



# RR FINANCIAL CONSULTANTS LIMITED

Regd off: 47, M. M. Road, Rani Jhansi Marg, Jhandewalan, New Delhi – 110055

## NOTICE

**NOTICE** is hereby given that the **Twenty Third Annual General Meeting (AGM)** of the members of **RR Financial Consultants Limited** will be held on **Friday, the 31<sup>st</sup> December 2010**, at **9:30 A.M** at Village 13/24 Village Daulatpur, New Delhi - 110043, to transact the following businesses:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as on 30<sup>th</sup> June, 2010, Profit & Loss Account for the period ended on that date and the Reports of the Board of Directors & Auditors thereon.
2. To declare and approve dividend on equity shares of the Company.
3. To appoint a Director in place of Mr. Rajesh Agrawal, who retires by rotation at this meeting and being eligible, offer himself for re-appointment.
4. To appoint M/s Sandeep Ramesh Gupta & Co., Chartered Accountants as Auditors of the company to hold office from the conclusion of this meeting to the conclusion of the next meeting and to fix their remuneration.

### **SPECIAL BUSINESS**

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

**“RESOLVED** that pursuant to the provisions of Section 198, 269, 309 & 310 and all other applicable provisions of the Companies Act, 1956 read with Section I of Part II of Schedule XIII to the Companies Act 1956 and other related provisions if any, Mr. Rajat Prasad be and is hereby Re appointed as Managing Director of the Company with effect from 1<sup>st</sup> October 2010 for a period of five years with revised remuneration, as set out in the Explanatory Statement annexed hereto.

**FURTHER RESOLVED** that in the event of absence or inadequacy of profits in any financial year the remuneration as above shall be paid as minimum remuneration subject to the ceiling as prescribed in schedule XIII of the Companies Act, 1956.

**FURTHER RESOLVED** that the Board of Directors of the Company be and are hereby authorized to take all necessary steps as a may be required to give effect to this resolution.

**FURTHER RESOLVED** that the remuneration Committee and/ or the Board of Directors of the Company may revise the remuneration payable to Mr. Rajat Prasad from time to time at its discretion subject, however, to the overall limits laid down under schedule XIII read with other applicable provisions of the Companies Act, 1956 without further reference to the shareholders.”

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

**“RESOLVED THAT** the consent of the Company be and is hereby granted, in accordance with Section 293 (1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and the Article of Association of the Company, to the Board of Directors of the Company, to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which together with monies already borrowed by the Company, (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) by a sum not exceeding Rs. 400 Crores (Rupees Four Hundred Crores Only), and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and condition or all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit.”

7. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED that** pursuant to applicable provisions of the Companies Act, 1956, Article 58 of the Articles of Association of the company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, and such other approvals, permissions and sanctions as may be necessary and subject to such terms and modifications as may be specified while according such approvals, the Board of Directors be and is hereby authorized to capitalized a sum of Rs. 5,53,03,500 out of Share Premium Account and be distributed amongst the equity shareholders of the company, by issue of 5530350 equity shares of Rs. 10 each credited as fully paid up to the equity shareholders in the proportion of One equity shares for every One equity shares held by them on the record date to be declared by the board.

**RESOLVED FURTHER THAT** the issue and allotment of Bonus shares shall be subject to the following terms and conditions:-

- a. New Equity Shares of Re.10/- each to be allotted as Bonus Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing Equity Shares and shall be entitled to participate in full in any dividends to be declared for the financial year in which the Bonus Shares are allotted;

- b. No letter of allotment shall be issued to the allottees of the Bonus shares and the Share Certificates in respect of the new Equity Shares shall be issued and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the Bonus shares will be credited to the demat accounts of the allottees who are holding the existing Equity Shares in electronic form;
- c. The allotment of fully paid new Equity Shares as Bonus Shares to the extent that they relate to non-resident members of the Company, shall be subject to the approval, if necessary, of Reserve Bank of India under the Foreign Exchange Management Act, 1999 and Rules framed there under.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the issue, allotment and distribution of the new Equity Shares.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 81, 81(1A) of the companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to relevant provisions of the Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009 and amendments thereto as in force and subject to all other applicable rules, regulations and guidelines of the Securities and Exchange Board of India (SEBI), the applicable provisions of Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or Issue of Security by a person Resident outside India) regulations, 2000, Issue of Foreign Currency Convertible Bonds and ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and enabling provisions of the Memorandum and Articles of Association of the company and the Listing Agreements entered into by the company with the Stock Exchanges where the shares of the Company are listed and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchanges, Reserve Bank of India (RBI), and all other authorities as may be required, whether in India or outside India, (hereinafter referred to as “Appropriate Authorities), and subject to such conditions as may be prescribed by any of them while granting any such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as “Requisite Approvals”), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent of the member of the company be and is hereby accorded to the Board at their absolute discretion to create, offer, issue and allot in one or more tranches, in the course of domestic/international offerings to Domestic/ Foreign Investors/institutional Investors/ Foreign Institutional investors, trusts Mutual funds, Banks, financial Institutions, Insurance Companies, Pension Funds, retail public or otherwise, whether

Members of the Company or not, such number of Global Depository Receipts (GDRs) or American Depository receipts (ADRs), Qualified Institutional placements(QIPS), Foreign Convertibles Currency Bonds (FCCB), with or with out Green Shoe Option, Equity shares and/or Equity Shares (through depository receipt Mechanism or directly to Investors) and/or any other financial instruments convertible into Equity Shares or otherwise, in registered or bearer form and/or any security convertible into Equity shares, securities, linked to Equity Shares and/or securities with or without detachable warrants with right Exchange(s) where the company's shares are listed or proposed to be listed , Issuance of shares on Rights basis to the Existing Shareholders and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the aforesaid Securities, utilization of the issue proceeds and to do all acts, deed and things in connection therewith and incidental thereto as the board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to Rajat Prasad & Raghunandan Prasad, Directors or Company Secretary of the company to give effect to the aforesaid resolution.”

**By Order of the Board of Directors**

**Sd/-  
Rajat Prasad  
Managing Director**

Place : New Delhi  
Date : 02.12.2010

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH NEED NOT BE A MEMBER OF THE COMPANY. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. Members proxies should bring the attendance slip sent herewith duly filled in for attending the Annual General Meeting. Members are requested to bring their copy of Annual Report while attending the Annual General Meeting.
3. The Register of Members and the Share Transfer books shall remain closed from 11.12.2010 to 14.12.2010 (both days Inclusive) for the purpose of payment of dividend and Annual General Meeting.
4. If dividend on equity shares as recommended by the Directors is approved at the meeting, the payment of such dividend will be made to those members of the Company whose name appear on the Register of Members and as per beneficial owners position received from National Securities Depository Services (India) Limited (NSDL) and Central Depository Services (India) Ltd. as at the close of December 11, 2010.
5. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the date of meeting, so as to enable the management to keep the information ready/proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
6. Members desirous of appointing their nominee for the shares held by them may apply in the revised nomination form (Form 2B) in duplicate. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled vote.

**By Order of the Board of Directors**

**Sd/-  
Rajat Prasad  
Managing Director**

Place : New Delhi  
Date : 02.12.2010

## Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business items

### ITEM NO. 5

Mr. Rajat Prasad, Managing Director of the company was appointed for a period of 5 year w.e.f 30.09.2005. He has completed five year of his term of office on 29<sup>th</sup> September 2010. Considering his contribution to the growth of the Company, the Board of Directors in their meeting held on 28<sup>th</sup> September 2010 re-appointed Mr. Rajat Prasad as Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> October 2010, subject to the approval of the shareholders on the terms and conditions given below. The terms and conditions and revised remuneration provided herein below;

- a) Salary of Rs. 2, 50, 000/- per month.
- b) Commission on net profits as per the provisions of the Companies Act, 1956 at the rate to be determined by the Board of Directors from time to time.
- c) A company maintained Car with Driver for official and personal use. As and when needed. The valuation for personal use shall be as per Income Tax Rules.
- d) One mobile and one telephone at residence for official use, which will be available for his personal use also as and when needed. The Company shall Recover Expenditure on personal long distance calls.
- e) Gratuity at the rate not exceeding half a month's salary for each completed year of service.
- f) Reimbursement of Entertainment Expenses incurred in the ordinary course of business.

### ITEM NO. 6

Pursuant to the provisions of Clause (d) subsection (1) of section 293 of the Companies Act, 1956, the Board of Directors can not borrow more than the aggregate of the paid up capital of the Company and its free reserves at any time except with the consent of the shareholders of the Company in a General Meeting. Also the Company is in the process of its expansion programme and for which additional funds shall be required in the future.

### ITEM NO. 7

With a view to reward the shareholders of the Company, your Directors have proposed that sums not exceeding Rs. 5,53,03,500 be drawn from the 'Share Premium Account' of the Company and capitalized and transferred to Share Capital Account towards issue and allotment of Equity Shares not exceeding 5530350 Equity Shares of Rs. 10 each as Bonus Shares, credited as fully paid-up, to the members holding Equity Shares as on the Record Date to be specified in this behalf. The Bonus Shares will be issued in the proportion of One new Equity Share for every One Equity Share held on the Record Date. The said Bonus Shares shall rank pari-passu with the then existing Equity Shares.

The Board recommends the Resolution for approval of the shareholders.

The Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of Bonus Shares that may be allotted in respect of the existing shares held by them or by Companies, Bodies Corporate or Trusts of which the directors of the Company are directors, members or beneficiaries.

#### ITEM NO. 8

RR Financial Consultants Limited is the flagship company of RR Group. In order to mobilize funds for the normal capital expenditure, ongoing expansion, general corporate purposes etc, it is proposed to make an offering by way of public offer and / or private placement of Foreign Currency Convertible Bonds (FCCB), Global Depository Receipts (GDR), American Depository Receipts (ADR) or any other equity and / or preference share related instruments. Also, the company is desirous of raising funds through various methods including a Right Issue for further expansion of the Company and smooth functioning of the affairs of the Company.

The Board has, in its meeting held on 2<sup>nd</sup> December 2010, discussed this proposal and recommended this resolution for your approval. None of the Directors is concerned or interested in this resolution.

**By Order of the Board of Directors**

**Sd/-  
Rajat Prasad  
Managing Director**

Place : New Delhi  
Date : 02.12.2010