

RAJATH FINANCE LIMITED

[CIN: L65910GJ1984PLC007486]

Registered Office: 208-215, Star Plaza, Phulchhab Chowk, Rajkot 360001, Gujarat, India

Phone: 0281-2447800/2454271 **E-mail:** rajathfin@hotmail.com

Website: www.rajathfinance.in

Ref: RAJATH/Reg. 34/ Annual Report 2021-22

08th September, 2022

To,
The Department of Corporate Services,
The BSE Ltd.,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India

Subject: Notice of 37th Annual General Meeting (AGM) and Annual Report for the F.Y. 2021-22

Ref.: Script Code 507962

With reference to the above mentioned subject and pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the company for the F.Y. 2021-22 including Notice of 37th Annual General Meeting of the company scheduled to be held on Friday, 30th September, 2022.

You are kindly requested to take the same on your record.

Kindly consider the same and oblige.

For Rajath Finance Limited,

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Date: 2022.09.09
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CS Dea Vachhani
Company Secretary & Compliance Officer
[M. No. A26801]

Rajath Finance Ltd.

Annual Report

Financial Year 2021-22

Corporate Information:

Board of Directors

Hitesh Bagdai
Managing Director

Bhavdeep Vala
Executive Director

Poonam Bagdai
Non-executive &
Non-Independent Director

Kantilal Khakhar
Independent Director

Ketanbhai Dhulesiya
Independent Director

Janish Ajmera
Independent Director

CS Dea Vachhani
Company Secretary &
Compliance Officer

Audit Committee

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

Nomination

& Remuneration Committee

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

Shareholder's Grievance Committee:

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

Statutory Auditors

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

Registrars &

Share Transfer Agent

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

Listed on:

BSE Limited

NOTICE OF AGM

Rajath Finance Limited
CIN: L65910GJ1984PLC007486

Address of Registered Office:

208 - 215 Star Plaza,
Phulchhab Chowk,
Rajkot - 360 001
Gujarat, India
Phone: 0281 - 2447800/3013344
Fax: 0281-2454271
E-Mail Id: investorrelationsrajath@hotmail.com
WEB: www.rajathfinance.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **37th Annual General Meeting** of the Members of the Company will be held on **Friday, 30th September, 2022** at 03:00 p.m. at the Registered Office of the Company situated at **208-215, Star Plaza, Phulchhab Chowk, Rajkot-360001, Gujarat, India** to transact the following businesses:

❖ **Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of **Mr. Hitesh Bagdai [DIN: 00575732]**, who retires by rotation and, being eligible, offers himself for re-appointment.

Date : 05.09.2022
Place : Rajkot

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

(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 **Thursday, 22nd September, 2022 to Friday, 30th September, 2022.**
- C. Ministry of Corporate Affairs ("MCA") vide various circulars issued since May, 2020 including the general circular No. 02/2022 issued on 05th May, 2022 read with Securities and Exchange Board of India (SEBI) Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 issued on 13th May, 2022 has extended the relaxation from dispatching of physical copy of Annual Report including financial statements for the year 2022, to shareholders, till 31st December, 2022. In compliance of MCA and SEBI Circulars, soft copy of annual report is being sent to all the members whose email address is registered with Company/Depository Participant(s). Further for those members who have not registered their email address, may note that copy of annual report for the financial year 2021-22 is also available on the website of the company at www.rajathfinance.in and also on the website of the Stock exchange at www.bseindia.com for download.
- 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.
- E. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, your company is pleased to provide remote e-Voting facility to its members for the business as may be transacted at the Annual General Meeting of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- F. In compliance of Section 108 of the Companies, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015, your company is pleased to provide remote e-Voting facility to its members for the business as may be transacted at the Annual General Meeting of the Company.
- G. The members who have cast their votes by remote e-voting prior to the day of AGM may attend the meeting but shall not be entitled to cast their vote again at the venue of the AGM.
- H. E-voting platform for remote e-voting shall be provided by the Link Intime India Private Limited (Instavote), Registrar and Share Transfer Agent of the Company. The detailed instructions for remote e-voting as per the SEBI Circular dated 09th December, 2020 are annexed to this notice.
- I. The remote e-voting period shall commence at 09:00 AM on Tuesday, 27th September, 2022 and will end at 05:00 PM on Thursday, 29th September, 2022. During this period, the members of the company holding shares as on the cutoff date i.e Friday, 23rd September, 2022 may cast their vote electronically. E-voting module shall be disabled by the Link Intime after 05:00 PM on Thursday, 29th September, 2022.
- J. The person whose name is registered in the register of members of the Company or in the register of beneficial owners as maintained by the depositories as on Friday, 02nd September, 2022 [Cut-off date for receiving Notice and Annual Report], shall be entitled for receiving of the Notice of Annual General Meeting along with Annual Report for the F.Y. 2021-22, through their registered Email-id.
- K. CS Hitesh Dashrathbhai Patel, Practising Company Secretary (Membership No. A60830) has been appointed as the Scrutinizer to scrutinize the e-voting process and Voting through Poll at the venue of the AGM in a fair and transparent manner.
- L. The results shall be declared within two working days 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.
- M. 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.

NOTICE OF ANNUAL GENERAL MEETING

BRIEF PROFILE OF DIRECTORS SEEING APPOINTMENT:

Director's Name	Mr. Hitesh Bagdai
Date of Appointment as Director in Company	27/02/2007
Qualification	Graduate
Experience in specific functional area	Mr. Bagdai is one of the Promoter of the company and associated with the Company since 2007. He is designated as a Managing Director of the Company. He is having experience of more than 10 years in the field of finance industry. He is also having wide experience in the area of real estate.
Directorship held in other Public Limited (excluding Directorship in Rajath Finance Limited)	Not Applicable
Membership/Chairmanship of Committees in other Public Limited (excluding Membership/ Chairmanship of Committees in Rajath Finance Limited)	Not Applicable
No. of Shares held	896853 Equity Shares

Date :05.09.2022

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:

Please read the instructions given below before exercising the voting right through remote e-voting.

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:

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.

NOTICE OF ANNUAL GENERAL 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 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.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<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.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<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> <p>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</p> <p>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.</p> <p>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</p>

NOTICE OF ANNUAL GENERAL MEETING

	<p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <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> <p>2. Click on 'Login' under 'SHARE HOLDER' tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</p> <p>4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</p> <p>5. E-voting page will appear.</p> <p>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).</p> <p>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.</p>
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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.

NOTICE OF ANNUAL GENERAL MEETING

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.

- 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 & e-voting 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.

DIRECTORS' REPORT

To,
The Members,
Rajath Finance Limited,

Your Board of Directors are pleased to present their 37th **Annual Report** for the financial year ended on 31st March, 2022.

FINANCIAL RESULTS:

Your Company's performance for the year ended on 31st March, 2022, is summarized as under:

(Amt. in Rs.)

SR. NO.	PARTICULARS	2021-22	2020-21
1.	Revenue from Operation	34,29,400	37,46,210
2.	Other Income	-	--
3.	Total Revenue (1+2)	34,29,400	37,46,210
4.	Employee Benefit Expenses	8,09,790	6,19,310
5.	Depreciation & Amortization Exp.	80,880	2,75,830
6.	Other Expenses	(7,11,420)	23,79,890
7.	Profit/(Loss) Before Tax	32,50,150	4,71,190
8.	Current Tax	-	-
9.	Deferred Tax	(8,34,050)	(2,97,450)
10.	Profit/(Loss) After Tax (PAT)	24,16,090	1,73,740
11.	Other Comprehensive Income	-	-
12.	Total Comprehensive income for the period	24,16,090	1,73,740

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK :

During the reporting period, your Company has recorded revenue from operation of Rs. 34,29,400/- as compared to Rs. 37,46,210/- during the previous financial year. Further, during the year under report company has reported net profit of Rs. 24,16,090/- as compared to profit of Rs. 1,73,740 during the previous financial year. Despite of decrease in revenue as compared to previous fiscal, company has made stringent profit in the reporting year. Total comprehensive income of the company for the F.Y. 2021-22 is Rs. 24,16,090. Management has been continuously 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 Board of Directors do not recommend any dividend.

Further, no amount has been transferred to general reserves in the Financial Year 2021-22.

SHARE CAPITAL:

The paid-up Equity Share Capital of the company as on March 31, 2022 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:

In terms of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the copy of Annual Return for the Financial Year 2021-22 is placed on the website of the Company at the link <https://www.rajathfinance.in>

BOARD MEETINGS AND INDEPENDENT DIRECTOR'S MEETING:

The Board of Directors of the Company met Seven times during the reporting year respectively on 08/04/2021, 28/06/2021, 29/07/2021, 03/09/2021, 27/09/2021, 01/11/2021 and 11/02/2022.

Further, the Independent Directors meeting was held on 11/02/2022 to consider the following:

1. 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
2. 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 has 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 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Company has adopted 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 2021-22:

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 2021-22 is as follow:

DIRECTORS' REPORT

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration of director to the median remuneration of the employees of the company for the financial year 2021-22:

Sr. No.	Name of the Directors / Key Managerial Personnel	Designation	Ratio of Remuneration
1.	Hitesh Bagdai	Managing Director	4.37

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in any, in financial year; Nil
3. The number of permanent employees on the pay rolls of the company; 3
4. As per the policy of the company, average annual increase in the salaries of employees other than the managerial personnel in the last financial year was after considering the performance and other event base compensation. Further, there was no increase in the remuneration of the Key Managerial Personnel in the previous financial year.
5. Further, we confirm that remuneration is as per the remuneration policy of the company.

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).

DIRECTORS' REPORT

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 Gaurang R Shah, Proprietor, G R Shah & Associates Practising Company Secretary, Ahmedabad to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith as **Annexure I**. The SA observed about the appointment of Company Secretary was made on 8th April, 2021. The Board explains that the due to geographical constraints as well as the position of the Company, the appointment of Company Secretary was delayed. Further, as regards non-appointment of CFO, the Company is not working fully operational. However, the Company is in search of proper candidate for position of CFO. As regards to the observation related to the contribution made by the Company for more than the limit prescribed specified under section 181 of the Companies Act, 2013, & noncompliance of provision of Regulation 47(3) of SEBI (LODR) Regulations, 2015, the Board would ensure for compliance of all applicable provisions of the Act in 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-II.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Rajath Finance Limited does not fall in any of the criteria mentioned in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and hence, it is not required mandatorily to carry out any CSR activities or constitute any Committees under provisions of Section 135 of the Act.

DIRECTORS' REPORT

However, at Rajath Finance Limited we strongly believe that it's our moral responsibility to play an active role in discharging the environmental and social obligations for the welfare of society in which we operate.

BOARD OF DIRECTORS:

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, one-third of such number of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Hitesh M. Bagdai, Managing Director (DIN: 00575732) will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

As on 31st March, 2022, 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

The Company does not pay any remuneration to its Non-Executive Directors. Further, the Company had made payment of remuneration to its Executive Directors in terms of Section 196 & 197 of the Companies Act, 2013, read with Schedule V to the Act. No commission was paid to any of the Directors during the year under Report.

KEY MANAGERIAL PERSONNEL:

1. Mr. Hitesh Bagdai, Managing Director
2. Mrs. Dea Vachhani, Company Secretary and Compliance Officer

DIRECTORS' REPORT

Mrs. Dea Vachhani had been appointed as Company Secretary and Compliance Officer of the Company w.e.f 08th April, 2021.

BOARD COMMITTEES:

As per provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has established and constituted three committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as a part of better corporate governance practice.

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 Five times during the year on 08/04/2021, 28/06/2021, 29/07/2021, 01/11/2021 and 11/02/2022. 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

DIRECTORS' REPORT

3	*Mr. Bhavdeep Vala (DIN: 00153775)	Member	Executive Director
4	*Mr. Janish Navinchandra Ajmera (DIN: 06708217)	Member	Non - Executive and Independent Director

*In the Board Meeting held on 11th February, 2022 constitution of the committee had been changed as Mr. Bhavdeed Vala (DIN: 00153775) ceased to be a member of the committee w.e.f 11/02/2022 and Mr. Janish Ajmera had been appointed as a member of the committee in place of Mr. Vala.

Nomination and Remuneration Committee of the company met four times during the year under report respectively on 08/04/2021, 29/07/2021, 01/11/2021 and 11/02/2022. During the year under report, all the recommendations of the Committee were duly considered.

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 four times during the year under report respectively on 08/04/2021, 29/07/2021, 01/11/2021 and 11/02/2022. 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.

DIRECTORS' REPORT

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.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on 31st March, 2022, the Company doesn't have any Subsidiary, Joint Venture or Associate Companies.

INTERNAL FINANCIAL CONTROLS:

The company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting is operating effectively. The Company is well equipped with internal financial control system. The Company has continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company. Our statutory auditor of the company has also provided his opinion on adequacy of internal financial control system in the audit report.

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 also adopted by the Company.

DIRECTORS' REPORT

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.
- 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 maintain cost records as per the provisions of the Companies Act, 2013.

ACKNOWLEDGEMENT :

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

Date : 05/09/2022

Place : Rajkot

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

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

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

SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2022

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To
The Members,
RAJATH FINANCE LIMITED
208-215 Star Plazaphulchhab
Chowk Rajkot - 360001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajath Finance Limited [CIN: L65910GJ1984PLC007486] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022, generally 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 returns filed and maintained by the Company for the financial year ended on 31st March, 2022 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings(Not applicable to the Company during the audit period);

- (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 Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations(Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 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) Regulations, 1993 regarding the Companies Act and dealing with client(Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review);
 - (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) Regulations, 1998(Not applicable to the Company during the audit period);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (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, Securitizations Companies and Reconstruction Companies (Reserve Bank) Guideline and Directions, 2003

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

- (ii) The Listing Agreements entered into by the Company with Stock Exchange pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company

- Local taxes as applicable in the state of Gujarat;

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- The Company has appointed Company Secretary w.e.f. 08th April, 2021 under Section 203 of the Companies Act, 2013 and Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has not appointed Chief Financial Officer and Internal Auditor pursuant to provision of the Companies Act, 2013.
- The company made contribution more than the limit prescribed specified under section 181 of the Companies Act, 2013
- The website of the company is not fully updated as per the requirement of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has not complied under Regulation 47(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the period under audit, the following specific events / actions having major bearing on the Company's affairs have not taken place in pursuance of the above referred laws, rules, regulations and standards:

Place: Ahmedabad
Date: 05.09.2022

FOR, GR SHAH & ASSOCIATES
Company Secretaries
Gaurang Shah
Proprietor

C.O.P. No. 14446
ACS No. 38703
UDIN: A038703D000919451
Peer review Certificate No. S2015GJ333900

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

To
The Members,
RAJATH FINANCE LIMITED
208-215 Star Plazaphulchhab
Chowk Rajkot - 360001

My report of even date 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 practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected Annexure to the Secretarial Audit Report in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 05.09.2022

FOR, GR SHAH & ASSOCIATES
Company Secretaries
Gaurang Shah
Proprietor

C.O.P.No.14446
ACS No. 38703
UDIN: A038703D000919451
Peer review Certificate No.
S2015GJ333900

List of documents verified

To,
The Members,
RAJATH FINANCE LIMITED
208-215 Star Plazaphulchhab
Chowk Rajkot - 360001

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers records under the Companies Act, 2013 and Rules made there under namely:
 - Register of the Directors and the Key Managerial Personnel
 - Register of the Directors' shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members.
5. Declarations received from the Directors of the Company in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
7. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.

Form AOC 2

“Annexure -II” to Directors’ Report of Rajath Finance Limited

(Pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

[illegible]

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 Rent Paid	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 : 05.09.2022

Place : Rajkot

By Order of the Board of Directors

For, Rajath Finance Limited,

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

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

“ANNEXURE - III” TO DIRECTORS’ REPORT OF RAJATH FINANCE LIMITED

INDUSTRY OVERVIEW:

In India, both the Banks and NBFC’s are the key elements of a sound and stable financial system. Usually the Banking institutions dominate the financial system in most countries including India because every sector whether business, household or the public all collectively rely on the banking system for a wide range of activities and to meet their financial needs. 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 29.3 % in the year 2021 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. 34.29 (In Lacs). 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. 24.16 (In Lacs) as compared to the profit of Rs. 1.74 (In lacs) during the previous financial year 2020-21. Management of the Company has made total effort increase the profit and had succeeded.

MANAGEMENT DISCUSSION AND ANALYSIS

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 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.

MANAGEMENT DISCUSSION AND ANALYSIS

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.

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.

KEY FINANCIAL RATIOS:

Analysis of key financial ratio for the year as compared to previous financial year is as given under:

Ratio Analysis	Unit of Ratio in	F.Y. 2021-22	F.Y. 2020-21
Current Ratio	Times	19.36	8.86
Debt Equity Ratio	Times	0	0
Return on Equity Ratio	%	3.49	0.26
Inventory Turnover Ratio	Times	16.14	17.74
Net Capital Turnover Ratio	%	4.88	5.56
Net Profit Ratio	%	96.12	12.68

MANAGEMENT DISCUSSION AND ANALYSIS

Return on Capital employed	%	3.49	0.26
Return on Investment	%	3.49	0.26

Date : 05/09/2022

Place : Rajkot

By Order of the Board of Directors

For, RAJATH FINANCE LIMITED,

(HITESH BAGDAI)
MANAGING DIRECTOR
(DIN: 00575732)

(BHAVDEEP VALA)
DIRECTOR
(DIN: 00153775)

"Annexure-IV"

COMPLIANCE CERTIFICATE

(Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015)

To,
The Board of Directors,
Rajath Finance Limited
208-215, Star Plaza,
Phulchhab Chowk,
Rajkot 360001, Gujarat

Dear Sir/Madam,

Pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, I undersigned hereby declare and certify that:

- A. I have reviewed financial statements and the cash flow statement for the year 2021-22 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with applicable accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2021-22, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- D. I have indicated to the Auditors and the Audit committee:
- There are no significant changes in internal control over financial reporting during the year;
 - There are no significant changes in accounting policies during the year; and
 - There are no instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 05/09/2022

For Rajath Finance Limited

Place: Rajkot

Hitesh Bagdai
Managing Director [DIN: 00575732]



Independent Auditor's Report

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 2022, 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, 2022, 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.

Key Audit Matters

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

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.

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.

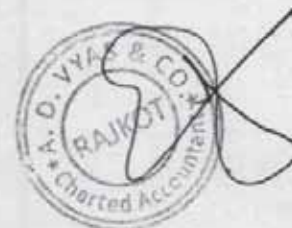
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to financial statements 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.
- iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us

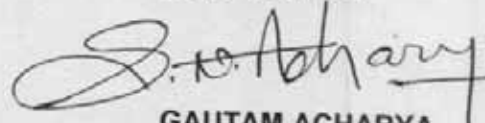


to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- v. No dividend have been declared or paid during the year by the company.

Place:-Rajkot
Date: 27/05/2022
UDIN:22149632AJSGHS7923

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



GAUTAM ACHARYA
(PARTNER)
Membership No. 149632



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

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (iii) During the year the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.



- (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.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 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 statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute
- (viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) 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 loans or other borrowings or in the payment of interest thereon to any lender
- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,
- (d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.



- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on 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, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv) (a) In our opinion and based on our examination, the company does not require to have an internal audit system.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) In our Opinion and based on our examination, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and the registration has been obtained;
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

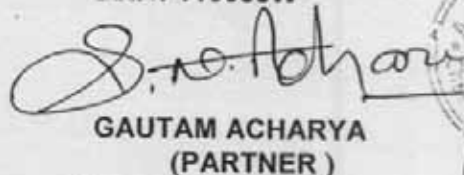


(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

Place:-Rajkot
Date: 27/05/2022

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


GAUTAM ACHARYA
(PARTNER)
Membership No. 149632



Report on Internal Financial Controls with reference to financial statements

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, 2022 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

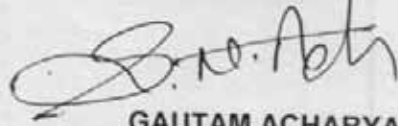
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control



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



GAUTAM ACHARYA
(PARTNER)
Membership No. 149632



Place:-Rajkot
Date: 27/05/2022



A. D. Vyas

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

A. D. Vyas & Co.

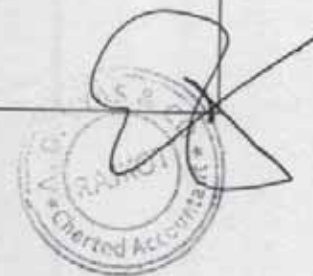
Chartered Accountants

We have examined the books of accounts and other records of **Rajath Finance Limited** for the Financial Year ending March 31, 2022 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)	6.86
7	Total Assets (in Rs. Crore)	7.04
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)	76.32% 98.59%

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? (in terms of Sec 45-IC of the RBI Act, 1934).	(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 (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	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)	
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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: 27/05/2022



For A.D. Vyas & Co.

Chartered Accountants
(FRN: 143588W)

(GAUTAM ACHARYA)
Partner

Membership no. : 149632

Annex

Capital Funds - Tier I		(Rs. in crore)
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	0.55
	Total of 1 to 4	7.80
5.	Less: i. Accumulated balance of loss	0.87
	ii. Deferred Revenue Expenditure	Nil
	ii. Deferred Tax Assets (Net)	0.07
	iii. Other intangible Assets	Nil
	Owned Fund	6.86
6.	Investment in shares of	Nil
	(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 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	6.86

A handwritten signature is written over a circular stamp. The stamp contains the text "RANKOT" and "Chartered Accountant".



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, 2022, we report that
2. We have audited the accompanying financial statements of Company comprising Balance Sheet as at March 31, 2022 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 27/05/2022.

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 31-03-2022 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 31-03-2022 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, 2022.
 - 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 2021-22.
 - 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 2021-22.
 - 7.5 The Company has not accepted any public deposits during the year ended March, 2022.



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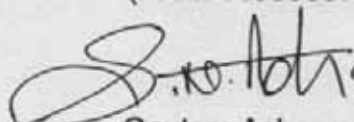
- 7.6 The Company has complied with the prudential norms relating to income recognition, accounting standards asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) 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: 27/05/2022

For, A.D.Vyas & Co.
Chartered Accountants
(FRN: 1135588W)


Gautam Acharya
(Partner)

M.No.149632
UDIN: 22149632AJSGHS7923



Rajath Finance Limited

Standalone Ind As Balance Sheet as on 31-03-2022

(Rupees in Thousand)

Particulars	Note No.	As at 31-03-2022	As at 31-03-2021
ASSETS			
-1 Financial Assets			
(a) Cash and cash equivalents	2	13,143.91	4,735.90
(b) Bank Balance other than (a) above		-	-
(c) Derivative financial instruments		-	-
(d) Receivables		-	-
(I) Trade Receivables		-	-
(II) Other Receivables		-	-
(e) Loans	3	53,711.57	62,165.52
(f) Investments	4	1.50	1.50
(g) Other Financial assets (to be specified)	5	460.60	443.11
		67,317.58	67,346.03
-2 Non-financial Assets			
(a) Inventories	6	209.43	209.43
(b) Current tax assets (Net)		-	-
(c) Deferred tax Assets (Net)	7	655.24	1,483.91
(d) Investment Property		-	-
(e) Biological assets other than bearer plants		-	-
(f) Property, Plant and Equipment	8	2,196.22	2,277.10
(g) Capital work-in-progress		-	-
(h) Intangible assets under development		-	-
(i) Goodwill		-	-
(j) Other Intangible assets		-	-
(k) Other non-financial assets (to be specified)		-	-
Total Assets		3,060.89	3,970.44
LIABILITIES AND EQUITY		70,378.47	71,316.48
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		1,070.13	4,435.34
(II) Other Payables		-	-

A handwritten signature is written over a circular stamp. The stamp contains the text "Chartered Accountant" and "K.A.O. HAWKOT".

(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		4.32	3.20
(c) Debt Securities		-	-
(d) Borrowings (Other than Debt Securities)		-	-
(e) Deposits		-	-
(f) Subordinated Liabilities		-	-
(g) Other financial liabilities(to be specified)		-	-
		1,074.45	4,438.54
-2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)			
(b) Provisions	10	20.00	10.00
(c) Deferred tax liabilities (Net)			
(d) Other non-financial liabilities(to be specified)		-	-
		20.00	10.00
-3 EQUITY			
(a) Equity Share capital	1	40,000.00	40,000.00
(b) Other Equity	1	29,284.03	26,867.94
		69,284.03	66,867.94
Total Liabilities and Equity		70,378.47	71,316.48

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)

S. K. Acharya


GAUTAM ACHARYA

PARTNER

Membership No.: 149632

Place: Rajkot

Date: 27/05/2022

For and on behalf of the Board of Directors

Bruh
 Bhavdeep Vala
 Director
 DIN: 00153775

Hitesh Bagdal
 Hitesh Bagdal
 Managing Director
 DIN: 00575732

N. Dea
 (CS Dea N. Vachhani)
 Company secretary cum
 compliance officer
 M.No. A26801

For the year ended March 31, 2022

(Rupees in Thousand)

(VI)	Exceptional items		
(VII)	Profit/(loss) before tax (V -VI)		
)		
(VIII)	Tax Expense:		
	(1) Current Tax		
	(2) Deferred Tax	-828.67	-297.45
	Excess/short provision relating earlier year tax	-5.38	-
	Profit / (loss) for the		
(IX)	period from continuing operations(VII-VIII)	2,416.09	173.74
(X)	Profit/(loss) from discontinued operations		
(XI)	Tax Expense of discontinued operations		
	Profit/(loss) from discontinued operations(After tax) (X-XI)		
(XII)			
(XIII)	Profit/(loss) for the period (IX+XII)	2,416.09	173.74
(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	2,416.09	173.74



the period)

(XVI) Earnings per equity share (for continuing operations)

Basic (Rs.)

0.60

0.04

Diluted (Rs.)

-

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.)

0.60

0.04

Diluted (Rs.)

-

0

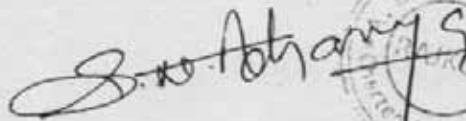

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For A. D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)

GAUTAM ACHARYA

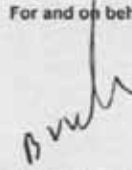
PARTNER

Membership No.: 149632

Place: Rajkot

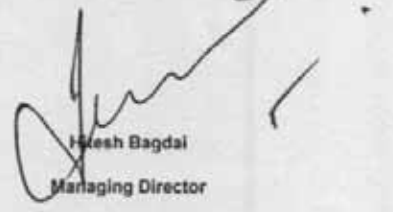
Date: 27/05/2022

For and on behalf of the Board of Directors


Bhavdeep Vala


Director

DIN: 00153775


Hitesh Bagdai

Managing Director

DIN: 00575732



(Cs Dea N. Vachhani)
company secretary cum
compliance officer
M.No. A26801

Standalone Ind AS statement of change in Equity
For the year ended March 31, 2022

NOTE NO. 1

a) Equity Share Capital	40000000
Balances as on April 01, 2021	0
Add: Issue of share capital	40000000
Balances as on March 31, 2022	

(Rupees in Thousands)															
b) Other Equity		Reserves and Surplus						Debt	Equity	Effective	Revaluation	Exchange	Other items	Money	Total
Share application money pending allotment	Equity component of compound financial instruments	Statutory Reserves	Capital Reserves	Securities Premium	Special Reserve	General Reserve	Retained Earnings	Instruments through Other Comprehensive Income	Instruments through Other Comprehensive Income	portion of Cash Flow Hedges	Surplus	differences on translating the financial statements of a foreign operation	of Other Comprehensive Income (specify nature)	received against share warrants	
Balance at the beginning of the reporting period	-	-	30,056.50	-	5,051.35	2,432.88	-10,672.80	-	-	-	-	-	-	-	26,167.93
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Note No. 1 Share Capital

₹ (Rupees in Thousand)

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised :		
7500000 (31/03/2019:7500000) Equity shares of Rs. 10.00/- par value	75000.00	75000.00
Issued :		
4000000 (31/03/2019:4000000) Equity shares of Rs. 10.00/- par value	40000.00	40000.00
Subscribed and paid-up :		
4000000 (31/03/2019:4000000) Equity shares of Rs. 10.00/- par value	40000.00	40000.00
Total	40000.00	40000.00

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

Equity shares

₹ (Rupees in Thousand)

	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	4000.00	40000.00	40000.00	40000.00
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	4000.00	40000.00	4000.00	40000.00

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

Type of ShareName of Shareholders

Type of Share	Name of Shareholders	As at 31st March 2022		As at 31st March 2021	
		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

Details of Shareholding by Promoters

Type of Share	Name of Shareholders	No. of Shares as on 31-03-2022	No. of Shares as on 31-03-2021
Equity [NV: 10.00]	Hitesh Bagdai	896,863	896,863
Equity [NV: 10.00]	Poonam Bagdai	896,851	896,851
Equity [NV: 10.00]	Bhavdeep Vala	996,851	996,851



Note: 2 Cash and cash equivalents

(Rupees in Thousand)				
Particulars	As	at	As	at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Cash on Hand	380.78	418.92		
Balance with Bank	-	-		
- In Current Accounts	12,763.13	4,316.99		
Total	13,143.91	4,735.90		



(Rupees in Thousand)

[illegible]

(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to individual and entities other than public sector)	53,711.57	-	-	-	-	-	-	53,711.57	62,165.52	-	-	62,165.52
Total (C)- Gross	53,711.57	-	-	-	-	-	-	53,711.57	62,165.52	-	-	-
Less: Impairment loss Allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total(C) (I)- Net	53,711.57	-	-	-	-	-	-	53,711.57	62,165.52	-	-	62,165.52
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss Allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II)- Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C(I) and C (II)	53,711.57	-	-	-	-	-	-	53,711.57	62,165.52	-	-	62,165.52



(Rupees in Thousand)

[illegible]

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

Note: 5 Other financial Assets

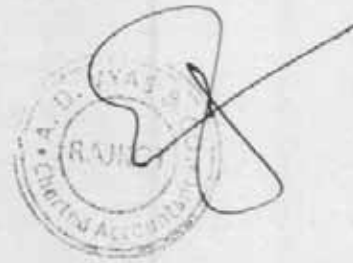
Particulars	(Rupees in Thousand)	
	As at 31.03.2022	As at 31.03.2021
Unsecured considered good		
At amortised Cost		
Security Deposit	269.62	269.62
Other advances	190.98	173.49
Total	460.60	443.11

A handwritten signature in black ink is written over a circular official stamp. The stamp contains some text, but it is mostly illegible due to the signature and the quality of the scan. The signature appears to be a stylized 'S' or 'K' with a long horizontal stroke.

Note No.6 inventories

(Rupees in Thousand)

Particulars	31st March 2022	31st March 2021
Inventory at the end of the year		
Shares	209.43	209.43
	209.43	209.43
Inventory at the beginning of the year		
Shares	209.43	209.43
	209.43	209.43



Note No. 7 Deferred Tax

(Rupees in Thousand)

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax liability		
Deferred tax liability depreciation	461.92	457.34
Gross deferred tax liability	461.92	457.34
Deferred tax assets		
Deferred tax asset on npa provision	809.39	1,321.34
Deferred tax asset on loss	307.77	619.91
Gross deferred tax asset	1,117.16	1,941.25
Net deferred tax assets	655.24	1,483.91



A handwritten signature is written over a circular stamp. The stamp contains the text "D.V.V.", "Raj", and "Chartered Accountant".

Note No. 8 Property, Plant and Equipment as at 31st March 2022

₹ Rupees in Thousand

Assets	Useful Life (in Years)	Gross Block				Accumulated Depreciation/ Amortisation and Impairment				Net carrying amount	
		Gross carrying amount 1st April 2021	Additions during the year	Addition on account of business acquisition	Disposals	Gross carrying amount 31st March 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2021
Own Assets											
Premises	60	3,494.61	-	-	-	3,494.61	1,266.79	58.60	Nil	1,325.39	2,227.83
Office Equipments	5	178.64	-	-	-	178.64	178.42	0.23	Nil	178.64	0.23
Air Conditioners	5	39.13	-	-	-	39.13	39.13	-	Nil	39.13	-
Furniture and Fixtures	10	2,188.21	-	-	-	2,188.21	2,177.11	1.43	Nil	2,178.54	11.09
Computers	3	1,680.61	-	-	-	1,680.61	1,642.66	20.62	Nil	1,663.28	37.95
Total (A)		7,581.21	-	Nil	Nil	7,581.21	5,304.11	80.85	Nil	5,384.99	2,277.10
P.Y Total		7,589.40	11.81	Nil	Nil	7,581.21	5,028.28	275.83	Nil	2,277.10	2,541.12

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
(Rupees in Thousand)

Particulars	As at 31st March 2022	As at 31st March 2021
(I) Trade Payables		
Creditors for Expenses	1,070.13	4,435.34
Gross Trade Payables	1,070.13	4,435.34
(II) Other Payables		
Professional Tax Payables	4.32	3.20
TDS Payable	-	-
Gross Other Payables	4.32	3.20
Gross Payables	1,074.45	4,438.54

Ageing for Trade Payables as at 31-03-2022
(Rupees in Thousand)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than	1-2 Years	2-3 Years	More	
		1 Year			than 3 Years	
MSME						
Others	873.00	48.60	148.53	0.00	0.00	1070.13

Note No. 10 Provisions		₹ Rupees in Thousand			
Particulars	As at 31st March 2022		As at 31st March 2021		Total
	Long-term	Short-term	Long-term	Short-term	
Provision for employee benefit					
Provision for leave encashment	Nil	0	Nil	0	0
Provision for bonus	Nil	0	Nil	0	0
Other provisions	Nil	0	Nil	0	0
Audit fee provisions	Nil	20	Nil	10	10
Total	Nil	20	Nil	10	10

A handwritten signature is written over a circular official stamp. The stamp contains the text "D. MINE" and "GOVT. OF KARNATAKA".

Note No. 11 Interest Income

Rupees in Thousand


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		3,381.20			3,715.87	
Interest income from investments						
Interest on deposits with Banks						
Other interest Income						
Total		3,381.20			3,715.87	



Note No. 12 Dividend Income

Rupees in Thousand

Particulars	31st March 2022	31st March 2021
Dividend	48.20	30.34
Total	48.20	30.34



A handwritten signature is written over a circular stamp. The stamp contains the text "A.D. VISA" and "CHITGO" around a central emblem.

Note No. 13 Other income

A

Rupees in Thousand

Particulars	Rupees in Thousand	
	31st March 2022	31st March 2021
Other non-operating income		
Interest on income tax refund	0	0
	0	0
Total	0	0



Note No. 14 Changes in inventories

Rupees in Thousand

Particulars	31st March 2022	31st March 2021
Inventory at the end of the year		
Shares	209	209
	209	209
Inventory at the beginning of the year		
Shares	209	209
	209	209



A handwritten signature is written over a circular stamp. The stamp contains the text "A.D.I." and "Chertab" around a central emblem.

Note No. 15 Employee benefit expenses

Rupees in Thousand

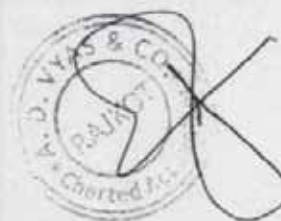
Particulars	31st March 2022	31st March 2021
Salaries and Wages	798.96	612.71
Staff welfare Expenses		
Bonus to employees	6.60	6.60
Leave Encashment	4.23	0.00
	10.83	6.60
Total	809.79	619.31



Note No. 16 Other expenses

Rupees in Thousand

Particulars	31st March 2022	31st March 2021
Advertising expenses	46.57	45.72
Annual custodial fee	21.24	21.24
Audit fees	10.00	14.75
Repairs and maintenance expenses	2.00	3.85
Travelling Expenses	149.05	48.53
D-mat charges	0.58	2.60
Donations	-	515.00
Electricity expenses	27.39	24.71
Interest on late payment of taxes	0.53	3.03
Information technology expenses	5.30	4.99
Legal and professional expenses	173.84	773.37
Listing fee	364.62	354.00
Office exp.	32.56	29.88
Periodicals and newspapers	-	-
Telephone and postage expenses	0.42	15.26
Printing and stationery	-	22.47
Provision against npa	-2,000.00	-
Bad debts expense	-	-
Provision against standard assets	-33.95	-0.81
Car hire charges	480.00	480.00
Misc exp.	1.00	1.60
Bank Charges	7.45	2.00
Membership Fee	-	17.70
Total	-711.42	2,379.89



Note No. 17 Earning Per Share

₹

in rupees

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Basic				
Profit after tax (A)	2,416,091	173,376	2,416,091	173,376
Weighted average number of shares outstanding (B)	40,00,000	40,00,000	40,00,000	40,00,000
Basic EPS (A / B)	0.60	0.04	0.60	0.04
Face value per share	10	10	10	10

	PARTICULARS	31st March 2022	31st March 2021
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	3,244.76	471.19
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	-1,953.07	275.83
	Dividend income	-48.20	-30.34
	Other Inflows / (Outflows) of cash	0.00	-0.81
	Operating profits before Working Capital Changes	1,243.49	715.87
	Adjusted For:		
	Increase / (Decrease) in trade payables	-3,365.22	864.46
	Increase / (Decrease) in other current liabilities	11.12	-73.71
	(Increase) / Decrease in Short Term Loans & Advances	10,470.41	158.89
	Cash generated from Operations	7,116.32	949.65
	Income Tax (Paid) / Refund	0.00	-
	Net Cash flow from Operating Activities(A)	8,359.81	1,665.51
B.	Cash Flow From Investing Activities		
	Purchase of tangible assets	0.00	-11.81
	Non Current Investments / (Purchased) sold	0.00	-
	Dividends received	48.20	30.34
	Net Cash used in Investing Activities(B)	48.20	18.54
C.	Cash Flow From Financing Activities		
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	8,408.01	1,684.05
E.	Cash & Cash Equivalents at Beginning of period	4,735.90	3,051.85
F.	Cash & Cash Equivalents at End of period	13,143.91	4,735.90
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	8,408.01	-1,684.05



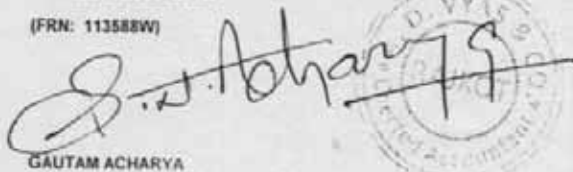
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As per our report of even date

For A. D. Vyas & Co.

Chartered Accountants

(FRN: 113588W)


GAUTAM ACHARYA

PARTNER

Membership No.: 149632

Place: Rajkot

Date: 27/05/2022

For and on behalf of the Board of Directors


Bhavdeep Vaia


Director

DIN: 00153775


Hitesh Bagdai

Managing Director

DIN: 00575732


(CS Dea N. Vachhani)
Company Secretary cum
Compliance Officer
M. No. A26801

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

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

A. Significant Accounting Policies**1. Basis of accounting:-**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Revenue Recognition: -

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

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.

However, no interest income has been booked on loan provided to the following borrowers, as interest waiver letter has been received from the borrower, and a board resolution to that effect has been passed in the board meeting held on 01st November, 2021;

Account Name	Principal Amount (Recovered from the borrower)	Interest Amount not recognized as income
Ashokbhai G. Dobaria	7,18,455/-	14,881/-
Jagdishbhai G. Dobaria	70,94,562/-	1,62,509/-



b. Other Income

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

4. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

6. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. Dividend is accrued when the right to receive is established i.e. when declared by the investee company.

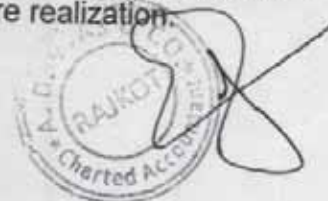
7. Inventories :-

Inventories are valued as under:-

1. Inventories : At cost value

8. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassess realization.



9. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

(B) Notes on Financial Statements

1. The SSI status of the creditors is not known to the Company; hence the information is not given.
2. Salaries includes directors remuneration on account of salary Rs.4,50,000/-
3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
5. No provision for retirement benefits has been made, in view of accounting policy No. 11. The impact of the same on Profit & Loss is not determined.
6. Related Party disclosure as identified by the company and relied upon by the auditors:

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Hitesh M Bagdai
2. Bhavedeep Vala
3. Poonam Bagdai
4. Kantilal Khakhar
5. Ketanbhai Dhulesiya
6. Janish Ajmera
7. Dev Vachhani



Transactions with Related parties

(Figure in Lacs)

	Transactions during the year			
	Current Year		Previous year	
Particulars	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Remuneration Paid	4.50	-	4.50	-
Rent Paid	4.80	-	4.80	-

7. % of imported & indigenous raw material & consumables

Particulars	2022		2021	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	0.00	0.00	0.00	0.00

8. Value of Imports

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

9. Expenditure in Foreign Currency Nil Nil

10. Earning in Foreign Exchange Nil Nil

11. Previous year figures have been regrouped/rearranged wherever necessary.

Signature to notes 1 to 11

In terms of Our Separate Audit Report of Even Date Attached.

For A. D. Vyas & Co.
Chartered Accountants

For M/S RAJATH FINANCE LTD.

(GAUTAM ACHARYA)
PARTNERSd/-
Hitesh Bagdai
DirectorSd/-
Bhavdeep Vala
DirectorMembership No. 149632
Registration No. 113588W
Place: - Rajkot
Date: - 27/05/2022

DIN : 00575732

DIN : 00153775

mDea
(CS Dea N. Vachhani)
Company Secretary cum
compliance officer
M. No. A26801

Ratio Analysis			
PARTICULARS	Unit	2021-22	2020-21
Current Ratio	Times	19.36	8.86
Debt-Equity Ratio	Times	0	0
Debt Service Coverage Ratio	Times	#DIV/0!	#DIV/0!
Return on Equity Ratio	%	3.49	0.26
Inventory Turnover Ratio	Times	16.14	17.74
Trade Receivable Turnover Ratio	Times	0.00	0.00
Net Capital Turnover Ratio	%	4.88	5.56
Net Profit Ratio	%	96.12	12.68
Return on Capital Employed	%	3.49	0.26
Return on Investment	%	3.49	0.26



A handwritten signature is written over a circular stamp. The stamp contains the text "A.C.A." at the top, "2020-21" in the center, and "Chartered Accountant" at the bottom.

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 30th day of September, 2022 at 03:00 P.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, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Hitesh Bagdai [DIN: 00575732] who retires by rotation and, being eligible, offers himself for re-appointment.

Signed ____ day of September, 2022

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

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.

ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Annual General Meeting of the company held on Friday, 30th September, 2022

Regd. Folio No. / DP ID-Client ID No.:	
No. of Equity Shares	
Name of the Shareholders	
Address of the Shareholders	
Name of Proxy of Member	

1. I/We hereby record my/our presence at the ANNUAL GENERAL MEETING of the company being held on Friday, 30th September, 2022 at 03:00 P.M. at the Registered office of the company situated at 208-215, Star Plaza, Phulchhab Chowk, Rajkot-360001, Gujarat India
2. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
3. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Notice of the AGM for reference at the meeting.

Signature of the shareholder's/ Proxy present

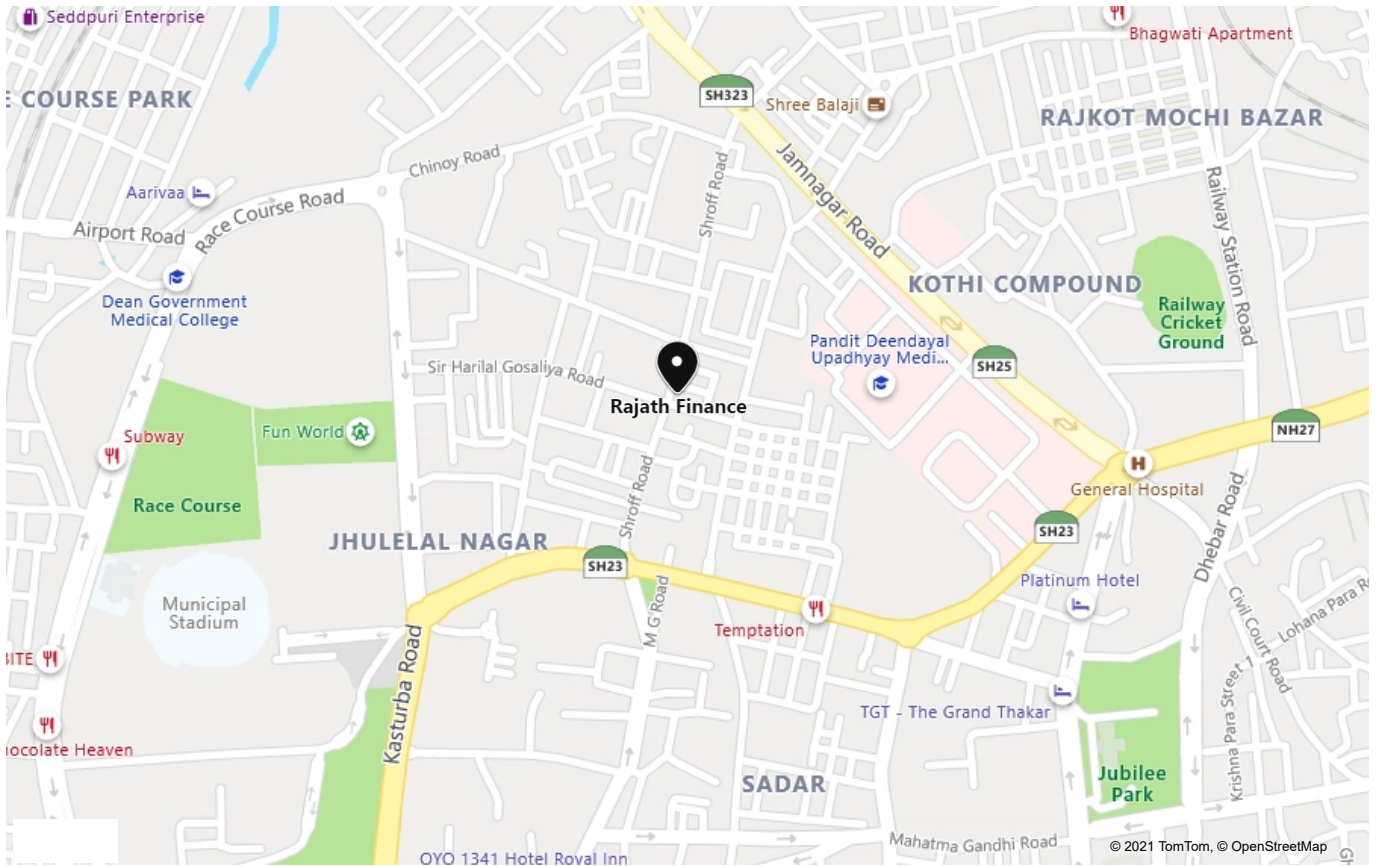
Note: Please carry duly filled attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

Rajath Finance

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

Tel: 0281 2447800

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



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