

# ANNUAL REPORT

## 2018-19

67<sup>th</sup> ANNUAL GENERAL MEETING

**ESAAR (INDIA) LIMITED**

**ESaar (INDIA) LIMITED**  
**Annual Report**  
**2018-19**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Raghvendra Kumar - Executive Whole Time Director  
Mrs. Dipti Yelve - Independent Director  
Mrs. Narmada Patel - Independent Director  
Mr. Mehul Kadiya - Independent Director

### **AUDITORS**

#### **STATUTORY AUDITORS**

**M/s. Harish Arora & Associates**  
A-56, Kumbha Nagar,  
Chittorgarh- Rajasthan Branch- Amet,  
Rajsamand (Raj.)  
Email id:  
harisharoraassociates@gmail.com

#### **INTERNAL AUDITORS**

**M/s. A.M. Gohel & Co.**  
B/104, Sahayog CHS Ltd.,  
Above Central Bank Of India,  
S. V. Road, Kandivali (West),  
Mumbai - 67  
Email id:  
abhay.gohel@mkgohe.com

#### **SECRETARIAL AUDITORS**

**Ms.Riddhi Krunal Shah,**  
**Practising Company Secretary**  
A-1, KokilKunj CHSL., M. G. 'X'  
Road No. 4, Behind Patel Nagar,  
Near Vora Hospital, Kandivali  
(West), Mumbai - 400 067  
Email id:  
krassociates.cs@gmail.com

### **REGISTERED OFFICE**

204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115, Next to Bisleri Factory, W. E,  
Highway Andheri East Mumbai 400099

### **CORRESPONDENCE OFFICE**

Unit No. 402, Western Edge I, Kanakia Spaces, Western Express Highway, Borivali (East)  
Mumbai 400066

### **REGISTRAR & SHARE TRANSFER AGENTS**

**M/s. Purva Sharegistry India Private Limited**  
9 Shiv Shakti Industrial Estate, J R Boricha Marg. Opp. Lodha Excelus, Lower Parel (East),  
Mumbai - 400011  
Tel: 022-23012518  
Email: [support@purvashare.com](mailto:support@purvashare.com) Website: [www.purvashare.com](http://www.purvashare.com)

### **ANNUAL GENERAL MEETING**

Date: 30<sup>th</sup> September, 2019  
Time: 10.00 A.M.  
Venue: 204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi,  
Plot-115, Next to Bisleri Factory, W. E, Highway Andheri  
East Mumbai 400099

### **Forward Looking Statement**

In this Annual Report, we might have disclosed forward-looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



# ESAR (INDIA) LIMITED

NOTICE IS HEREBY GIVEN THAT THE 67TH ANNUAL GENERAL MEETING OF THE MEMBERS OF ESAR (INDIA) LIMITED WILL BE HELD ON, MONDAY, 30TH SEPTEMBER, 2019 AT 10:00 AM. AT REGISTERED OFFICE OF THE COMPANY AT 204 B-WING, NEW PRABHAT SRA CHS LTD, CHIKUWADI, PLOT-115, NEXT TO BISLERI FACTORY, W. E, HIGHWAY ANDHERI EAST MUMBAI 400099 TO TRANSACT THE FOLLOWING BUSINESS:

## ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2019 together with the report of Board of Directors and Auditors thereon.**

To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditors thereon.

2. **Re-Appointment of Director who retires by rotation**

To re-appoint Mr. Raghvendra Kumar, Director (DIN: 08126531), who retires from office by rotation and being eligible, offers himself for reappointment.

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Raghvendra Kumar, Director (DIN: 08126531), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

3. **Appointment of M/s. Harish Arora & Associates, Chartered Accountant (Firm Reg. No. 015226C) as Statutory Auditors of the Company.**

To appoint Auditor of the Company and to fix their remuneration and if thought fit, to pass with or without modification, as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Harish Arora & Associates, Chartered Accountant, (Firm Registration No. 015226C) be and is hereby re-appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 72<sup>nd</sup> Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or the Company Secretary be and is hereby authorized for and on behalf of the Company to take all

necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

**SPECIAL BUSINESS:**

**4. To appoint Mrs. Dipti Yelve (DIN: 07148169) as an Independent Non - Executive Director.**

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

“**RESOLVED THAT** Mrs. Dipti Yelve (DIN: 07148169), who was appointed as an Additional Director of the Company with effect from November 04, 2018 by the Board of Directors, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (‘the Act’) and the Articles of Association of the Company and holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and Regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as amended from time to time, the appointment of Mrs. Dipti Yelve (DIN: 07148169) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from November 04, 2018 up to November 03, 2023, be and is hereby approved.”

**For and on behalf of the Board**

**Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**Director**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

## **IMPORTANT NOTES:**

1. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, in respect of business under item no. 3 and 4 above is annexed to the Notice convening the Annual General Meeting.

2. The Register of Members and the Share Transfer books of the Company will remain closed from **Monday, 23<sup>rd</sup> September, 2019** to **Monday, 30<sup>th</sup> September, 2019** (both days inclusive) for the purpose of AGM.

3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/ herself. Such a proxy/ proxies 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. 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. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts.

6. SEBI has also mandated that for Registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the company for registration of transfer of securities.

7. Details as required in Sub-regulation (3) of Regulation 36 of the SEBI (Listing Regulations & Disclosure Requirements) Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

8. Any person whose name appears in the register of members as on the cut-off date i.e. 23<sup>rd</sup> September, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.



9. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the 67<sup>th</sup> Annual General Meeting.
10. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
11. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
12. Pursuant to Rule 18(3) of The Companies (Management and Administration) Rules, 2014, you are requested to provide your e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.
13. Payment of dividend through ECS/NECS: - Not Applicable (Dividend is not declared by the company).
14. E-voting cut of date is Monday, 23<sup>rd</sup> September, 2019, E-voting shall open from Friday 27<sup>th</sup> September, 2019 at 9:00 a.m. and ends on Sunday 29<sup>th</sup> September, 2019 at 5:00 p.m.
15. Ms. Riddhi Krunal Shah, Company Secretary (Membership No. ACS 20168) in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board can scrutinize the e-voting process in fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman. The Result declared along with the Scrutinizer's Report shall be placed on the website of the Company and also on the website of NSDL within two (2) days of passing of the resolutions at the EGM of the Company and communicated to the Stock Exchanges.
16. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2019 is being sent in the Permitted mode.
17. Electronic copy of the Notice of the 67<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, Physical copy of the Notice of the 67<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. The EVEN Number for e-voting for the Extra Ordinary General Meeting is **112368**.

**The procedure and instructions for voting electronically are as follows:**

**The procedure to login to e-Voting website consists of two steps as detailed hereunder:**

**Step 1 : Log-in to NSDL e-Voting system**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
  - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
5. Your password details are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
  - c. How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [krassociates.cs@gmail.com](mailto:krassociates.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

**EXPLANATORY STATEMENT**  
**Pursuant to Section 102(1) of the Companies Act, 2013**

**Item No. 3**

The Audit Committee and Board of Directors in their meeting held on 14<sup>th</sup> March, 2019 has recommended the Appointment of M/s. Harish Arora & Associates, Chartered Accountant, (Firm Registration No. 015226C) as Statutory Auditor of the Company to hold office from the conclusion of the ensuing 67<sup>th</sup> Annual General Meeting till the conclusion of the 72<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2024.

In this regard, pursuant to regulation 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please refer the following details:

<b>Proposed fees payable to the statutory auditor(s)</b>	Audit fees as may be decided by the Board of Directors after taking into consideration the volume of work Involved
<b>Terms of appointment</b>	Appointed for a period of 5 (five) years commencing from the ensuing 67 <sup>th</sup> Annual General Meeting.
<b>Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed</b>	To re-appoint the same auditors as previous auditors

**Item No.4:**

Mrs. Dipti Yelve was appointed by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company as additional Independent director on 4<sup>th</sup> November, 2018. She holds Office until the ensuing annual general meeting under section 161 (1) of the Companies Act, 2013. As per the current provisions of company law and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mrs. Dipti Yelve as Independent director of the company pursuant to section 149, Schedule IV and other applicable provision, if any, of the Companies Act, 2013. The proposed appointment is recommended by the board. In respect of her proposed appointment, the company has, as required by section 160 of the Companies Act, 2013, received a notice in writing regarding her candidature for the office of the director. Mrs. Dipti Yelve has submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that she meets the criteria of independence as provided in sub section. Mrs. Dipti Yelve is not disqualified from being appointed as director in terms of section 164 of the Act.

In the Opinion of the Board the proposed appointment of Mrs. Dipti Yelve as independent director fulfills the conditions specified in the Act and the rules made there under and that the proposed appointment of Mrs. Dipti Yelve is independent of the management.

The Board of Director is of the opinion that Mrs. Dipti Yelve possesses requisite skills, experience and knowledge relevant to the company's business and it would be in the interest of the company to continue to have her association with the company as director.

Brief profile of Mrs. Dipti Yelve and the disclosures required under Listing Regulations, 2015 are given as additional information about the directors, which forms part of the Notice.

The Board recommends passing of the ordinary resolution set out in item no. 4 of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 4.

**For and on behalf of the Board**

**Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**Director**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

**Brief Profile of Director Being Appointed / Re-Appointed**

(Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015)

Particulars	Mrs. Dipti Yelve
DIN	07148169
Date of Birth	26/06/1984
PAN	ASXPM3257E
Date of Appointment	04/11/2018
Shareholding in the Company	NIL
Qualifications	Graduate
Experience in Specific Functional areas	Banking & Finance
Directorship held in other listed entities	NIL
Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)	NIL
Relationships, if any between Directors, interest.	No

For and on behalf of the Board

Esaar (India) Limited

Sd/-

Raghvendra Kumar

Director

DIN: 08126531

Place: Mumbai

Date: 29/05/2019

### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Annual General Meeting shall be held on Monday, the 30<sup>th</sup> September, 2019 at 10.00 a.m., at the Registered Office at **204 B-Wing, New Prabhat Sra Chs Ltd, Chikuwadi, Plot-115, Next To Bisleri Factory, W. E, Highway Andheri East, Mumbai 400099.**

Full name of the member's attending \_\_\_\_\_  
(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_  
No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_  
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the Annual General Meeting of the Esaar (India) Limited held at the Registered Office at **204 B-Wing, New Prabhat Sra Chs Ltd, Chikuwadi, Plot-115, Next To Bisleri Factory, W. E, Highway Andheri East Mumbai 400099** on Monday, the 30<sup>th</sup> September, 2019 at 10.00 a.m.

(Member's /Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the AGM Notice to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014 – Form No.MGT-11)

Name of the Member(s): .....

Registered address: .....

E-mail Id: .....

Folio No. / Client ID No. : ..... DP ID No. ....

I / We, being the member(s) of ..... Shares of Esaar (India) Limited, hereby appoint:

1. Name: ..... E-mail Id: .....

Address:..... Signature: .....

or failing him

2.Name:.....E-mail Id: .....

Address:..... Signature: .....

or failing him

3. Name: .....E-mail Id: .....

Address:..... Signature: .....

..... 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 of the company to be held on Monday, 30<sup>th</sup> September, 2019 at 10.00 a.m. at **204 B-Wing, New Prabhat SRA CHS Ltd, Chikuwadi, Plot-115, Next To Bisleri Factory, W. E, Highway Andheri East Mumbai 400099** and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Sr. No.	Resolution	Vote	
		For	Against
1.	To consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2019 together with the report of Board of Directors and Auditors thereon.		
2.	To re-appoint Mr. Raghvendra Kumar, Director (DIN: 08126531), who retires from office by rotation being eligible, offers himself for reappointment.		
3.	Appointment of M/s. Harish Arora & Associates, Chartered Accountant having office at A-56, Kumbha Nagar, Chittorgarh-Rajasthan, Branch-Amet, Rajsamand (Raj. (Firm Reg. No. 015226C) as Statutory Auditors of the Company.		

Sr. No.	Resolution	Vote	
		For	Against
4.	Appointment of Mrs. Dipti Yelve (DIN: 07148169) as an Independent Non-Executive Director of the Company.		

Signed this ..... day of ..... 2019

Signature of shareholder

of Proxy holder(s)

**NOTES:**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

Affix Revenue Stamp
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Signature



## Directors' Report

To,  
The Members,

Your Directors are pleased to present the 67<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts and Auditors' Report for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

(Amount in lakhs.)

Particulars	2018-19	2017-18
Revenue from sale of shares	9,671.19	14.90
Revenue from interest income	152.55	98.25
Revenue from Sale of commodity	-	-
Revenue from other income	9.09	-
<b>Total Revenue</b>	<b>9,832.83</b>	<b>113.16</b>
<b>Total Expenses</b>	<b>9,738.48</b>	<b>131.45</b>
Profit / (Loss) before Dep., Int & Tax	94.34	(18.29)
Depreciation	-	-
Interest	63.11	17.59
Profit/ (Loss) after Dep. & Interest & before tax	31.23	(18.29)
Provision for taxation	-	-
Provision for tax (deferred)	-	-
Tax adjustment for earlier years	-	(3.38)
Profit/ / (Loss) after Tax	31.23	(21.68)
<b>Net Profit/(Loss)</b>	<b>31.23</b>	<b>(21.68)</b>
EPS	0.15	(0.01)

### RESULTS OF OPERATIONS AND STATE OF AFFAIRS:

During the year under review the company has generated the revenue of Rs. **9,832.83** lakhs as compared to Rs. **113.16** lakhs in the previous year. The net profit of Rs. 31.23 lakhs as compared to the loss of Rs. 21.68 lakhs in the previous year.

In details it can be clearly seen from the figures available the Company traded in securities during the year under review which resulted into revenue of Rs. 9,671.19 lakhs from Share Trading Segment as compare to Rs. 14.90 lakhs in previous year and interest income has increased to Rs. 152.55 lakhs as compared to the previous year which was Rs.98.25 lakhs. The company has not traded in Sale of Commodities Segment during the year.

### DIVIDEND:

With the view to conserve financial resources of the Company, your Directors do not recommend any dividend on equity shares for the year ended 31<sup>st</sup> March, 2019.

**DEPOSITS:**

The company has not accepted any public deposits during the year under review.

**SUBSIDIARIES:**

The company is not having any subsidiary company.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The Board meets at regular intervals to discuss and decide on the company's policies and strategy apart from other Board matters. During the Financial year 2018-2019, The Board met Eleven times during the year on 28th April, 2018; 14th May, 2018; 28th May, 2018; 14th August, 2018; 4th November, 2018; 14th November, 2018; 21st November, 2018; 4th January, 2019; 14th January, 2019; 14th February, 2019 and 14th March, 2019.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review, Mr. Nitesh Pandirkar, Whole Time Director and Mr. Ankit Maheshwari, Independent director of the company resigned from the Directorship of the company w.e.f 14<sup>th</sup> May 2018 and 04<sup>th</sup> November, 2018 respectively and Mr. Upendra Patel, Independent director has incurred disqualification under Section 164(2) of Companies Act 2013 and therefore the office of Mr. Upendra Patel is vacated under Section 167 of Companies Act 2013 with effect from 4th March, 2019. The Board of Directors of the Company appreciates the Contributions made by them during their tenure of Directorship.

On the recommendation of Nomination & remuneration Committee the Board appointed Mr. Raghvendra Kumar as Whole-Time director and Mrs. Dipti Yelve as Independent Director w.e.f. 14<sup>th</sup> May 2018 and 04<sup>th</sup> May, 2018 respectively.

The Company had appointed Mr. Kekin Patel (membership number 37872) as on 4<sup>th</sup> January, 2019 and he was tendered his resignation on 26<sup>th</sup> February, 2019 and therefore, Company is in the process to appoint Company Secretary

The Company had appointed Mr. Aneesh Saggur Chief Executive Officer (CFO) dated 04<sup>th</sup> January, 2019 and he had resigned on 29<sup>th</sup> March, 2019 and therefore, Company is in process to appoint Chief Executive Officer (CFO).

As required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 the information on the particulars of directors proposed for appointment/re-appointment has been given in the notice of annual general meeting with the stock exchanges.

**STATE OF COMPANY'S AFFAIRS**

It is imperative that affairs of our Company are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

## GENERAL

The Directors would like to inform you the following:

1. The place of keeping books of accounts and papers of the company was shifted within the local limits w.e.f 14<sup>th</sup> March, 2019 **from** 204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115, Next to Bisleri Factory, W. E, Highway Andheri East Mumbai 400099 to Unit No. 402, Western Edge I, Kanakia Spaces, Western Express Highway, Borivali (East) Mumbai 400066;

## BOARD COMMITTEES:

Your company has formed following Committees of the Board in accordance with Companies Act, 2013:

### ❖ Audit Committee

The Audit Committee comprises Mrs. Dipti Yelve Shashank as Chairman, Mr. Raghvendra Kumar and Mr. Mehulkumar Kadiya as the members. The Committee has assigned role, powers and responsibilities as provided under Section 177 of the Companies Act, 2013.

### ❖ Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Mrs. Dipti Yelve Shashank as Chairman, Mr. Mehulkumar Kadiya and Mrs. Narmadaben Patel as the members. The Committee is formed for the purpose of recommending the Nomination and Remuneration and evaluation of the Directors' performance.

### ❖ Stakeholders Relationships Committee

The Stakeholders Relationships Committee comprises Mrs. Dipti Yelve Shashank as Chairman, Mr. Raghvendra Kumar and Mr. Mehulkumar Kadiya as the members.

## CORPORATE SOCIAL RESPONSIBILITY [CSR]:

The provisions of the CSR expenditure and Composition of Committee, as provided in the Section 135 of the Companies Act, 2013, are not applicable to the company.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2019 the applicable accounting standards have been followed.
- b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the State of affairs of the

corporation as at the end of March 31, 2019 and of the profit of the Company for the year ended on that date.

c) 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 the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Annual Accounts of the Company have been prepared on the ongoing concern basis.

e) That they have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.

f) That system to ensure compliance with the provisions of all applicable laws were in place and was adequate and operating effectively.

#### **DECLARATION OF INDEPENDENCE BY DIRECTORS:**

The Independent Directors have confirmed and declared that they are not disqualified to act as the Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

#### **STATUTORY AUDITOR:**

M/s. Harish Arora & Associates, Chartered Accountant having office at A-56, Kumbha Nagar, Chittorgarh-Rajasthan, Branch-Amet, Rajsamand (Raj.) having Firm Registration No. 015226C, were appointed as the Statutory Auditors of the Company for the FY 2018-19 at the Extra-Ordinary General Meeting held on 12<sup>th</sup> June, 2019 to fill the casual vacancy caused by resignation of M/s. Mahesh C. Solanki & Co. (M. No. 074991 and Firm Reg. No. 006228C).

#### **SECRETARIAL AUDITOR:**

The Board recommended the name of Ms. Riddhi Shah, Company Secretary in Practice, for conducting Secretarial Audit for F.Y. 2018-19 pursuant to the requirements of Section 204 (1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Ms. Riddhi Shah has shown her eligibility and willingness to conduct Secretarial Audit for F.Y. 2018-19 and has been appointed by the board in their meeting held on May 29, 2019. The Secretarial Audit Report as received from Ms. Riddhi Shah is appended to this Report as **Annexure I**.

#### **AUDITORS REPORT**

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

## **COMMENT/EXPLANATION ON REMARKS/OBSERVATIONS/QUALIFICATION MADE BY THE AUDITORS**

M/s. Harish Arora & Associates Chartered Accountant and Ms. Riddhi Shah, Practicing Company Secretary in their respective Auditor Report for financial year 2018-19 have drawn the attention of the management on some Prudential Norms of NBFC, which have been marked as qualification/observation/remarks in their report.

## **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

- Conservation of Energy and Technology Absorption

The Company is not required to give information relating to conservation of energy and technology absorption as the Company is not engaged in any activities referred to in Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

- B. Foreign Exchange earnings and Outgo

The Company does not have any Foreign exchange earnings / expenses during the year under review and therefore the information in respect of Foreign Exchange Earnings and Outgo as required by Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not provided.

## **PARTICULARS OF INTER-CORPORATE LOANS & INVESTMENT**

During the financial year 2018-19, the Company has not made any investment. Further the Company has not given any guarantee or security to any person or body corporate.

## **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY**

The Company being a Non-Banking Finance Company, the provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in connection with loans to any other bodies corporate or persons are not applicable to the Company.

As regards investments made by the Company, the details of the same are provided under notes in the financial statements of the Company for the year ended March 31, 2019.

## **SECRETARIAL STANDARDS**

During the financial year 2018-19, the Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.



## **DEMATERIALIZATION OF EQUITY SHARES**

Equity Shares of the Company are compulsorily tradable in electronic form. As on March 31, 2019, 19717384 of the Equity Shares are held in electronic form and only 725116 Equity Shares out of 20442500 Equity Shares were held in physical form. SEBI has recently amended relevant provisions of Listing Regulations to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders holding shares in physical form were informed on prohibition on transfer of shares in physical form and demat of shares as per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 08.06.2018 and amendment circular dated 03.12.2018.

## **RESERVE BANK OF INDIA DIRECTIONS**

Your Company is categorized as a Non-Deposit taking Non-Systemically Important Non-Banking Finance Company (NBFC-NDNSI). Accordingly, during the year, the Company has not accepted any deposits from the public and there were no deposits which become due for repayment or renewal. The Company has complied with the 'Master Direction-Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016', amended from time to time and all other applicable Directions of RBI during FY 2018-19.

## **EXTRACT OF ANNUAL RETURN**

The extract of the Annual return in Form MGT-9 is annexed herewith as **Annexure II**. In compliance with Section 134(3)(a) of the Act, the extract of Annual Return in MGT-9 as required under Section 92(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014 may be accessed on the Company's website at <https://www.esaarindia.wordpress.com>.

## **MATERIAL CHANGES & COMMITMENTS**

There has been no material changes and Commitment affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the Report.

## **BOARD EVALUATION**

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed its satisfaction with the evaluation process.

## **REPORTS ON CORPORATE GOVERNANCE**

In terms of Regulation 34 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year under review is forming part of the Annual Report. The certificate from

the Secretarial Auditor of the Company confirming compliance with the conditions of Corporate Governance is annexed to the Report on Corporate Governance is annexed herewith as **Annexure V**.

#### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year, Eleven Board Meetings were convened and held, details of which are given in the Report on Corporate Governance forming part of the Annual Report.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES**

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the web link to the same is [https://esaarindia.files.wordpress.com/2016/03/whistle-blower-policy\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/03/whistle-blower-policy_esaar.pdf).

#### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Board has also formulated a Policy relating to remuneration of Directors, members of Senior Management and Key Managerial Personnel. The policy is available on the website of the company [https://esaarindia.files.wordpress.com/2016/03/policy-on-remuneration-of-directors-kmp-senior-employees\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/03/policy-on-remuneration-of-directors-kmp-senior-employees_esaar.pdf)

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of investments covered under section 186 of the Companies Act, 2013 will be produced for verification to the members at the Registered Office of the company on their request.

#### **MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided in the Annual Report. The disclosures as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been appended to this Report as Annexure IV.

#### **RISK MANAGEMENT POLICY**

The Company has a robust Risk Management framework to identify measure and mitigate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 are given in **Annexure III**.

Prior omnibus approval of the Audit Committee has been obtained on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

Your Company has formulated a policy for dealing with related party transactions which is also available on website of the Company at <https://esaarindia.wordpress.com/>

## **OTHERS**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Your Company has been registered as a NBFC since 1998 in terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Your company is categorized as Non-Deposit taking Non-Banking Financial Company. The Company has not accepted any deposits during the year from the public within the meaning of Section 73 of The Companies Act, 2013.
2. Details relating to issue of equity shares including sweat equity shares and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares.
3. 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.
4. During the year under review, no Stock Options were granted, vested or exercised. No Stock Options are in force as on date. Hence, there are no disclosures required to be made pursuant to the applicable requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
5. Your Directors further state that during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ACKNOWLEDGMENTS**

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our business associates and shareholders for their continued support to the Company.

**For and on behalf of the Board**

**Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**Director**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

## ANNEXURE I

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2019

[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,  
ESAAR (INDIA) LTD.  
204 B-Wing, New Prabhat SRA CHS LTD,  
Chikuwadi, Plot-115, Next to Bisleri Factory,  
W. E, Highway Andheri East  
Mumbai 400099

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ESAAR (INDIA) LTD. (hereinafter called the company) CIN: L67120MH1951PLC222871. 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 ESAAR (INDIA) LTD's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 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 other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during 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;
  - 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)**
- (vi) The Non-Banking Financial Companies Directions, Guidelines and Circulars issued by the Reserve Bank of India. I have also examined on test check basis the relevant documents and records maintained by the company and the Returns filed by the Company with the Reserve Bank of India ("RBI"). The Company is generally regular in filing the Returns with the RBI.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and general meetings are generally complied.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

*The Company has not appointed Key Managerial Person in the form of Chief Executive Officer or Manager and Chief Financial Officer and Company Secretary as required under Section 203 of the Companies Act, 2013.*

*The Company has not been registered under Maharashtra State Tax on professions, trades, callings and Employments Act, 1975. However professional tax has been deducted from the salaries of staffs and employees and no amount deposited till reporting date.*

*The Company has not followed some of the provisions of prudential norms issued by Reserve Bank of India for Non-Banking Financial (Non-Deposit Accepting or Holding) Companies which also including any statutory modification and amendment from time to times.*

*The Company has not followed some of the provision of Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India from time to time is not properly followed by the company.*

*The Company has satisfied charges appearing on a Ministry of Corporate Affair website but company has not filled necessary forms for charge satisfaction.*

*Mr. Upendra Patel, Independent director has incurred disqualification under Section 164(2) of Companies Act 2013 and therefore the office of Mr. Upendra Patel is vacated under Section 167 of Companies Act 2013 with effect from 4th March, 2019.*

*Financial results of the Company for the quarter and half year ended 30 September 2018 is delayed filed.*

*Appointment of Secretarial Auditor is considered but Form MGT - 14 is not filed in FY 17-18.*

I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and regulations to the Company.

I further report that:

The Board of Directors of the Company is duly constituted. The Board should have one women Director.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

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, regulations and guidelines.

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

- (i) Public/Right/Preference issue of shares / debentures / sweat equity, etc.
- (ii) Redemption / buy-back of securities

- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

**For Riddhi Krunal Shah**  
**Practicing Company Secretaries**

**Sd/-**

**Riddhi Krunal Shah**  
**(Proprietor)**  
**Membership number: 20168**  
**PCS no.: 17035**  
**Place: Mumbai**  
**Date: 14/08/2018**

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



## **Annexure 'A' to Secretarial Audit Report**

Further, my report of even dated to be read along with the following clarifications:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, were followed provide as reasonable basis of 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 the Management representation about the compliance of laws and regulations and happening
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 basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**For Riddhi Krunal Shah**  
**Practicing Company Secretaries**

Sd/-

**Riddhi Krunal Shah**  
**(Proprietor)**  
**Membership number: 20168**  
**PCS no.: 17035**  
**Place: Mumbai**  
**Date: 14/08/2018**

ANNEXURE II

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L67120MH1951PLC222871
Registration Date	23/08/1951
Name of the Company	Esaar (India) Limited
Category / Sub-Category of the Company	Company Limited by Shares, Indian Non-Government Company
Address of the Registered Office and contact details	204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115, Next to Bisleri Factory, W. E, Highway Andheri East Mumbai 400099
Address of the Corporate office	Unit No. 402, Western Edge I, Kanakia Spaces, Western Express Highway, Borivali (East) Mumbai 400066 Contact No. 022 40676000
Whether listed company	Listed
Name, address and contact details of Registrar and Transfer Agent, if any	<b>Purva Share Registry (India) Pvt. Ltd</b> 9 Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hosp., Lower Parel (E), Mumbai- 400011 022-23016761/8261 E-Mail: support@purvashare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial, Investment and Share Trading	9971	98.45%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
NIL					

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### a) Category-wise Share Holding

#### I. Share holding pattern (equity share capital breakup as percentage of total equity)

##### i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	634688	0	634688	3.10	634688	0	634688	3.10	0
<b>(1) Indian</b>	0	0	0	0	0	0	0	0	0
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	
f) Any Other	0	0	0	0	0	0	0	0	
<b>Sub-Total (A)(1):</b>	634688	0	634688	3.10	634688	0	634688	3.10	0
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A)(2):</b>	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	634688	0	634688	3.10	634688	0	634688	3.10	0
<b>B. Public shareholding</b>									
<b>B. (1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
d) FPIs	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0

<b>Sub-Total (B)(1):</b>	0	0	0	0	0	0	0	0	0
<b>2) Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0	0	0	0
<b>Central Government / State Government(s)</b>	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>B.(3) Non-Institutions</b>									
<b>(a) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	2943634	198017	3141651	15.37	3069568	193542	3263110	15.96	0.59
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	8259905	208250	8468155	41.42	11155154	208250	11363404	55.59	14.16
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
d) Any Other (Specify)									
i) IEPF	0	0	0	0	0	0	0	0	0
ii) HUF	864225	0	864225	4.23	875891	1750	877641	4.29	0.07
iii) Non Resident Indians	47704	0	47704	0.23	50454	0	50454	0.25	0.01
iv) Clearing Members/ Clearing House	291548	0	291548	1.43	87978	0	87978	0.43	-1.00
v) Bodies Corporate	6672955	321574	6994529	34.22	3843651	321574	4165225	20.38	-13.84
<b>Sub Total (B)(3)</b>	<b>19079971</b>	<b>727841</b>	<b>19807812</b>	<b>96.90</b>	<b>19082696</b>	<b>725116</b>	<b>19807812</b>	<b>96.90</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>19079971</b>	<b>727841</b>	<b>19807812</b>	<b>96.90</b>	<b>19082696</b>	<b>725116</b>	<b>19807812</b>	<b>96.90</b>	<b>0.00</b>
<b>Grand Total (A+B)</b>	<b>19714659</b>	<b>727841</b>	<b>20442500</b>	<b>100</b>	<b>19717384</b>	<b>725116</b>	<b>20442500</b>	<b>100</b>	<b>0</b>

C. Non Promoter - Non Public	0	0	0	0	0	0	0	0	0
1. Custodian/DR Holder	0	0	0	0	0	0	0	0	0
2. Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	19714659	727841	20442500	100	19717384	725116	20442500	100	0

b) **Share Holding Of Promoters**

Sr No.	Name of Director	Shareholding at the beginning of the year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reason for increase / decrease			Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of total shares of the Company
1.	Dheeraj Shah	634688	3.10	NA	NA	NA	634688	3.10

c) **Change in Promoter's Shareholding (Specify if there is no change)**

There was no change in the shareholding of promoters during the FY 2018-2019

d) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	% of total shares of the Company	No. of shares	% of total shares of the Company
Vishal Vijay Shah	679799	3.33	-668000	-3.25	11799	0.06

Praveen Kumar	616793	3.02	-357293	-1.75	259500	1.27
Hemangini Vinitkumar Parikh	5287505	2.59	-	-	5287505	2.59
CRB Trustee Limited A/C CRB Mutual Fund	4465000	2.18	4465000	-2.18	0	0
Vilohit Property Private Limited	3700000	1.80	-	-	3700000	1.80
Shivsathi Mercantile Private Limited	3187777	1.56	3187777	-1.56	0	0
Hansaben Bharatkumar Patel	263523	1.29	-	-	263523	1.29
Surface Finance Pvt Ltd	260857	1.28	260857	-1.28	0	0
Vandana Jain	232500	1.14	-	-	232500	1.14
Gulfam Ali Mehdi Khan	230000	1.13	230000	-1.13	0	0
Dilip Manohar Pachangre	1	0.00	339188	1.64	339189	1.66
Dharmendrasinh Lakhan Singh	-	-	860326	4.22	860326	4.21
Parag Rameshchandra Malde	-	-	795661	3.89	795661	3.89
Ramesh Kochhar	-	-	527017	2.58	527017	2.58
Bharati Arvind Shah	-	-	400000	1.96	400000	1.96
Rupal Bhavin Shah	-	-	350000	1.71	350000	1.71

Prabha Vishwamani Tiwari	-	-	315381	1.54	315381	1.54	
Rina Jinesh Matalia	-	-	302650	1.48	302650	1.48	

(i) Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name of Director	Shareholding at the beginning of the year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reason for increase /			Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of total shares of the Company
1.	Dheeraj Shah	634688	3.10	NA	NA	NA	634688	3.10

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year		85,00,000	-	85,00,000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Total (i+ii+iii)</b>		85,00,000	-	85,00,000
Change in Indebtedness during the financial year		10,51,35,895	-	10,51,35,895
• Addition				
• Reduction				
Net Change		10,51,35,895	-	10,51,35,895
Indebtedness at the end of the financial year		11,36,35,895		11,36,35,895
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>		11,36,35,895	-	11,36,35,895

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Raghvendra Kumar - WTD	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	549407.00	549407.00
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-



	- as % of profit - others, specify...		
5.	Others, please specify	-	-
	Total (A)	549407.00	549407.00

**B. REMUNERATION TO OTHER DIRECTORS: NIL**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Mr. Kekin Patel From 04/01/2018 to 26/02/2019	CFO Mr. Aneesh Sagar From 04/01/2018 to 29/03/2019	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	4,80,000 PA	18,00,000 PA	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	4,80,000 PA	18,00,000 PA	-

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil**

## ANNEXURE - III

### FORM AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and 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 Act including certain arm's length transactions under third proviso thereto:

#### 1) Details of material contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
N.A. - As there were no transactions during the year which were not at arm's length.							

#### 2) Details of contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Date(s) of approval by the Board	Nature of Relationship	Amount paid as advances, if any
Gromo trade & consultancy Limited	Loan and advance taken and repaid during the year 8,71,00,000	One Time	-	Promoter Group Company	-
	Loans and advance taken 9,16,84,942				
	Interest Paid 9,05,620				
Raghvendra Kumar	Remuneration 5,49,907	Continue		Whole Time Director	

## ANNEXURE - IV

### NOMINATION & REMUNERATION POLICIES TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

The Terms and Conditions of appointment of Independent Directors are as under:

#### 1. Independence

The appointment as an Independent Director is in due consideration of declaration of being qualified as Independent and appointment is subject to continued status as "Independent" as per the requirement of the Companies Act, 2013.

#### 2. Appointment

Appointment is for an initial term of five years, unless otherwise terminated earlier by and at the discretion of either party. Independent Directors are typically expected to serve two five-year terms. Appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

#### 3. Roles and Responsibilities

Independent Directors have the same general legal responsibilities to the company as any other Director. Independent Director of the Company, are required:

- To act in accordance with the Company's Articles of Association.
- To discharge duties with due and reasonable care, skill and diligence.
- Not to achieve or attempt to achieve any undue gain or advantage either to himself or to any related person/ party.
- To act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
- Not to involve in a situation conflicting with the interest of the Company and to put the interests of Company above others.

In addition to the above requirements applicable to all Directors, role of the Independent Directors shall also include duties as prescribed in Schedule IV of Companies Act, 2013.

#### 4. Directors' Remuneration

Directors of the Company are entitled to sitting fees for attending each meeting of the Board and Committee thereof and such commission on Net profits as may be recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of Directors of the Company. The Company shall also reimburse all reasonable and properly documented expenses that are incurred by a director in performing the duties for the Company.

#### 5. Confidentiality

During their tenure, Independent Directors of the Company are privy to information that is confidential to the Company. All such information acquired during tenure should not be released to third parties without prior clearance from the Chairperson.

#### 6. Evaluation Process

As a member of the Board, performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each Director shall be done by all the other Directors. The criteria for evaluation shall be determined by the Nomination and

Remuneration Committee of the Board and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. If, in the interim, there are any matters which cause concern, directors can discuss them with the Chairperson as soon as is appropriate.

#### **7. Insurance**

Directors and Officers Liability Insurance is provided by the Company, subject to the terms of the policy from time to time in force (which may be subject to change).

#### **8. Governing Law**

This appointment is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts at Mumbai.

### **POLICY ON NOMINATION AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

#### **FOREWORD**

A transparent, fair and reasonable process for selection of directors, key managerial personnel and senior management and appropriate remuneration at all levels of the Company is required to ensure that Shareholders remain informed and confident in the management of the Company. The Company also understands the importance of attracting and maintaining high quality individuals for managing its affairs from directors level right through to support staff.

#### **REGULATORY BACKGROUND**

As per revised clause 49 of listing agreement and section 178 of the Companies Act, 2013 the Board of Directors of every listed company shall constitute a Nomination and Remuneration Committee and the role of the committee shall, *inter-alia*, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other senior management employees;
2. Formulation of criterion for evaluation Directors performance on the Board and also the performance of the Board as a whole.
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Section 178 (4) of the Companies Act, 2013 stipulates that while formulating the policy the Committee shall ensure that –

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

In view of the above, a policy is formulated and established for nomination and remuneration of

Directors, key managerial personnel and senior management of the Company.

## 1. PURPOSE

This Policy on nomination and remuneration (the "Policy") describes the process through which candidates for possible inclusion in the Company's recommended slate of director, key managerial personnel and senior management (the "Candidates") are selected. The Policy is established and administered by the Nomination and Remuneration Committee (the "Committee") of Esaar (India) Limited (the "Company").

## 2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

- a) **"Board"** refers to collective body of board of directors of the Company.
- b) **"Director"** means a director as defined under section 2(34) of the act except nominee director and director appointed by small shareholders.
- c) **"Key Managerial Personnel"** means a person appointed pursuant to section 203 of the act.
- d) **"Nomination and Remuneration Committee"** means a committee formed pursuant to section 178 of the act.
- e) **"Senior Management"** includes all personnel just below one level of board of directors of the Company and whose reporting is directly to the executive directors of the Company.
- f) **"The Act"** means Companies Act, 2013.
- g) **"The Company"** means Esaar (India) Limited incorporated under Companies act 1956

## PART A - NOMINATION POLICY

### 3. BOARD MEMBERSHIP CRITERIA

The Committee is responsible for, among other things for identifying individuals qualified to become members of the Company's Board of Directors (the "Board") and recommending to the Board, the nominees to stand for election as directors. The Nomination Committee shall take into account all of the following criteria while determining the qualifications of any candidate for director:

**Integrity and Judgment:** Directors should have the highest level of integrity, ethical character and the ability to exercise sound business judgment on a broad range of issues consistent with the Company's values.

**Qualification & Knowledge:** Directors should be financially literate and have a sound understanding of business strategy, corporate governance and board operations.

**Diversity:** Directors should be capable of representing the multi-cultural nature of our global corporation with consideration being given to a diverse board in terms of gender and ethnic membership. In addition, the Committee shall take into account diversity in professional experience, skills and background.

**Independence:** Directors who are not current or former management should meet the spirit as well as the letter of the applicable independence standards. In addition, all Directors should be independent in their thought and judgment so that they represent the long-term interests of all shareholders of the Company.

**Experience and Accomplishments:** Directors should have significant experience and proven

Superior performance in professional endeavors whether this experience is in business, government, academia or with non-profit organizations.

**Board Interaction:** Directors should value board and team performance over individual performance, demonstrate respect for others and facilitate superior board performance. Directors should be willing and able to devote the time required to become familiar with Company's business and to be actively involved in the Board and its decision-making.

**Skills:** Directors should have expertise in one or more of the areas such as accounting and finance, technology, management, international business, compensation, legal, HR, corporate governance, strategy, industry knowledge and general business matters.

#### 4. IDENTIFICATION OF CANDIDATES FOR BOARD MEMBERSHIP

##### A. Internal Process for Identifying Candidates.

The Committee has two primary methods for identifying Candidates. First, the Committee may solicit ideas for possible Candidates from a number of sources including present members of the Board; senior level Company executives; individuals personally known to the members of the Board; and research, including database and Internet searches.

##### B. External Process for Identifying Candidates.

Second, the Committee may from time to time retain at the Company's expense one or more search firms to identify Candidates (and to approve any such firms' fees and other retention terms). If the Committee retains one or more search firms, such search firms may be asked to identify possible Candidates who meet the qualifications expressed in this Policy, to interview and screen such candidates (including conducting appropriate background and reference checks), to act as a liaison among the Board, the Committee and each Candidate during the screening and evaluation process, and thereafter to be available for consultation as needed by the Committee.

#### 5. RECOMMENDATION OF CANDIDATE

The Committee will consider all Candidates identified through the processes described above, and will evaluate each of them, based on the criteria set forth above and if thought fit, will recommend their appointment to the Board.

#### 6. CRITERIA FOR APPOINTMENT OF SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL

The Committee is also responsible for identifying individuals qualified to occupy position of key managerial personnel and in the senior management of the Company and selecting, or recommending to the Board their appointment. The Nomination Committee shall take into account all of the following criteria when determining the qualifications of any candidate in senior management position:

**Integrity and Judgment:** Candidate should have the highest level of integrity, ethical character and the ability to exercise sound business judgment on a broad range of issues consistent with the Company's values.

**Qualification & Knowledge:** Candidate should have expert knowledge in his field of work and should have industry knowledge and general business matters.

**Independence:** The candidate should be independent in his thought and judgment so that he represents the long-term interests of the Company.

**Experience and Accomplishments:** The candidate should have significant experience and proven superior performance in his professional endeavors

## **7. IDENTIFICATION OF CANDIDATES FOR SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL ROLE**

### **A. Internal Process for Identifying Candidates.**

The Committee may solicit ideas for possible Candidates from a number of sources including present members of the Board; senior level Company executives; individuals personally known to the members of the Board; and research, including database and Internet searches.

### **B. Identification through Human Resource Department**

The Committee may instruct human resource department to search through its available resources/network an appropriate candidate for the required position in senior management.

### **C. External Process for Identifying Candidates.**

The Committee may from time to time retain at the Company's expense one or more search firms to identify Candidates (and to approve any such firms' fees and other retention terms). If the Committee retains one or more search firms, such search firms may be asked to identify possible Candidates who meet the qualifications expressed in this Policy, to interview and screen such candidates (including conducting appropriate background and reference checks), to act as a liaison among the Board, the Committee and each Candidate during the screening and evaluation process, and thereafter to be available for consultation as needed by the Committee.

## **8. RECOMMENDATION**

The Committee shall consider all Candidates identified through the processes described above, and shall evaluate each of them, based on the criteria set forth above and if thought fit, will recommend their appointment to the Board.

## **PART B - REMUNERATION POLICY**

### **9. EXECUTIVE DIRECTOR REMUNERATION**

#### **Main principles**

The Remuneration and Nomination Committee's reward policy reflects its obligation to align executive directors' remuneration with shareholders' interests and to engage appropriately qualified executive talent for the benefit of the group. The nomination and remuneration committee shall consider following criteria before recommending the remuneration of executive directors:

- Ø Reward reflects the competitive global market in which the company operates.
- Ø Individual reward should be linked to performance criteria.
- Ø Executives should be rewarded for both financial and non-financial performance.

#### **Elements of Remuneration**

The executive directors' total remuneration consists of the following:

- Ø Salary - each executive director receives a fixed sum payable monthly in cash.

Ø Perquisites and allowances, if deem fit by remuneration committee  
Ø other benefits - executive directors are eligible to participate in superannuation schemes and such other benefits as may be prescribed the nomination and remuneration committee.

### **Overall Director Remuneration**

Overall managerial remuneration shall not exceed 11% of net profit of the Company for a particular financial year. No remuneration (except sitting fees) shall be paid to any director of the company unless it is recommended to the board by remuneration committee of the Company and other applicable statutory provisions are complied with.

### **10. NON-EXECUTIVE DIRECTOR REMUNERATION**

No remuneration shall be paid to non-executive directors except sitting fees in the manner and as per the terms as approved by board of directors of the Company. The Nomination and remuneration Committee, if deem fit, may recommend to the board remuneration to non-executive directors not exceeding 1% of net profit of the Company.

### **10. FORMS OF REMUNERATION**

#### **Fixed Remuneration**

The Board in consultation with the Nomination & Remuneration Committee will from time to time determine the fixed remuneration level for all Directors, key managerial personnel and senior management. For other employees, respective department heads, under an intimation to Human Resource Department, are allowed to fix such remuneration as they deem fit. Such remuneration levels will be determined according to industry standards, relevant laws and regulations, labour market conditions and scale of Company's business relating to the position. The fixed remuneration will reflect the core performance requirements and expectations of the Company.

#### **Performance based Remuneration**

In addition to fixed remuneration, the Company may implement a system of bonuses and incentives designed to create a strong relationship between performance and remuneration. Performance based remuneration will be linked to specific performance targets which will disclosed to relevant employees regularly.

### **14. EMPLOYEE ENTITLEMENTS**

The Company will comply with all legal and industrial obligations in determining the appropriate entitlement to long service, annual, personal and parental leave.

### **15. REVIEW**

The Nomination & Remuneration Committee is responsible for the monitoring, implementation and review of this policy. The Nomination & Remuneration Committee will provide recommendations to the Board as to how to effectively structure and facilitate a remuneration strategy, which will meet the needs of the Company.

This Policy is intended to provide a set of flexible guidelines for the effective functioning of the Company's nominations process for directors, KMPs and senior management. The Committee intends to review this Policy at least annually and anticipates that modifications may be necessary from time to time as the Company's needs and circumstances evolve, and as applicable legal or listing agreement change. The Committee may modify or amend this Policy at any time without advance notice.



## ANNEX IV

Details Pertaining To Remuneration as Required Under Section 197(12) Of The COMPANIES Act, 2013

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Particulars	Relevant details
a)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Mr. Raghvendra Kumar (Whole Time Director) Ratio No other directors are in receipt of remuneration
b)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	-
c)	The percentage increase in the median remuneration of employees in the financial year	-
d)	The number of permanent employees on the rolls of Company	04
e)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	

## MANAGEMENT DISCUSSION ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2019. The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The Management of the Company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the Company and its outlook for the future. This outlook is based on Management's own assessment and it may vary due to future economic and other future developments in the country.

### GLOBAL ECONOMIC OUTLOOK

India has been one of the world's fastest growing large economies of late, with growth averaging about 7% over the past five years. Additionally, India climbed 23 points in the World Bank's ease of doing business Index to 77th place, becoming the top ranked country in South Asia, raking in a more positive image for the country. The total FDI investments stood at \$33.50 Bn for April-December 2018. Interestingly, India overtook France in 2018 to become the world's 6th largest economy. It is now on its course achieve to 5th position from the United Kingdom this year on way to \$3 Tn GDP by 2020. Since 2000, India's share in the global economy has doubled from 1.5% to 3.2%. Per capita income is now nearing \$2,000, which is twice the level 10 years ago.

In 2018, the global economy began its journey on a firm footing with estimated global growth of 3.6% (Source :World Economic Outlook by International Monetary Fund (IMF). During the second half of 2018, the rate of development gradually declined, owing to impending US-China Trade dispute and some slow down across developed markets. It is important to note that India's economy expanded at 7.1% in 2018 vis-à-vis 6.7% in 2017.

In India, growth is projected to pick up to 7.3% in 2019 (2019-20) and 7.5% in 2020-21, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy Continued economic reforms, with efforts to reduce public debt, is essential to Indian economy's growth and some expected impetus from fiscal policy. Both ADB i.e Asian Development Bank and RBI last week cut their 2019-20 growth projection for India to 7.2% from 7.4% earlier, blaming rising risks to global economic growth as well as weakening domestic investment activity.

### NBFC INDUSTRY

The NBFC sector is expected to remain at the forefront and drive new credit disbursals for India's underserved retail and MSME space. In the last five years the lending book of NBFCs

has grown nearly by 18% due to a deep understanding of target consumer segments, technological advancements, lean cost structures and differential business model to reach credit-starved customer segments.

The year 2018 was a year of crisis for some of the NBFCs. To occupy the space vacated by Public Sector Banks (PSBs), certain NBFCs went into a frenzy of credit expansions without considering the asset-liability scenario. This resulted in huge defaults on the part of such companies and intensified fears that the funding cost for NBFCs will zoom and result in a sharp deterioration of their margins.

However, the government took several quick measures not letting this crisis turn into a contagion and spilling over to other sectors. These measures included altering operating mechanism and making relevant changes in the risk management framework. Though the outlook for NBFCs for 2019 seems weak, a gradual improvement in the liquidity situation indicates that there could be a stabilisation in the coming days.

## **OPPOURTUNITIES & THREATS**

The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time. The Company has risk management policy in place for risk assessment and treatment of the same. The company does not foresee any major threats to its growth and market share in the coming years. The existing capacity should take care of the company's requirement at least for the next four to five years.

## **RISK & CONCERN**

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measures for its mitigation including business portfolio risk, financial risk, legal risk and internal process risk.

## **INTERNAL CONTROL SYSTEM**

The Company has a sound internal control system. All transactions are subject to proper scrutiny. The Management takes immediate corrective action wherever it is being pointed out to help streamline the internal control process.

## **HUMAN RESOURCES**

The Company enjoys cordial relations with its work force across all categories.

## **DISCLOSURES**

During the year the Company has not entered into any transaction of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc., if an, that may have potential conflict with the interest of the Company at large. All details of transaction covered under related party transaction are given in the notes to account.

## **CAUTIONARY STATEMENT**

Statement made herein describing the Company's expectations is "forward looking statement." The actual results may differ from those expected or predicted since the Company's operations are influenced by many external factors which are beyond the control of the Company. Prime factors that may make difference to the Company's performance include market conditions, economic conditions, Government regulations and Tax Laws, Political situation etc over which the Company does not have any direct control.

**For & on behalf of the board**

**For Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**(Director)**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

## ANNEXURE V

### CORPORATE GOVERNANCE REPORT

A report for the financial year ended March 31, 2019 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below:

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

The Company's essential character is shaped by the values of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on Corporate Governance is guided by the Company's philosophy of Knowledge, Action, Care and Impact.

The Board of Directors fully supports and endorses the Corporate Governance practices being followed by the Company.

#### BOARD OF DIRECTORS

##### **Composition and category of directors:**

The Composition of your company's Board, which comprises four directors is given in the table below and is in conformity with regulation 17(1) of the Listing Regulations and other applicable regulatory requirements. There are no nominee directors representing any institution on the Board of the company.

<b>Name of Director</b>	<b>Category</b>
Mr. Raghvendra Kumar *	Whole Time - Executive Director
Mr. Mehulkumar Kadiya	Non-Executive Independent Director
Ms. Narmadaben Patel	Non-Executive Independent Director
Mrs. Dipti Yelve **	Non-Executive Independent Director

\* Appointed on 14/05/2018

\*\* Appointed on 04/11/2018

**Board meeting and procedure:**

The Board met Eleven times during the year on 28th April, 2018; 14th May, 2018; 28th May, 2018; 14th August, 2018; 4th November, 2018; 14th November, 2018; 21st November, 2018; 4th January, 2019; 14th January, 2019; 14th February, 2019 and 14th March, 2019.

The Company has held at least one Board meeting in every quarter and the maximum time gap between any two meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements.

Details of Directors attendance at Board Meetings and at the last Annual General Meeting (AGM) held on 29th September, 2018 are given in the following table:

Name of Director	Board Meetings		Attended Last AGM
	Held during their tenure	Attended	
Mr. Raghvendra Kumar#	9	8	Yes
Mr. Mehul kumar Kadiya	11	6	No
Mr. Nitesh Pandirkar*	2	2	No
Mr. Upendra Patel**	10	9	No
Mr. Ankit Maheshwari***	2	2	Yes
Ms. Narmadaben Patel	11	4	No
Mrs. Dipti Yelve##	6	6	No

# Mr. Raghvendra Kumar has appointed on 14<sup>th</sup> May, 2018

## Mrs. Dipti Yelve has appointed on 5<sup>th</sup> November, 2018

\*Mr. Nitesh Pandirkar was resigned on 14<sup>th</sup> May, 2018

\*\*Mr. Upendra Patel was resigned on 4<sup>th</sup> March, 2019

\*\*\*Mr. Ankit Maheshwari was appointed on 14<sup>th</sup> May, 2018 and resigned on 4<sup>th</sup> November, 2018

**Notes:**

1. This excludes directorships in foreign companies and companies licensed under section 8 of the Companies Act, 2013
2. This relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013.

**Number of other board of directors or committees in which a director is a member or chairperson:**

Name	Designation in other public company	names of the entities where the person is a director		No. of chairmanship or membership held in listed entity	
		Listed	other	Chairmanship	Membership
Mr. Raghvendra Kumar	Executive Director	-	-	-	-
Mr. Mehul kumar Kadiya	Non-Executive Independent Director	Gromo Trade & Consultancy Ltd	-	-	1
Ms. Narmadaben Patel	Non-Executive Independent Director	Gromo Trade & Consultancy Ltd	-	-	3
Mrs. Dipti Yelve	Non-Executive Independent Director	-	-	-	-

#### **Meeting of Independent Directors:**

The Company's Independent Directors met on 23<sup>rd</sup> March, 2018 without the presence of Executive Directors or members of management and reviewed matters pertaining to Performance Evaluation of the Board / Committees and the Directors. All the Independent Directors attended the meeting.

#### **Inter-se relationship among Directors**

There are no inter-se relationships among the Directors.

#### **Shareholding or convertible instruments held by Non-Executive Directors:**

The individual shareholding convertible instruments held by Non-Executive Directors (including shareholding as joint holder) as on 31<sup>st</sup> March, 2019 is given below:

Name of the Director	No. of shares held
Mr. Dipti Yelve Shashank	Nil
Mr. Mehul kumar Kadiya	Nil
Mrs. Narmadaben Patel	Nil

#### **Familiarization Programme for Independent Directors:**

The Company has established a Familiarization Programme for Independent Directors. The framework together with the details of the Familiarization Programme conducted has been uploaded on the website of the Company. The Web link to this is [https://esaarindia.files.wordpress.com/2016/06/disclosure-of-material-events\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/06/disclosure-of-material-events_esaar.pdf).

#### **Directors Profile**

A brief resume of Directors, nature of their expertise and experience and other details are provided in the Annual Report.

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

**Knowledge:**

- a. Industry knowledge/experience & technical expertise;
- b. Understanding methods of strategic analysis, Company's strategic objectives, and changes of relevance to the Company's strategy and future direction;
- c. Corporate Governance: Understanding the roles and responsibilities of a Board member within the larger governance framework;
- d. Risk: Knowledge and experience of risk management models.

**Skills:**

- a. Strategic thinking and decision making
- b. Interpersonal skills;
- c. Leadership;
- d. Analysis and Reporting;
- e. Ability to determine appropriate levels, of remuneration of Executive Directors KMPs and play a prime role in appointing and where necessary, recommending, removal of Executive Directors and KMPs
- f. Ability to oversee strategic human resource management.

**Mind-Set:**

- a. Ethics
- b. Commitment;
- c. Instinct & Business Acumen;
- d. Independent and Awareness (self and other) - ability to display independence by willing to disagree and take an independent stance in the face of dissenting views.

**Role of Non-Executive / Independent Directors:**

Non-Executive / Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. These Directors are committed to act in what they believe to be in the best interests of the Company and its stakeholders. These Directors are professionals, with expertise and experience in general corporate management, corporate laws, finance and other allied fields. This wide knowledge of their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

An Independent Director is the Chairman of the Audit Committee, the Nomination & Remuneration Committee and of the Stakeholders Relationship Committee.

**Board Evaluation**

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which



comprises evaluation criteria taking into consideration various performance related aspects. The Board of Directors has expressed its satisfaction with the evaluation process.

## **STATUTORY BOARD COMMITTEES**

### **Audit Committee**

#### **I. Constitution of Committee**

The Audit Committee comprises of three members as per the details in the following table:

<b>Name</b>	<b>Designation</b>
Ms. Dipti Yelve	Chairman & Member
Mr. Raghvendra Kumar	Member
Mr. Mehul Kumar Kadiya	Member

All the members of the committee have sound knowledge of finance, accounts and business management. The Composition of the committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and regulation 18 of the Listing Regulations.

#### **II. Terms of reference**

The terms of reference of the Audit Committee are aligned with the terms of reference provided under section 177(4) of the Companies Act, 2013 and Part C of Schedule II of the Listing Regulations.

#### **III. Meetings held and attendance**

The Audit committee met nine times during the financial year 2018-19, on the following dates: 4<sup>th</sup> April, 2018; 28<sup>th</sup> May, 2018; 14<sup>th</sup> August, 2018; 14<sup>th</sup> November, 2018; 21<sup>st</sup> November, 2018; 4<sup>th</sup> January, 2019; 14<sup>th</sup> January, 2019; 14<sup>th</sup> February, 2019; 14<sup>th</sup> March, 2019. The frequency of the meetings was as per applicable regulatory requirements and gap between two committee meetings was not more than one hundred and twenty days.

The attendance of each member of the committee is given below:

<b>Name</b>	<b>Committee meetings held during their tenure as chairman or member</b>	<b>Attended</b>
Mr. Upendra Patel	8	7
Mr. Mehul Kumar Kadiya	1	1
Mrs. Narmadaben Patel	1	1
Mr. Raghvendra Kumar	8	7
Mr. Ankit Maheshwari	2	2
Mrs. Dipti Yelve	6	6

### **B. Nomination & Remuneration Committee**

#### **I. Constitution of Committee**

The Nomination & Remuneration Committee (NRC) comprises of three members as per the details in the following table:

Name	Designation
Ms. Dipti Yelve	Chairman & Member
Mrs. Narmada Patel	Member
Mr. Mehul Kumar Kadiya	Member

The Composition of this Committee is in compliance with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

## II. Terms of reference

The terms of reference of the NRC are aligned with the terms of reference provided under section 178 of the Companies Act, 2013 and Para A of Part D of Schedule II of the Listing Regulations.

## III. Meetings held and attendance

The NRC met three times during the financial year 2018-19, on 14<sup>th</sup> May, 2018; 04<sup>th</sup> November, 2018 and 04<sup>th</sup> January, 2019.

The attendance of the each member of the committee is given below:

Name	Committee meetings held during their tenure	Attended
Mr. Upendra Patel - Chairman	3	3
Mr. Mehul Kumar Kadiya - Member	3	3
Mrs. Narmadaben Patel - Member	2	2
Mrs. Dipti Yelve - Member	1	1

## IV. Performance evaluation Criteria for Independent Directors

Performance Evaluation of all Directors (Including Independent Directors) is undertaken on the basis of a structured questionnaire.

## V. Director's Remuneration

The details of sitting fees/remuneration paid to Directors during the FY 2018-19, are as under:

Sr No	Name and designation	Sitting Fees for attending Board & Committee Meetings	Salary and Perquisites	Incentive/ Bonus	Total
1.	Mr. Raghvendra	-	549407.00	-	

	Kumar- Whole Time Director				
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### C. Stakeholder Relationship Committee

#### I. Constitution of Committee, Meetings held and attendance

The Stakeholder Relationship Committee (SRC) comprises of three members and met two times during the financial year 2018-19, on 19<sup>th</sup> January, 2019 and 21<sup>st</sup> February, 2019 as per the details in the following table:

Name	Designation	Committee meetings held during tenure	Attended
Mr. Upendra Patel	Chairman & Independent Director	2	2
Mr. Mehul Kumar Kadiya	Member & Independent Director	2	2
Mrs. Dipti Yelve	Member & Executive Director	2	2

The Composition of this Committee is in compliance with requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

#### II. Terms of reference

The terms of reference of the SRC are aligned with the terms of reference provided under section 178 of the Companies Act, 2013 and Para B of Part D of Schedule II of the Listing Regulations.

#### III. Stakeholders Grievance Redressal

One complaint was received during the year under review and it was resolved by Stakeholder Relationship Committee. There was no outstanding complaint as on 31<sup>st</sup> March, 2019. No requests for transfer and for dematerialization were pending for approval as on 31<sup>st</sup> March, 2019.

The Registrar and Share Transfer Agents (RTA), M/s. Purva Sharegistry (India) Pvt Ltd attends to all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs. Most of the grievances /correspondences are attended within a period of 7 days from the date of receipt of such grievances.

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints / queries.

#### V. Compliance Officer

The company has designated email id esaarindialtd@gmail.com to enable stakeholders to email their grievances.

## **Investor Grievance Redressal**

The status of investor complaints is monitored by the SRC periodically and reported to the Board.

The complaints received from the shareholders, regulators, stock exchanges are reviewed and they are expeditiously attended to by the Registrar and Share Transfer Agents.

## **GENERAL BODY MEETINGS**

**Details of the Annual General Meetings held during the preceding three years and Special Resolutions passed thereat are given below.**

<b>Sr. No.</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>Details of Special Resolution passed</b>
1. 66 <sup>th</sup> AGM	29/09/2018	4.00 P.M.	2 <sup>nd</sup> Floor, Indoor Badminton Court, Western Edge I, Western Express Highway, Borivali East, Mumbai - 400066	-
2. 65 <sup>th</sup> AGM	29/09/2017	12.30 P.M.	705, Morya Bluemoon, Near Monginis Cake Factory, Opp. Citi Mall, Link Road, Andheri West, Mumbai 400053	1. To appoint Mr. Nitesh Pandirkar (DIN: 07654926) as the Whole time Director of the company; & 2. To Consolidate Face Value of Equity Shares of the Company.
3. 64 <sup>th</sup> AGM	26/09/2016	11.30 A.M.	B/411, Crystal Plaza. Opp. Infinity Mall, New Link Road, Andheri West, Mumbai 53	1. Appointment of Mr. Nikhil Shiva Poojary as the Whole Time Director of the company.

## **Postal Ballot**

No resolution was passed through Postal ballot during the financial year 2018-19. At present there is no proposal to pass any resolution through postal ballot.

## **MEANS OF COMMUNICATION**

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in a timely and consistent manner.

Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting. Some of the modes of communication are mentioned below:

## **Quarterly Results**

The approved financial results are forthwith sent to the Stock Exchanges where the shares are listed and are displayed on the Company's website [www.esaarindia.wordpress.com](http://www.esaarindia.wordpress.com) and are published in Financial Express (English) and Mumbai Lakshadweep (Marathi), within forty-eight hours of approval thereof.

## **Website**

All the information and relevant policies to be provided under applicable regulatory requirements are available on the website of the company [www.esaarindia.com](http://www.esaarindia.com) in a user-friendly form.

## **Annual Report**

The Annual Report containing inter-alia the Audited Annual Accounts, Board's Report, Auditor's Report, Corporate Governance Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

## **Designated Email ID:**

The Investors can register their grievances and complaints on the email id of the company [esaarindialtd@gmail.com](mailto:esaarindialtd@gmail.com). This email id is displayed on the company's website [www.esaarindia.wordpress.com](http://www.esaarindia.wordpress.com).

## **SEBI Complaints Redressal System (SCORES)**

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints Redressal system. The salient features of this system are centralized database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## **BSE Corporate Compliance & Listing Centre (BSE Listing Centre)**

BSE Listing Centre is web based application systems for enabling corporate to undertake electronic filing of various periodic compliance related filings like shareholding pattern, results, press releases, etc.

## **COMPLIANCE CERTIFICATE**

The Company has complied with the mandatory requirements as stipulated under the Listing Regulations. The Company has submitted the quarterly compliance report on corporate governance to the stock exchanges within the prescribed time limit.

Ms. Riddhi Shah, Practicing Company Secretaries, have certified that the Company has complied with the mandatory requirements as stipulated under the Listing Regulations.

Ms. Riddhi Shah, Practicing Company Secretaries, have certified that none of the Directors on the Board of the Company have been debarred or disqualified, from being appointed or continuing as Directors of Companies, by the Board / Ministry of Corporate Affairs or any such statutory authority.

These certificates are annexed to the Corporate Governance Report and will be submitted to the stock exchanges and the Ministry of Corporate Affairs along with the Annual Report.

#### **MD AND CFO CERTIFICATION**

Whole Time Director of the Company have issued a certificate in terms of Regulation 17(8) of the Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. They also certify the accuracy of the quarterly financial results while placing results before the Board.

#### **GENERAL INFORMATION FOR SHAREHOLDERS**

<b>a)</b>	<b>Annual General Meeting</b>	<b>Day, Date and Time:</b> <b>Monday, 30<sup>th</sup> September, 2019 at 10 a.m.</b> <b>Venue:</b> 204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115, Next to Bisleri Factory, W. E, Highway Andheri East Mumbai 400099.
<b>b)</b>	<b>Financial Year of the Company</b> The financial Year of the Company is from April 1st to March 31st Tentative Schedule for financial Year 2019-20 1st Quarter ending June 30, 2018 2nd Quarter ending September 30, 2018 3rd Quarter ending December 31, 2018 Annual Result for the year ended March 31, 2019	Declared on 14 <sup>th</sup> August, 2018 Declared on 21 <sup>st</sup> November, 2018 Declared on 14 <sup>th</sup> February, 2019 Declared on 29 <sup>th</sup> May, 2019
<b>c)</b>	<b>Registered Office</b>	204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115, Next to Bisleri Factory, W. E, Highway Andheri East Mumbai 400099
<b>d)</b>	<b>Address for correspondence with the company</b>	Unit No. 402, Western Edge I, Kanakia Spaces, Western Express Highway, Borivali (East) Mumbai 400066   Tel: 022-40676000
<b>e)</b>	<b>Dividend Payment Date</b>	Not Applicable as the Board has not recommended any dividend
<b>f)</b>	<b>Name of stock exchange at which the Equity Shares of the company are listed</b>	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Listing fees for the FY 2018-19 have is pending for payment to the stock exchanges

		on which the shares of the company are listed.
<b>g)</b>	<b>Stock Code</b>	Scrip Code: 531502   ISIN: INE404L01021
<b>h)</b>	<b>Registrar &amp; Share Transfer Agents</b>	M/s. Purva Sharegistry (India) Pvt Ltd 9 Shiv Shakti Industrial Estate, J R Boricha Marg. Opp. LodhaExcelus, Lower Parel (East), Mumbai - 4000011 Tel: 022- 23012518   Fax: 022-23012517   Email: <a href="mailto:support@purvashare.com">support@purvashare.com</a>

### Share Transfer System

For administrative convenience and to facilitate speedy approvals, authority has been delegated to the Share Transfer Agents (RTA) to approve share transfers. Share transfers / transmissions approved by the RTA and/or the authorized executives are placed at the Board Meeting from time to time. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants.

In case of shares held in physical form, all transfers are completed within 15 days from the date of receipt of complete documents. As at 31<sup>st</sup> March, 2019 there were no Equity Shares pending for transfer. Also, there were no Demat requests pending as on 31<sup>st</sup> March, 2019.

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer and other formalities as required under Regulation 40 of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

### Stock Market data

The monthly 'high' and 'low' closing prices of the shares traded during the period from April, 2018 to March, 2019 on BSE are given below:

Month	High	Low	Close	No. of shares
April 2018	3	2.95	2.95	21,749
May 2018	3	2.21	2.21	14,98,143
June 2018	2.17	1.61	1.61	6,00,979
July 2018	1.61	1.29	1.29	1,69,802
August 2018	1.27	1.03	1.03	74,062
September 2018	1.01	0.88	0.88	4,54,957
October 2018	0.87	0.76	0.76	70,080
November 2018	0.75	0.57	0.57	14,00,147
December 2018	0.6	0.51	0.6	2,80,931
January 2019	0.83	0.61	0.81	8,56,919
February 2019	1.02	0.82	1.02	75,843
March 2019	1.32	1	1.32	5,96,860

### Distribution of Shareholding as on 31st March, 2019

No. of shares held	No. of shareholders	% of total shareholders	In Rs.	% of total shares
Up to 5000	5689	78.34	7385500	3.61
5,001 - 10,000	598	8.23	4980700	2.44
10,001 - 20,000	338	4.65	5042600	2.47
20,001 - 30,000	151	2.08	3866280	1.89
30,001 - 40,000	58	0.80	2081660	1.02
40,001 - 50,000	75	1.03	3588160	1.76
50,001 - 1,00,000	118	1.62	8792860	4.30
1,00,001 and above	235	3.24	168687240	82.52
<b>TOTAL</b>	<b>7262</b>	<b>100.00</b>	<b>20442500</b>	<b>100.00</b>

### Statement showing Shareholding pattern as on 31st March, 2019

Category	No. of shares held	% of shareholding
<b>A. Promoter's Holding</b>		
1. Promoters		
Indian Promoters	634688	3.10
Foreign Promoters	0	0
2. Persons acting in concert	0	0
<b>Sub-Total</b>	<b>634688</b>	<b>3.10</b>
<b>B. Non-Promoter's Holding</b>		
3. Institutional Investors		
a. Mutual Funds and UTI		
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non Government Institutions)	0	0
c. FII's	0	0
<b>Sub-Total (A)</b>	<b>634688</b>	<b>3.10</b>
4. Others		
a. Corporate Bodies	4165225	20.38
b. Indian public	14626514	71.55
c. NRI's/OCB's	50454	0.25
d. Any other (please specify) HUF	877641	4.29
e. Clearing members	87978	0.43
<b>Sub-Total (B)</b>	<b>19807812</b>	<b>96.9</b>
<b>Grand Total A+B</b>	<b>20442500</b>	<b>100</b>

### Dematerialization of shares

The Company's shares are compulsorily traded in dematerialized form and are admitted in both the Depositories in India - National Securities Depository Ltd. (NSDL) and Central



Depository Services (India) Ltd. (CDSL).

Mode	No. of shares	%shares
With CDSL	9601774	46.97
With NSDL	10115610	49.48
Physical	725116	3.55
<b>Total</b>	<b>20442500</b>	<b>100</b>

### Code of Conduct

The Board has laid down a Code of Conduct and Ethics for the Members of the Board and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2018-19. Requisite declaration signed by Mr. Raghvendra Kumar, Director to this effect is given below. Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Esaar India Limited Code of Business Conduct and Ethics for the year ended March 31, 2018.

Copies of the aforementioned Codes have been put on the Company's website and can be accessed at [www.esaarindia.wordpress.com](http://www.esaarindia.wordpress.com).

**For & on behalf of the board**

**For Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**(Director)**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

### OTHER DISCLOSURES

#### Disclosures

#### Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year 2018-19 were undertaken in compliance with the aforesaid regulatory provisions;

b. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company;

c. The Board has approved a policy for related party transactions which has been uploaded on the website of the company [www.esaarindia.wordpress.com](http://www.esaarindia.wordpress.com).

d. The register of contracts is placed before the Board/ Audit Committee regularly.

There has been no non-compliance by the company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or Stock Exchange or any other regulatory authority does not arise.

### **Vigil Mechanism / Whistle Blower Policy for Directors and Employees**

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism/Whistle Blower Policy are posted on the website of the Company and the web link to the same is [https://esaarindia.files.wordpress.com/2016/03/whistle-blower-policy\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/03/whistle-blower-policy_esaar.pdf). No Director/ Employee have been denied access to the Audit Committee.

### **Details of Subsidiary and Associate Companies:**

The Company does not have any Subsidiary and Associate Companies as on 31st March, 2019.

### **Policy Determining Material Subsidiaries and Related Party Transactions:**

The Company has adopted the policy on determining material subsidiaries is hosted on its website at [https://esaarindia.files.wordpress.com/2016/03/policy-on-material-subsidary\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/03/policy-on-material-subsidary_esaar.pdf) and Policy on dealing with related party transactions is hosted on its website at [https://esaarindia.files.wordpress.com/2016/03/rptpolicy\\_esaar1.pdf](https://esaarindia.files.wordpress.com/2016/03/rptpolicy_esaar1.pdf)

### **Disclosure on Material Related Party Transactions**

All material transactions entered into with related parties as defined under the Act and Regulation 23(1) of the SEBI (LODR) Regulations 2015 during the financial year 2018-19 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2017-18 having potential conflict with the interest of the Company at large. A list of related parties as per the Accounting Standard 18 and the transactions entered into with them in prescribed Form AOC-2 is given separately in this Annual Report under Annexure III of the Board Report as well as in the Notes to Accounts annexed to the

Balance Sheet as at 31st March 2019 and Statement of Profit & Loss of the Company for the Financial Year ended on that date.

The Company's Policy on materiality of related party transactions is hosted on website at [https://esaarindia.files.wordpress.com/2016/06/disclosure-of-material-events\\_esaar.pdf](https://esaarindia.files.wordpress.com/2016/06/disclosure-of-material-events_esaar.pdf)

### **The Company has financial statements with modified audit opinion.**

### **Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements**

The Company has complied with all mandatory requirements of the Listing Regulations. The Company has adopted the following non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations:

(a) Modified opinion(s) in audit report: The Company is in the regime of financial statements with modified audit opinion.

(b) Reporting of Internal Auditor: The Internal Auditor reports directly to the Audit Committee.

**Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:**

Sr. No.	Particulars	Regulation	Compliance status Yes/No/N.A.	Compliance observed for following:
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>• Board Composition</li> <li>• Meeting of Board of Directors</li> <li>• Review of compliance reports</li> <li>• Plans for orderly succession for appointments</li> <li>• Code of Conduct or all members of board of directors and senior management</li> <li>• Fees / compensation</li> <li>• Minimum information to be placed before the Board</li> <li>• Compliance Certificate</li> <li>• Risk Assessment &amp; Management</li> <li>• Performance Evaluation of Independent Directors</li> </ul>
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meeting of Audit Committee</li> <li>• Role of Audit Committee and review of information by the Committee</li> </ul>
3	Nomination & Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Role of the Committee</li> <li>• Meeting of Nomination &amp; Remuneration Committee</li> <li>• Role of Nomination &amp; Remuneration Committee</li> </ul>
4	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Role of the Committee</li> <li>• Meeting of Stakeholders Relationship Committee</li> <li>• Role of Stakeholders Relationship Committee</li> </ul>
5	Risk Management Committee	21	NA	<ul style="list-style-type: none"> <li>• The Company is not in the list of top 500 listed entities by market capitalization</li> </ul>
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Formulation of Vigil Mechanism for Directors and employees</li> <li>• Direct access to Chairperson of Audit Committee</li> </ul>
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions</li> <li>• Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and</li> </ul>

				<p>Shareholders of the Company</p> <ul style="list-style-type: none"> <li>Review of transactions pursuant to aforesaid contract</li> </ul>
8	Corporate Governance requirements with respect to subsidiary of listed entity	24	NA	<ul style="list-style-type: none"> <li>The Company does not have any subsidiary</li> </ul>
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>Maximum Directorship and Tenure</li> <li>Meeting of Independent Directors</li> <li>Familiarization of Independent Director</li> </ul>
10	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	26	Yes	<ul style="list-style-type: none"> <li>Memberships/Chairmanships in Committees</li> <li>Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel</li> <li>Disclosure of shareholding by Non-executive Directors</li> <li>Disclosures by Senior Management about potential conflicts of interest</li> <li>There is no agreement entered by the employees or KMP with regard to compensation or profit sharing in connection with dealings in the securities of Company</li> </ul>
11	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of quarterly compliance report on Corporate Governance</li> </ul>
12	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>Terms and conditions of appointment of Independent Directors</li> <li>Composition of various Committees of Board of Directors</li> <li>Code of Business Conduct and Ethics for Directors and Management Personnel</li> <li>Details of establishment of Vigil Mechanism/ Whistle Blower Policy</li> <li>Policy on dealing with Related Party Transactions</li> <li>Policy for determining material subsidiary</li> <li>Details of familiarization programmes imparted to Independent Directors</li> </ul>

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT AS REQUIRED  
PURSUANT TO SCHEDULE V OF SECURITIES & EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Mr. Raghvendra Kumar as Whole-Time director of the Company, hereby declare that, all the Members of the Board and Senior Management Personnel have confirmed their compliance with the Code of Conduct, as applicable to them, for the year ended March 31, 2019.

**For & on behalf of the board**

**For Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**(Director)**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**

**PRACTICING COMPANY SECRETARY'S CERTIFICATE PURSUANT TO SCHEDULE V  
(C) (10) (i) OF SECURITIES & EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS  
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To,**

The Members of ESAAR (INDIA) LTD.,

In my opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, I hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority, from being appointed or continuing as Directors of Companies.

**For Riddhi Krunal Shah  
Practicing Company Secretaries**

**Sd/-**

**Riddhi Krunal Shah  
(Proprietor)  
Membership number: 20168  
PCS no.: 17035  
Place: Mumbai  
Date: 14/08/2018**

## CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

### **Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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#### **To the Members of Esaar (India) Limited**

We have examined the compliance of conditions of corporate governance by Esaar (India) Limited ('the Company') for the year ended 31 March, 2019, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations except as mentioned in report.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Riddhi Krunal Shah  
Practicing Company Secretaries**

Sd/-

**Riddhi Krunal Shah  
(Proprietor)  
Membership number: 20168  
PCS no.: 17035  
Place: Mumbai  
Date: 14/08/2018**

## CEO/CFO Certification

### **Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015**

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1. I, Raghvendra Kumar, Whole Time Director of the Company in absence of Chief Financial Officer of M/s. Esaar (India) Limited, have reviewed the financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
  - c) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For Esaar (India) Limited**

**Sd/-**

**Raghvendra Kumar**

**(Director)**

**DIN: 08126531**

**Place: Mumbai**

**Date: 29/05/2019**



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
ESAAR (INDIA) LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **ESAAR (INDIA) Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules 2014, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit, changes in equity and its cash flow for the year ended on that date.

#### Basis for Qualified Opinion

We conducted our audit of the Standalone Financial Statements 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 standalone 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 qualified opinion on the standalone financial statements.

The Company has not complied with the prudential norms as applicable to it in terms of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Majority of the loans given are demand loans, therefore in some cases the terms of repayment including interest & loan agreement including KYC documents etc. are not

available. Demand and other loans given are governed by the Board no appraisal, renewal, policies, procedure, committee or documents have been prescribed and executed.

In view of the Management all the loans outstanding are considered good and therefore provision on Non-Performing Assets not provided.

Pre and post sanction generally accepted procedures are not in place.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in management analysis, company performance report but does not include the Standalone 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 standalone 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 in the 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.

### **Management's Responsibility for the Standalone Financial Statements**

The Management of the Company 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 including other comprehensive income and changes in equity (reserves) of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements, Management of Company 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 the Management of Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management of Company are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 financial controls 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.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 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 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.

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

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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, based on our audit 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 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 prescribed under Section 133 of the Act
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”, and
- f. 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring the amount, required to be transferred in accordance with the relevant provisions of the Companies Act, 2013 and the rules made thereunder, to the Investor Education and Protection Fund by the Company.

For **Harish Arora & Associates**

Chartered Accountants

(Registration No. 015226C)

S/d

CA Harish Arora

Partner

Membership No. 407420

Place of Signing: Mumbai

Date : 29<sup>th</sup> May 2019

**“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.**

- 1) In respect of its fixed assets :
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner designed to cover all the items over a period of three years having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the Company.
- 2) As explained to us, the financial instruments held as inventories in dematerialized form and stock lying the inventory has been verified by management during the year.
- 3) The Company has complied with the provision of section 189 of the act in respect of loans granted by company.
- 4) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- 6) To the best of our knowledge and explanations given to us, the maintenance of cost records had not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.

7) In respect of Statutory dues :

- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of income tax, sales tax, value added tax and professional tax, the Company is regular in depositing undisputed statutory dues, including duty of customs, duty of excise, cess and other material statutory dues, as applicable with the appropriate authorities. As explained to us the company did not have any dues on account of any sales tax, wealth tax & duty of customs, value added tax, employee state insurance and duty of excise.
- b) According to the information and explanations given to us and the records of the Company examined by us, details of dues of income tax, sales tax, value added tax, which have not been deposited as at March 31, 2019 on account of dispute are given below:

<b>Nature of the Statute</b>	<b>Nature of dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Disputed</b>
The Income Tax Act, 1961	Income Tax	CIT Appeals	A.Y. 2014-15	94,45,062
The Income Tax Act, 1961	Income Tax	CIT Appeals	A.Y. 2016-17	58,94,648

- 8) In our opinion and according to the records of the Company examined by us and explanations given to us, the Company has defaulted in repayment of loans to its financial institutions or bankers. The Company has not raised loans by issue of debentures.
- 9) Based upon the audit procedures performed and the information and explanation given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- 11) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12) In our opinion Company is not a Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- 13) In respect of transactions with related parties :
  - a) According to the information and explanations given by the management, section 177 of the Act is not applicable to the Company.
  - b) In our opinion and according to the information and explanations given to us, Company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements, as required by the applicable accounting standards.
- 14) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year.
- 15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- 16) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Harish Arora & Associates**

Chartered Accountants

(Registration No. 015226C)

**S/d**

CA Harish Arora

Partner

Membership No. 407420

Place of Signing: Mumbai

Date : 29<sup>th</sup> May 2019



## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone**

### **Financial Statements of ESAAR (INDIA) LIMITED**

#### **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 **Esaar (India) Limited** as of March 31, 2019 in conjunction with our audit of the standalone 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 judgment, 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 qualified 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 authorizations 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.

### **Basis for Qualified Opinion**

The Company's internal financial controls relating to review of Trade Receivables, Trade Payables and Other Current Assets and Advances for appropriate provisioning did not operate effectively which resulted in non-ascertainment of adequate provision pertaining to such receivables & payables.

### **Qualified Opinion**

In our opinion, except for the effects of the described in the Basis for Qualified Opinion paragraph above, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial

Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Harish Arora & Associates**  
Chartered Accountants  
(Registration No. 015226C)

**S/d**  
CA Harish Arora  
Partner  
Membership No. 407420

Place of Signing: Mumbai  
Date : 29<sup>th</sup> May 2019

**Esaar (India) Limited**  
Balance Sheet as at 31st March 2019

	Notes	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	20,44,25,000	20,44,25,000
(b) Reserves and surplus	3	(5,27,62,008)	(5,62,24,366)
		<b>15,16,62,992</b>	<b>14,82,00,634</b>
<b>Non Current Liabilities</b>			
(a) Long Term Borrowings	4	11,36,35,895	85,00,000
<b>Current liabilities &amp; Provision</b>			
(a) Trade payables	5	8,25,14,802	1,26,492
(b) Other current liabilities & Provisions	6	4,94,64,049	-
(c) Short Term Provisions	7	1,84,91,626	1,80,36,551
		<b>26,41,06,371</b>	<b>2,66,63,042</b>
<b>TOTAL</b>		<b>41,57,69,364</b>	<b>17,48,63,676</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
(a) Fixed assets	8	20,838	20,838
(b) Deferred tax Assets	9	59,634	59,634
		<b>80,472</b>	<b>80,472</b>
<b>Long term Investments</b>	10	<b>7,50,00,000</b>	-
<b>Current assets</b>			
(a) Inventories	11	10,96,29,283	2,35,11,171
(b) Trade Receivables	12	-	11,801
(c) Cash and cash equivalents	13	3,01,11,068	16,82,113
(d) Short-term loans and advances	14	19,50,38,700	14,45,04,000
(e) Other Current Assets	15	59,09,840	50,74,119
		<b>34,06,88,892</b>	<b>17,47,83,204</b>
<b>TOTAL</b>		<b>41,57,69,364</b>	<b>17,48,63,676</b>
<b>Summary of Significant Accounting Policies</b>		<b>1</b>	
<b>Notes to Accounts is an integral part of the financial Statements</b>		<b>2 to 23</b>	
<b>As per our report of even date attached</b>		<b>For and on behalf of the Board of Directors</b>	
<p>Harish Arora &amp; Associates FRNo. 015226C Chartered Accountants</p>			
S/d		S/d	
CA Harish Arora		Raghvendra Kumar	
Partner		Director	
Membership No. 407420		DIN:- 08126531	
Place : Mumbai		S/d	
Date : 29th May 2019		Mehulkumar Kadiya	
		Independent Director	
		DIN:- 07591755	

**Esaar (India) Limited**  
**Statement of Profit and Loss Account for the year ended 31st March. 2019**

	Notes	2018-19 (Audited)	2017-18 (Audited)
<b>INCOME</b>			
Revenue from operations	16	98,23,74,000	1,13,15,570
Other income	17	9,08,561	-
<b>Total revenue</b>		<b>98,32,82,561</b>	<b>1,13,15,570</b>
<b>EXPENSES</b>			
(a) Purchase of Stock in Trade	18	1,04,50,03,963	1,95,00,020
(b) Changes in Stock	19	(8,61,18,112)	(1,58,08,669)
(c) Finance Cost	20	63,10,892	17,58,586
(d) Employee Cost	21	10,75,713	6,56,196
(e) Other Expense	22	1,38,86,637	70,38,807
<b>Total expenses</b>		<b>98,01,59,094</b>	<b>1,31,44,940</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>31,23,468</b>	<b>(18,29,370)</b>
Exceptional items			
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>31,23,468</b>	<b>(18,29,370)</b>
Extraordinary items		-	-
<b>Profit / (Loss) before tax</b>		<b>31,23,468</b>	<b>(18,29,370)</b>
<b>Tax Expenses</b>			
(a) Less : Current Tax		-	(3,38,433)
(b) Less : Earlier Year Tax Provision		-	-
(c) Less: Deferred tax	9	-	-
<b>Profit/(loss) for the period</b>		<b>31,23,468</b>	<b>(21,67,803)</b>
Earning Per Share Basic		0.15	(0.01)
Earning Per Share - Diluted		0.15	(0.01)

**Summary of Significant Accounting Policies** 1  
**Notes to accounts is an integral part of the financial Statements** 2 to 23

As per our report of even date attached

**Harish Arora & Associates**  
**FRNo. 015226C**  
**Chartered Accountants**

S/d  
**CA Harish Arora**  
**Partner**  
**Membership No. 407420**

S/d  
**Raghendra Kumar**  
**Director**  
**DIN:- 08126531**

S/d  
**Mehulkumar Kadiya**  
**Independent Director**  
**DIN:- 07591755**

**Place : Mumbai**  
**Date : 29th May 2019**

**Esaar (India) Limited**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Amount in Rs.

NOTE- 2	As at 31.03.19	As at March 31st, 2018
<b>SHARE CAPITAL AUTHORISED</b>		
2,15,00,000 Equity Share of Rs. 10/- each (Previous year: 2,15,00,000 Equity Shares of Rs. 10/- each)	21,50,00,000	21,50,00,000
	<b>21,50,00,000</b>	<b>21,50,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
2,04,42,500 Equity Share of Rs. 10/- each (Previous year: 2,04,42,500 equity shares of Rs 10/- each)	20,44,25,000	20,44,25,000
<b>TOTAL</b>	<b>20,44,25,000</b>	<b>20,44,25,000</b>

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Opening Balance	Addition	Buy back	Closing Balance
Equity shares with voting rights					
Year ended 31 March, 2019					
- Number of shares	2,04,42,500	2,04,42,500	-	-	2,04,42,500
- Amount (Rs.)	20,44,25,000	20,44,25,000	-	-	20,44,25,000
Year ended 31 March, 2018					
- Number of shares	2,04,42,500	2,04,42,500	-	-	2,04,42,500
- Amount (Rs.)	20,44,25,000	20,44,25,000	-	-	20,44,25,000

**Right, preferences and restrictions**

The company has one class of Equity share having a par value of . Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receiving remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31.03 2019			As at 31 March, 2018	
	Number of shares held	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Nil					
<b>Total</b>	-	-	-	-	-

NOTE- 3		As at 31.03.19	As at March 31st, 2018
<b>RESERVE AND SURPLUS:</b>			
<b><u>Securities Premium Reserve</u></b>			
Opening Balance		1,24,89,490	1,24,89,490
Add: Addition during the year		-	-
<b>Closing Balance</b>		<b>1,24,89,490</b>	<b>1,24,89,490</b>
<b><u>Statutory Reserves</u></b>			
Opening Balance		20,52,179	20,52,179
Add: Addition during the year		-	-
<b>Closing Balance</b>		<b>20,52,179</b>	<b>20,52,179</b>
<b>Surplus - Opening Balance</b>		<b>(7,07,66,036)</b>	<b>(6,85,98,233)</b>
<b>Wrong provision for tax in F.Y. 17-18</b>		<b>3,38,891</b>	
Add: Profit/ (Loss) for the Year		31,23,468	(21,67,803)
<b>Surplus - Closing Balance</b>		<b>(6,73,03,677)</b>	<b>(7,07,66,036)</b>
<b>TOTAL</b>		<b>(5,27,62,008)</b>	<b>(5,62,24,366)</b>

NOTE- 4		As at 31.03.19	As at March 31st, 2018
<b>Long Term Borrowings</b>			
Unsecured loans		11,36,35,895	85,00,000
<b>TOTAL</b>		<b>11,36,35,895</b>	<b>85,00,000</b>

NOTE- 5		As at 31.03.19	As at March 31st, 2018
<b>Trade Payable</b>			
Sundry Creditors		8,25,14,802	1,26,492
<b>TOTAL</b>		<b>8,25,14,802</b>	<b>1,26,492</b>

NOTE- 6		As at 31.03.19	As at March 31st, 2018
<b>OTHER CURRENT LIABILITIES</b>			
Other Current Liabilities		4,94,64,049	-
<b>TOTAL</b>		<b>4,94,64,049</b>	<b>-</b>

NOTE- 7		As at 31.03.19	As at March 31st, 2018
<b>SHORT TERM PROVISIONS</b>			
Provision for Loss Assets (Advances)		1,67,38,881	1,67,38,881
Duties & Taxes Payable		4,55,075	
Provision for Standard Assets (Advances)		12,97,670	12,97,670
<b>TOTAL</b>		<b>1,84,91,626</b>	<b>1,80,36,551</b>

**ESAAR (INDIA) LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE "8" : FIXED ASSETS**

<b>Amount in Rs.</b>										
<b>Discriptions</b>	<b>Gross Block</b>				<b>Depreciation</b>				<b>Net Block</b>	
	As at April 1st 2018	Additions during the year	Deduction during the year	As at 31st March 2019	As at April 1, 2018	For the year	Deduction during the year	As at 31st March 2019	As at March 2019	As at 31st March 2018
<b>Tangible Assets</b>										
Plant & Machiney	1,75,996	-	-	1,75,996	1,55,158	-	-	1,55,158	20,838	20,838
Office Equipments	5,66,889	-	-	5,66,889	5,66,889	-	-	5,66,889	-	-
<b>TOTAL</b>	<b>7,42,885</b>	<b>-</b>	<b>-</b>	<b>7,42,885</b>	<b>7,22,047</b>	<b>-</b>	<b>-</b>	<b>7,22,047</b>	<b>20,838</b>	<b>20,838</b>



NOTE- 9		As at 31.03.19	As at March 31st, 2018
<b>Deferred Tax Assets</b>			
Deffered Tax Assets/(Liabilities)		59,634	59,634
<b>TOTAL</b>		<b>59,634</b>	<b>59,634</b>

NOTE- 10		As at 31.03.19	As at March 31st, 2018
<b>Long term Investments</b>			
<u>Non convertibile Redeemable Preference Shares (7500000 nos. @10/-)</u>		7,50,00,000	
<b>TOTAL</b>		<b>7,50,00,000</b>	<b>-</b>

NOTE- 11		As at 31.03.19	As at March 31st, 2018
<b>INVENTORIES</b>			
(As valued and certified by management)			
<b>Stock-in-trade</b>			
<b>Stock in Securities</b>		10,96,29,283	2,35,11,171
<b>TOTAL</b>		<b>10,96,29,283</b>	<b>2,35,11,171</b>

NOTE- 12		As at 31.03.19	As at March 31st, 2018
<b>Trade Receivables Unsecured - Considered</b>			
Unsecured, considered good			
Outstanding for a period exceeding six months from the date they are due for payment		-	-
Others		-	11,801
<b>TOTAL</b>		<b>-</b>	<b>11,801</b>

NOTE- 13		As at 31.03.19	As at March 31st, 2018
<b>CASH &amp; BANK EQUIVALENTS</b>			
<b>Cash and cash equivalents</b>			
a) Cash on Hand		5,99,846	22,978
b) Balance with banks		2,95,11,222	16,59,135
c) Fixed Deposit with banks		-	-
<b>TOTAL</b>		<b>3,01,11,068</b>	<b>16,82,113</b>

NOTE- 14		As at 31.03.19	As at March 31st, 2018
<b>SHORT TERM LOANS &amp; ADVANCES</b>			
Loan and advances to related party		-	-
Loans and advances to others		19,50,38,700	14,44,54,000
Deposits		-	50,000
<b>TOTAL</b>		<b>19,50,38,700</b>	<b>14,45,04,000</b>

NOTE- 15		As at 31.03.19	As at March 31st, 2018
<b>Other Current Assets</b>			
Balance with statutory/government authorities		59,09,840	50,74,119
<b>Total</b>		<b>59,09,840</b>	<b>50,74,119</b>

ESAAR (INDIA) LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS

Amount in Rs.

NOTE- 16	2018-19	2017-18
<b>REVENUE FROM OPERATIONS</b>		
Revenue from Sale of Shares	96,71,18,876	14,90,265
Interest income	1,52,55,124	98,25,305
<b>TOTAL</b>	<b>98,23,74,000</b>	<b>1,13,15,570</b>

NOTE- 17	2018-19	2017-18
<b>OTHER INCOME</b>		
Others Income	8,81,161	-
Interest on Income Tax Refund	-	-
Misc income	-	-
Interest on FD	-	-
Dividend	27,400	-
<b>TOTAL</b>	<b>9,08,561</b>	<b>-</b>

NOTE- 18	2018-19	2017-18
<b>Purchases during the year</b>		
Shares	1,04,50,03,963	1,95,00,020
Commodity	-	-
<b>TOTAL</b>	<b>1,04,50,03,963</b>	<b>1,95,00,020</b>

NOTE- 19	2018-19	2017-18
<b>Change in Inventory</b>		
<b>Opening Stock</b>		
Shares	2,35,11,171	77,02,502
<b>Closing Stock</b>		
Shares	10,96,29,283	2,35,11,171
<b>TOTAL</b>	<b>(8,61,18,112)</b>	<b>(1,58,08,669)</b>

NOTE- 20	2018-19	2017-18
<b>Finance Cost</b>		
Interest on loan	63,10,892	17,58,586
<b>TOTAL</b>	<b>63,10,892</b>	<b>17,58,586</b>

<b>NOTE- 21</b>	<b>2018-19</b>	<b>2017-18</b>
<b>Employee Cost</b>		
Salaries and Other Allowances	5,24,006	4,63,457
Director Remuneration	5,51,707	1,77,500
Staff welfare expenses		15,239
<b>TOTAL</b>	<b>10,75,713</b>	<b>6,56,196</b>

<b>NOTE-22</b>	<b>2018-19</b>	<b>2017-18</b>
<b>OTHER OPERATING EXPENSES</b>		
Audit Fees	1,43,000	1,43,000
Advertisement Expenses	43,588	32,503
Bad debts	38,87,119	-
Computer expenses	-	1,827
Dp charges	9,532	-
Electricity expenses	11,213	44,238
Interest on TDS		-
Office expenses	849	8,230
Listing fee	2,50,000	2,60,000
Printing & Stationery expenses	16,850	22,054
Postage & courier expenses	350	2,683
Professional fee	1,29,710	1,85,207
ROC Charges	9,000	9,667
Rent expenses	9,31,053	1,73,250
Share transfer charges	2,22,493	3,00,174
Shares Expenses	56,44,481	-
Service tax expenses	-	53,924
Transaction charges	-	38,766
Telephone charges	442	5,647
Provision for standard assets	-	3,98,921
Provision for loss assets	-	9
Misc expenses	2,132	23,000
Bank Charges	5,357	-
Membership Fees	-	20,750
Sundry Balance Writen off	25,79,468	49,97,058
Prior Period Items	-	3,17,899
<b>TOTAL</b>	<b>1,38,86,637</b>	<b>70,38,807</b>

**ESAAR (INDIA) LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE 23**  
**Segment Reporting**

**Identification of Segments :**

- A) The Company's operating business are organised and managed separately according to the nature of business, with each segment representing a strategic business unit that offers different product in different market. The company has identified two business segment- advancing loans/trading of shares and commodity business.
- B) In the context of Accounting Standard issued by institute of chartered accountant of india, Company has identified business segment as the primary segment for the purpose of disclosure.

Sr. No	PARTICULARS	Year Ended	
		31.03.2019	31.03.2018
		Audited	Audited
1	<b>Segment Revenue</b>		
	(A) Income Commodity Business	152.708	14.903
	(b) Income From Finance Business	9,680.274	98.253
	<b>Total Income from Operation</b>	<b>9,832.983</b>	<b>113.156</b>
	<b>Less: Inter Segment Revenue</b>		
	<b>Net sales/Income From Operations</b>	<b>9,832.983</b>	<b>113.156</b>
2	<b>Segment Results</b>		
	Profit/ Loss Before Tax and Interest from Each Segment		
	(a) Segment-Commodity Business	91.416	(22.011)
	(b) Segment- Finance Business	113.913	98.253
	<b>Total</b>	<b>205.329</b>	<b>76.242</b>
	<b>Less: (i) Interest</b>	24.367	17.586
	(ii) Other Un-allocable Expenditure	149.397	76.950
	<b>Add: (iii) Un-allocable income</b>		-
	<b>Total Profit Before Tax</b>	<b>31.56</b>	<b>(18.29)</b>
3	<b>Capital Employed</b>		
	<b>(Segment Assts-Segment Liabilities)</b>		
	(a) Commodity & Shares Business	-	-
	(b) Finance Business	1,516.960	1,482.010
	<b>Total Capital Employed</b>	<b>1,516.960</b>	<b>1,482.010</b>

**\*\*Refer Para of other matter of report of Independent auditor's opinion**

**Note 24****Related Party Transactions****List Of Related Parties**

		<b><u>FY 2018-19</u></b>
<b>Name</b>	<b>Nature of Relation</b>	
<b>A. Corporate</b>		
1. Gromo Trade & Consultancy Ltd.	Director Interested in Company	
<b>B. Non Corporate</b>		
<b>Key Managerial Person</b>		
1. Raghvendra Kumar	Whole Time Director	

1. The compensation details of key management personnel as defined under Accounting Standard (AS) 18, 'Related party disclosures', which comprise directors and executive officers are as follows :

Nature of Transactions	2018-19	2017-18
<b>Directors Remuneration Paid</b>		
Raghvendra Kumar	5,49,907	-
<b>Other Expenses Paid</b>		
Raghvendra Kumar	-	-
<b>Transaction with Related Party</b>		
Gromo Trade & Consultancy Ltd (Loans and advance taken and repaid during the year)	8,71,00,000	1,07,00,000
Gromo Trade & Consultancy Ltd (Loans and advance taken)	9,16,84,942	81,00,000
Gromo Trade & Consultancy Ltd (Interest Received)	-	52,940
Gromo Trade & Consultancy Ltd (Interest Paid)	9,05,620	

**Esaar (India) Limited**  
Cash Flow Statement for the year ended 31st March 2019

		2018-19	2017-18
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	<b>Net Profit before Tax and Prior Period Items</b>	31,23,468	(18,29,370)
	<b>Adjustment for:</b>		
	Depreciation	-	28,900
	<b>Operating Profit before Working Capital Changes</b>	<b>31,23,468</b>	<b>(18,00,470)</b>
	<b>Adjusted for:</b>		
	Increase/(Decrease) in Trade Payables	8,23,88,310	(14,738)
	Increase/(Decrease) in Other Current liabilities	4,94,64,049	-
	Increase/(Decrease) in Short Term Provision	4,55,075	3,98,473
	(Increase)/Decrease in Inventories	(8,61,18,112)	(1,58,08,669)
	(Increase)/Decrease in Trade Receivables	11,801	(10,345)
	(Increase)/Decrease in Other Current Assets	(8,35,722)	51,905
	(Increase)/Decrease in Long term Investments	(7,50,00,000)	
	<b>Cash Generated from Operations</b>	<b>(2,96,34,599)</b>	<b>(1,53,83,374)</b>
	<b>Cash Flow Before Extraordinary Items and Prior Period Items</b>	<b>(2,65,11,131)</b>	<b>(1,71,83,844)</b>
	Less: Income Tax Paid/ Provided	(3,38,891)	3,38,433
	<b>Net Cash From Operating Activity (A)</b>	<b>(2,61,72,240)</b>	<b>(1,75,22,277)</b>
<b>B</b>	<b>Cash From Investing Activities</b>		
	Investment in Shares	-	-
	<b>(B)</b>	<b>-</b>	<b>-</b>
<b>C</b>	<b>Cash Flow From Financing Activity</b>		
	(Increase)/Decrease in Short Term Loans & Advances	(5,05,34,700)	22,57,994
	Repayment of Loan	10,51,35,895	53,35,000
	<b>(C)</b>	<b>5,46,01,195</b>	<b>75,92,994</b>
	<b>Net Increase/Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>2,84,28,955</b>	<b>(99,29,283)</b>
	Opening Balance of Cash and Cash Equivalents	16,82,113	1,16,11,396
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>3,01,11,068</b>	<b>16,82,113</b>

Notes : Previous year's figures have been re-grouped, re-stated wherever necessary.

As per our report of even date attached

For and on behalf of the Board of Directors

**Harish Arora & Associates**

**Chartered Accountants**

**FRNo. 015226C**

S/d

**CA Harish Arora**

**Partner**

**Membership No. 407420**

**Place : Mumbai**

**Date : 29th May 2019**

S/d

**Raghvendra Kumar**

Director

DIN:- 08126531

S/d

**Mehulkumar Kadiya**

Independent Director

DIN:- 07591755

**Year 2018-19**

**BY COURIER**

**ESAAR (INDIA) LIMITED**

204-Wing, New Prabhat SRA CHS Ltd, Chikwadi, Plot-115, Next to Bisleri Factory,  
W.E.Highway, Andheri East, Mumbai - 400099.