at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designat ed at fair value through profit or loss		
		-1	-2	-3				-4	-7	-8		
				(5 = 2 + 3 + 4)	(6 = 1 + 5)					(11 = 8 + 9 + 10)	(12 = (7) + (11))	
Loans												
(A)												
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	67,415,181	-	-	-	-	67,415,181	67,616,537	-	-	-	-	67,616,537
(iii) Term Loans	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	67,616,537
Total (A) - Gross	67,415,181	-	-	-	-	67,415,181	67,616,537					
Less:												

Impairment loss	5,249,661	-	-	-	-	5,249,661	5,250,466	-	-	-	-	5,250,466
Total(A) Net	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
(B) (i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
Total (B)- Gross	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
Less: Impairment loss	-	-	-	-	-	-	-	-	-	-	-	-
Allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (B)- Net	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
(C) (I) Loans in India												
(i) Public Sector	-											

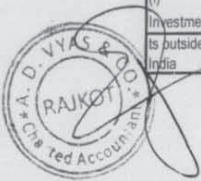


(ii) Others (to individual and entities other than public sector)	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
Total (C)- Gross	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071
Less: Impairment loss Allowance	-	-	-	-	-	-	-	-	-	-	-	62,366,071
Total (C) (I)- Net	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	-
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss Allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II)- Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C(I) and C (II)	62,165,520	-	-	-	-	62,165,520	62,366,071	-	-	-	-	62,366,071



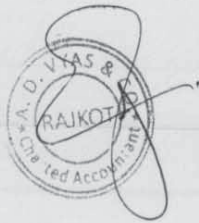
NOTE NO. 4 Investments

Investments	(Current Year)							(Previous Year)						
	Amortised cost	At Fair Value			Sub-Total	Others	Total	Amortised cost	At Fair Value			Sub-Total	Others*	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
-1	-2	-3	-4	(5) = (2) + (3) + (4)	-6	(7) = (1) + (5) + (6)	-8	-9	-10	-11	(12) = (9) + (10) + (11)	-13	(14) = (8) + (12) + (13)	
Mutual funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Government securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other approved securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	1500	0	0	0	0	0	1500	1500	0	0	0	0	0	1500
Subsidiaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Joint Ventures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Gross (A)	1500	0	0	0	0	0	1500	1500	0	0	0	0	0	1500
(i) Investments outside India	0	0	0	0	0	0	0	0	0	0	0	0	0	0



(ii)															
Investments in India	1500	0	0	0	0	0	0	1500	1500	0	0	0	0	0	1500
Total (B)	1500	0	0	0	0	0	0	1500	1500	0	0	0	0	0	1500
Total (A) to tally with (B)		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Allowance for Impairment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Net D= (A)-(C)	1500	0	0	0	0	0	0	1500	1500	0	0	0	0	0	1500

* Other basis of measurement such as cost may be explained as a footnote



Note: 5 Other financial Assets

(in Rupees)

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured considered good		
At amortised Cost		
Security Deposit	269,619	269,619
Other advances	173,489	131,025
Total	443,108	400,644

Note No.6 inventories

(in Rupees)

Particulars	31st March 2021	31st March 2020
Inventory at the end of the year		
Shares	2,09,430	2,09,430
	2,09,430	2,09,430
Inventory at the beginning of the year		
Shares	2,09,430	2,09,430
	2,09,430	2,09,430

Note No. 7 Deferred Tax

(in Rupees)

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liability		
Deferred tax liability depreciation	457,342	507346
Gross deferred tax liability	457,342	507346
Deferred tax assets		
Deferred tax asset on npa provision	1,321,340	1365121
Deferred tax asset on loss	619,914	923589
Gross deferred tax asset	1,941,254	2,288,710
Net deferred tax assets	1,483,912	1,781,364



Note No. 8 Property, Plant and Equipment as at 31st March 2021

(in Rupees)

Assets	Useful Life (In Years)	Gross Block				Accumulated Depreciation/ Amortisation and impairment			Net carrying amount			
		Gross carrying amount 1st April 2020	Additions during the year	Addition on account of business acquisition	Disposals	Gross carrying amount 31st March 2021	Balance as at 1st April 2020	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
Own Assets												
Premises	60	34,94,613			0	34,94,613	12,08,183	58,602	Nil	1,266,785	2,227,828	2,286,430
Office Equipments	5	1,78,644				1,78,644	1,76,975	1,440	Nil	178,415	229	1,669
Air Conditioners	5	39,131				39,131	39,131	Nil	Nil	39,131	Nil	Nil
Furniture and Fixtures	10	21,88,208				21,88,208	21,75,685	1,429	Nil	2,177,114	11,094	12,523
Computers	3	1,668,806	11,806			1,680,612	14,28,305	214,357	Nil	1,642,662	37,950	240,501
Total (A)		7,569,402	11,806	Nil	Nil	7,581,208	5,028,279	275,828	Nil	5,304,107	2,277,101	2,541,123
P.Y Total		7,548,752	20,650	Nil	Nil	7,569,402	4,697,031	331,248	Nil	5,028,279	2,541,123	2,851,721

Method of Depreciation: Straight Line Method

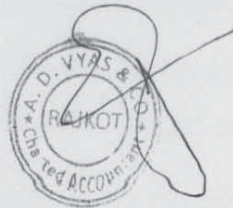
General

No depreciation if remaining useful life is negative or zero.

Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.

If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

In case of leap year, depreciation is calculated on the basis of 366 days in a year.



Note No. 9 Payables

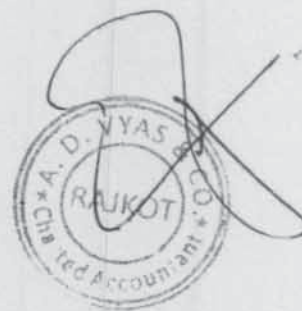
(in Rupees)

Particulars	As at 31st March 2021	As at 31st March 2020
(I) Trade Payables		
Creditors for Expenses	4,435,341	3,570,882
Gross Trade Payables	4,435,341	3,570,882
(II) Other Payables		
Professional Tax Payables	3,200	3,810
TDS Payable	-	61,840
Gross Other Payables	3,200	65,650
Gross Payables	4,438,541	3,636,532

Note No. 10 Provisions

(in Rupees)

Particulars	As at 31st March 2021			As at 31st March 2020		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Provision for leave encashment	Nil	0	0	Nil	4,654	4,654
Provision for bonus	Nil	0	0	Nil	6,600	6,600
	Nil	0	0	Nil	11,254	11,254
Other provisions						
Audit fee provisions	Nil	10,000	10,000	Nil	10,000	10,000
	Nil	10,000	10,000	Nil	10,000	10,000
Total	Nil	10,000	10,000	Nil	21,254	21,254



Note No. 11 Interest Income

Particulars	(Current Year)			(Previous Year)		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets Classified at fair Value through profit or Loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans		3,715,870			4,181,224	
Interest income from investments						
Interest on deposits with Banks						
Other interest Income						
Total		3,715,870			4,181,224	



Note No. 12 Dividend Income

(in Rupees)

Particulars	31st March 2021	31st March 2020
Dividend	30,344	19686
Total	30,344	19,686

Note No. 13 Other income

(in Rupees)

Particulars	31st March 2021	31st March 2020
Other non-operating income		
Interest on income tax refund	0	37033
	0	37033
Total	0	37,033

Note No. 14 Changes in inventories

(in Rupees)

Particulars	31st March 2021	31st March 2020
Inventory at the end of the year		
Shares	2,09,430	2,09,430
	2,09,430	2,09,430
Inventory at the beginning of the year		
Shares	2,09,430	2,09,430
	2,09,430	2,09,430

Note No. 15 Employee benefit expenses

(in Rupees)

Particulars	31st March 2021	31st March 2020
Salaries and Wages	612707	661554
Staff welfare Expenses		
Bonus to employees	6,600	6,600
Incentive	Nil	0
	6,600	6,600
Total	619,307	668,154



Note No. 16 Other expenses

(in Rupees)

Particulars	31st March 2021	31st March 2020
Advertising expenses	45,721	46,351
Annual custodial fee	21,240	10,620
Audit fees	14,750	10,000
Repairs and maintenance expenses	3,850	12,850
Travelling Expenses	48,532	434,081
D-mat charges	2,597	-
Donations	515,000	15,000
Electricity expenses	24,710	31,973
Interest on late payment of taxes	3,029	627
Information technology expenses	4,990	-
Legal and professional expenses	773,368	223,241
Listing fee	354,000	354,000
Office exp.	29,875	33,118
Periodicals and newspapers	-	-
Telephone and postage expenses	15,259	18,271
Printing and stationery	22,470	29,000
Provision against npa	-	-1,800,000
Bad debts expense	-	4,246,874
Provision against standard assets	-805	134,022
Car hire charges	480,000	480,000
Misc exp.	1,601	430
Bank Charges	2,003	-
Membership Fee	17,700	-
Total	2,379,890	4,280,458

Note No. 17 Earning Per Share

(in Rupees)

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Basic				
Profit after tax (A)	173,736	-769,800	173,736	-769,800
Weighted average number of shares outstanding (B)	40,00,000	40,00,000	40,00,000	40,00,000
Basic EPS (A / B)	0.04	-0.19	0	-0.19
Face value per share	10	10	10	10



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2020

(in rupees)

	PARTICULARS	31st March 2021	31st March 2020
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	471,189	-1,041,917
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	275,828	331,248
	Dividend income	-30,344	-19,686
	Other Inflows / (Outflows) of cash	-805	-1,665,978
	Operating profits before Working Capital Changes	715,868	-2,396,333
	Adjusted For:		
	Increase / (Decrease) in trade payables	864,459	941,004
	Increase / (Decrease) in other current liabilities	-73,705	54,706
	(Increase) / Decrease in Short Term Loans & Advances	158,892	2,137,952
	Cash generated from Operations	949,646	737,329
	Income Tax (Paid) / Refund	0	219,706
	Net Cash flow from Operating Activities(A)	1,665,514	957,035
B.	Cash Flow From Investing Activities		
	Purchase of tangible assets	-11,806	-20,650
	Non Current Investments / (Purchased) sold	0	Nil
	Dividends received	30,344	19,686
	Net Cash used in Investing Activities(B)	18,538	-964
C.	Cash Flow From Financing Activities		
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	1,684,052	956,071
E.	Cash & Cash Equivalents at Beginning of period	3,051,852	2,095,781
F.	Cash & Cash Equivalents at End of period	4,735,904	3,051,852
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	1,684,052	956,071

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For A. D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)

Gautam Acharya

PARTNER

Membership No.: 149632

Place: Rajkot

Date: 28/06/2021

Note:

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

For and on behalf of the Board of Directors

Bhavdeep Vala

Director

DIN: 00153775

Hitesh Bagdai
Managing
DirectorDIN:
00575732

Note No. 1 Notes to Financial statements for the year ended 31st March 2021

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

1. General Information

The company is a registered non banking finance company engaged in the business of providing finance. The company is registered with the Reserve Bank of India as a Non Banking Finance Company (NBFC).

2. Statement of significant accounting policies

Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized

All assets and liabilities have been classified as current or non current as per the criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non current classification of its assets and liabilities.

System of Accounting

- i. The financial statements have prepared under historical cost convention on an accrual basis and comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act 1956.
- ii. The company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of significant uncertainties.
- iii. The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

Revenue Recognition

a. Income on Loan Transactions

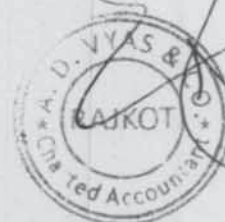
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable, except that no income is recognized on non performing assets as per the prudential norms for income recognition issued by RBI for NBFCs. Interest income on such assets are recognized on receipt basis.

b. Investment

Dividend is accrued whet the right to receive is established i.e. when declared by the investee company.

c. Other Income

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.



Fixed Assets and Depreciation

Fixed Assets are stated at historical cost less accumulated depreciation thereon. Depreciation has been provided as per straight line method and as per its useful life prescribed under Schedule II of the Companies Act, 2013.

Investments

All investments are for long term holding and are valued at cost.

Inventories

Inventories are stated at cost.

Income From

iv. Financing Activity

Interest income is recognized as income on accrual basis with reference to the terms of contractual commitments.

v. Investment

Dividend is accrued when the right to receive is established i.e. when declared by the investee company.

vi. Other Income

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

Receivable under financing activity

- (i) Receivables under financing activity represent principal and accrued interest outstanding at the close of the year but net of amount written off.
- (ii) The company assesses all receivables for their recoverability and accordingly makes provisions for non-performing assets and delinquent assets not yet NPA as considered necessary including by accelerating provision to an early stage based on past experience, emerging trends and estimates. However, the Company ensures that the said provisions are not lower than the provisions stipulated in the applicable Reserve Bank of India (RBI) Regulations/Guidelines.
- (iii) A General provision as required by RBI Regulations, is also made by the Company on the standard assets outstanding which is disclosed under 'long term provisions' in the financial statements.

Taxation

Provision for taxation comprises of Current Tax, and Deferred Tax. Current Tax provision has been made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred Tax is recognized for all the

Impairment of Assets

At each Balance Sheet date, the Company reviews, whether there is any indication of impairment of an asset. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to their present value



using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

Impact of Covid-19 on business

The Covid-19 pandemic has resulted in significant decrease in economy activity across the country. The Government of India and respective State Governments announced a strict lockdown to contain the spread of the virus which was further extended twice across the nation with some relaxations in specific areas. This has had a consequential impact on the regular operations of the company, including lending and collection activities. In respect of Company's loan book, the company has granted in terms of RBI Guidelines dated March 27,2020 to all eligible borrowers, moratorium of three months on the payment of all loan installments/interest falling due between March 1,2020 and May 31,2020. Further, pursuant to RBI notification dated May 23,2020 the moratorium is being extended for a further period of three months in accordance with the Company's policy approved by its board.

However, the full extent of impact of the Covid-19 pandemic on the Company's operations, and financial metrics will further depend on government and regulatory guidelines and future developments which are uncertain and incapable of estimation at this time.





A. D. Vyas

B.Com., F.C.A., D.I.S.A.

A. D. Vyas & Co.
Chartered Accountants

Auditor's Additional Report

The Board of the Directors
Rajath Finance Ltd.
Rajkot

1. This report is issued in accordance with the requirements of Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2008 (the "Directions") and on the basis of explanation provided by management of Rajath Finance Ltd. (hereinafter referred to as the "Company") and to the best of our knowledge and belief, for the year ending on 31st March, 2021, we report that
2. We have audited the accompanying financial statements of Company comprising Balance Sheet as at March 31, 2021 and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, on which we have issued our report dated 28/06/2021

Management's Responsibility for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, [that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



4. The Management is also responsible for compliance with the Reserve Bank of India (hereinafter RBI or Bank) Act, 1934 and other relevant RBI circulars and guidelines applicable to Non-Banking Financial Companies, as amended from time to time, and for providing all the required information to RBI.

Auditor's Responsibility

5. Pursuant to the requirements of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 as consolidated in RBI Master circular, it is our responsibility to examine the audited books and records of the Company for the year ended 31-03-2021 and report on the matters specified in the Directions to the extent applicable to the Company.
6. We conducted our examination in accordance with the 'Guidance Note on Audit reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India

Opinion

7. Based on our examination of the audited books and records of the Company for the year ended 31-03-2021 as produced for our examination and the information and explanations given to us we report that:
 - 7.1 The Company is engaged in the business of non-banking financial institution and has obtained a certificate of registration (CoR) from the bank bearing registration number 01.00245 dated 14th May, 2003.
 - 7.2 The Company is entitled to continue to hold such CoR in terms of its asset as on March 31, 2021
 - 7.3 Based on the criteria set forth by the Bank in Company Circular No. DNBS.PD. CC No. 85/03.02.089 /2006-07 dated 6th December, 2006; the company is not an Asset Finance Company (AFC) for the financial year 2020-21.
 - 7.4 Based on the criteria set forth by the Bank in the Notification viz. Non-Banking Financial Company- Micro Finance Institutions (Reserve Bank) Directions, 2011 dated December 02, 2011 for classification of NBFCs as NBFC-MFIs, the company is not a NBFC-MFI as defined in the said Directions with reference to the business carried on by it during the financial year 2020-21.



- 7.5 The Company has not accepted any public deposits during the year ended *March, 2021*
- 7.6 The Company has complied with the prudential norms relating to income recognition, accounting standards asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended up to the date of this report).
- 7.7 Company has not obtained membership of all four Credit Information Companies(CICs) and registered itself with CERSAI for CKYC as required in terms of relevant provisions of RBI Master Directions, Prevention of Money Laundering Act, 2002 and Prevention of Money Laundering (Maintenance of Records) Rules, 2005.

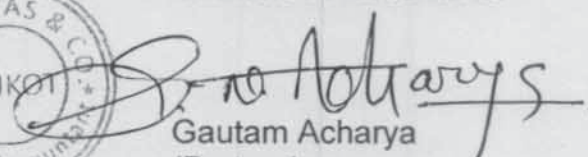
Restriction on Use

8. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing said in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.
9. This report is issued pursuant to our obligations under Directions to submit a report on additional matters as stated in the above Directions, to the Board of Directors of the Company and should not be used by any other person or for any other purpose. A D Vyas & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

Place : Rajkot
Date : 28/06/2021

For, A.D.Vyas & Co.
Chartered Accountants




Gautam Acharya
(Partner)

M.No.149632

UDIN: 21149632AAAAEE5102



A. D. Vyas

B.Com., F.C.A., D.I.S.A.

A. D. Vyas & Co.
Chartered Accountants

Statutory Auditor Certificate

We have examined the books of accounts and other records of **Rajath Finance Limited** for the Financial Year ending March 31, 2021 On the basis of the information submitted to us, we certify the following:

(Write NA whichever is Not applicable)

Sl.	Particulars	Details
1	Name of the company	Rajath Finance Ltd.
2	Certificate of Registration No.	01.00245
3	Registered office Address	208-215, Star Plaza, Nr. Phulchhab Chowk, Rajkot
4	Corporate office Address	208-215, Star Plaza, Nr. Phulchhab Chowk, Rajkot
5	The company has been classified by RBI as : (Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	Loan Company
6	Net Owned Fund (in Rs. Crore) (Calculation of the same is given in the Annex)	6.53
7	Total Assets (in Rs. Crore)	7.13
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	87.17% 99.19%



9	Whether the company was holding any Public Deposits, as on March 31, 2019? If Yes, the amount in Rs. Crore	(Yes/No)
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? <i>(in terms of Sec 45-IC of the RBI Act, 1934).</i>	(Yes/No/NA)
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	(Yes/No)
12	If the company is classified as an NBFC-Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	NA
13	If the company is classified as an NBFC-MFI; % of Qualifying Assets to Net Assets <i>(refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)</i>	NA
14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	NA
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	NA
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI?	(Yes/No) If yes, please specify.



(please refer to per DNBR (PD) CC. No.
065/03.10.001/2015-16 dated July 09, 2015
on the subject for details)

In terms of paragraph 2 of Notification No. DNBS.201 /DG(VL)-2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

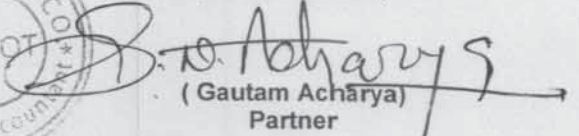
I have read and understood paragraph 5 of Notification No. DNBS. 201 /DG(VL)-2008 dated September 18, 2008.

Place: Rajkot
Date: 28/06/2021
UDIN :21149632AAAAEI7440



For A.D. Vyas & Co.

Chartered Accountants
(FRN: 113588W)


(Gautam Acharya)
Partner

Membership no. :149632

Annex

Capital Funds - Tier I		<i>(Rs. In crore)</i>
1.	Paid up Equity Capital	4.00
2.	Pref. shares to be compulsorily converted into equity	Nil
3.	Free Reserves:	
	a. General Reserve	0.24
	b. Share Premium	Nil
	c. Capital Reserves	3.01
	d. Debenture Redemption Reserve	Nil
	e. Capital Redemption Reserve	Nil
	f. Credit Balance in P&L Account	Nil
	g. Other free reserves (may be specified)	Nil
4.	Special Reserves	0.50
	Total of 1 to 4	7.75
5.	Less: i. Accumulated balance of loss	1.07
	ii. Deferred Revenue Expenditure	Nil
	ii. Deferred Tax Assets (Net)	0.15
	iii. Other intangible Assets	Nil
	Owned Fund	6.53
6.	Investment in shares of	
	(i) Companies in the same group	Nil
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries	Nil
	(iv) Other NBFCs	Nil
7.	Book value of debentures, bonds outstanding loans and advances, bills purchased and discounted (including H.P. and lease finance) made to, and deposits with	
	(i) Companies in the same group	Nil
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	Nil
8.	Total of 6 and 7	Nil
9.	Amount in item 8 in excess of 10% of Owned Fund	Nil
10.	Net Owned Fund	6.53



Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L65910GJ1984PLC007486

Name of the Company: Rajath Finance Limited

Registered Office: 208-2015, Star Plaza, Phulchhab Chowk, Rajkot-360001, Gujarat

Name of the Member (s):

Registered Address:

Email Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) of _____ Shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:

Or failing him

2. Name:

Address:

E-mail Id:

Signature:

Or failing him

3. Name:

Address:

E-mail Id:

Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting/~~Extra Ordinary General Meeting~~ of the company to be held on the 29th day of September, 2021 at 11:00 A.M. at the registered office of the Company situated at 208-2015, Star Plaza, Phulchhab Chowk, Rajkot-360001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the audited financial statement of the company for the year ended on 31st March, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Bhavdeep V. Vala [DIN: 00153775] who retires by rotation and, being eligible, offers himself for re-appointment.

Signed ____ day of September, 2021

Signature of shareholder

Affix Revenue Stamp

Signature of Proxy holder(s)

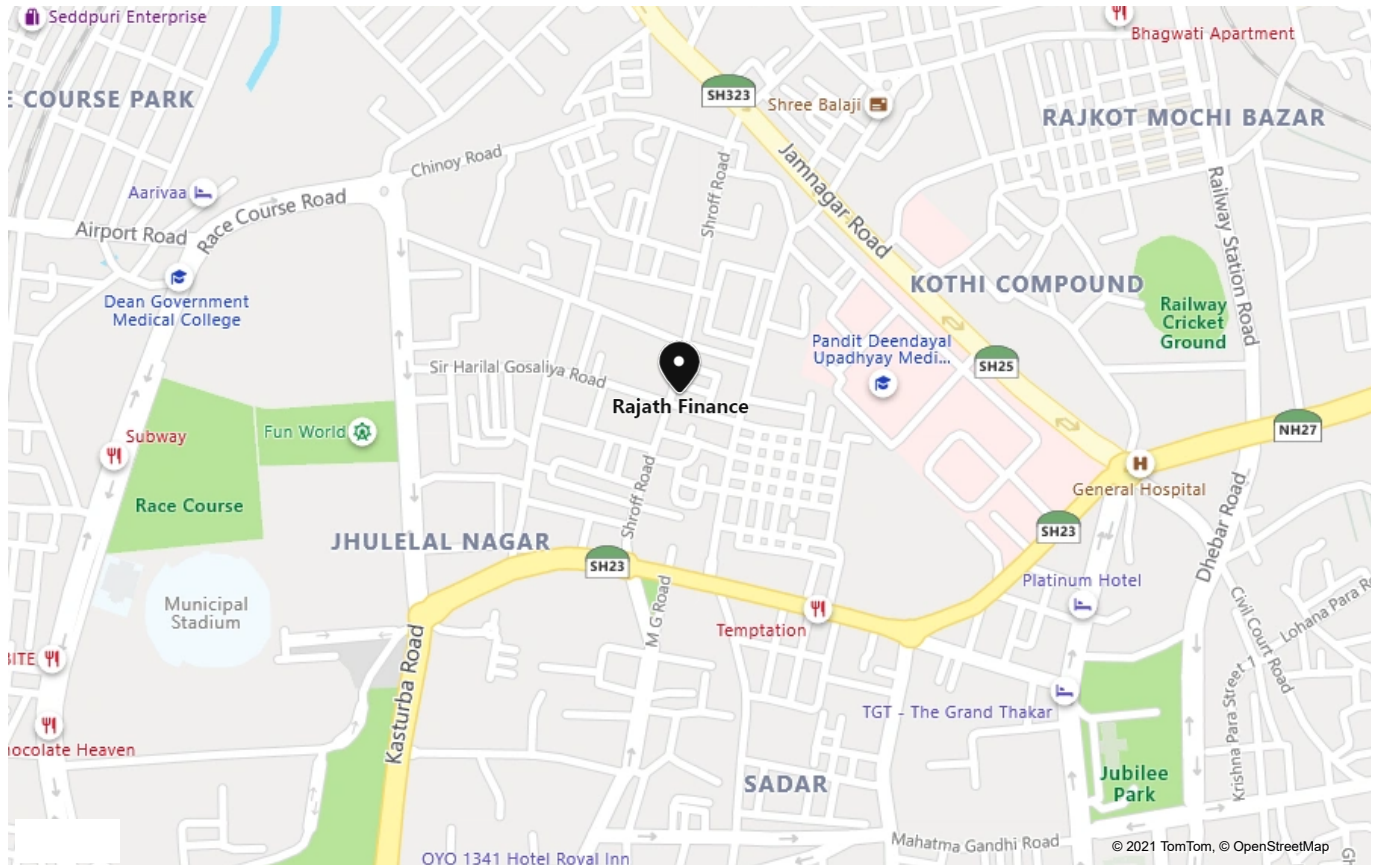
Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

Rajath Finance

Address: 208-215, Star Plaza, Phulchhab Chowk, Rajkot, Gujarat 360001

Tel: 0281 2447800

Website: <http://rajathfinance.in/>



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