

**ANNUAL REPORT
MARCH 2009-10**

ESaar (India) Limited

ESAAR (INDIA) LIMITED

BOARD OF DIRECTORS :

O. P. Saxena	Chairman
Sameer Saxena	Managing Director
Bajrang Lal Sarda	Director
Prasanto Bandyopadhyay	Director
R. K. Bhalotia	Director
Kailash Dhanuka	Director
Tanu Agarwal	Director
Giriraj Kishore Agarwal	Director

SHARE REGISTRARS :

S. K. Computers
34/1A, S. K. Chatterjee Street
Kolkata - 700 006

AUDITORS :

Agarwal Gupta Nokari & Rustagi Associates
Chartered Accountants

BANKERS :

Allahabad Bank
The Bank of Rajasthan Ltd.
Indian Bank
H.S.B.C
Federal Bank Ltd.

REGISTERED OFFICE :

4A, Council House Street
Kolkata - 700 001
Phone : (033) 2248 7017
Fax : (033) 2248 7018

ESAAAR (INDIA) LIMITED

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting of the Members of ESAAR (INDIA) LIMITED will be held at its Registered Office at 4A, Council House Street, 1st Floor, Kolkata - 700 001, on 29th September, 2010 at 1.00 P.M. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Director's Report and Audited Profit & Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at the date and the Auditors Report thereon.
2. To appoint Director in place of Mr. Kailash Dhanuka, Mr. Tanu Agarwal & Mr. Giriraj Kishore Agarwal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

Registered Office :
4A, Council House Street
1st Floor
Kolkata - 700 001.

Dated, the 31st day of August, 2010

By order of the Board

(O. P. SAXENA)

Chairman

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the Meeting Hall.
3. As measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report at the meeting.
4. The Book Closure date of the Company is from 22nd September, 2010 to 29th September, 2010 inclusive of both days.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 58th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS :

	<u>2010</u>	<u>2009</u>
Gross Turnover	26,159,714	19,071,202
Profit / (Loss) before Tax	128,928	1,938,036
Less : Provision for Taxation	20,000	199,700
Provision for FBT	—	17,010
Deffered Tax	(270,726)	—
Profit / (Loss) after Tax	379,654	1,721,326
Add : Balance brought forward from last year	5,424,052	3,702,726
Balance Sheet carried forward	<u>5,803,706</u>	<u>5,424,052</u>

PERFORMANCE :

During the year, the company has mainly concentrated on recovering of loans and advances given to the parties.

DIVIDEND :

The Directors do not recommend any dividend for the year.

DIRECTORS' RESPONSIBILITY STATEMENT :

As required under section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ending 31st March, 2010 and of the profit of the company for that period;
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their ability;
- iv) the directors have prepared the Annual Accounts on a going concern basis.

ESAAR (INDIA) LIMITED

CORPORATE GOVERNANCE

The code of Corporate Governance as provided in the Listing Agreements of the Stock Ex-changes is applicable to the Company.

SEGMENT REPORTING

The Company has three segments, hence disclosers in accordance with Accounting Standard on Segment Reporting (AS-17) have been presented.

RESERVE BANK OF INDIA GUIDELINES FOR NBFCs

(Non Banking Financial Companies)

The Guidelines of Reserve Bank of India have been revised time and again during the year under review. The Company has observed all the prudential norms prescribed by Reserve Bank of India.

DEPOSIT

The Company has not accepted any deposit during the year ended 31st March 2010 from public.

AUDITORS

Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuring Annual General Meeting and being eligible, offer themselves for reappointment. Your company has received a certificate from Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act 1956.

The observations made by the auditors are self-explanatory and require no further explanation.

DISCLOSURE OF PARTICULARS

The Company has no employee in the category as specified in the provisions of Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

The Company being in the financial sector, disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

Registered Office :
4A, Council House Street
1st Floor, Kolkata - 700 001.

For and on behalf of the Board of Directors

(O. P. SAXENA)

Chairman

Dated, the 31st day of August, 2010

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

Chartered Accountants

12, Waterloo Street, Kolkata - 700 069

Phone : 2248 7696, 3296 2308, Fax : 033-2248 3151

COMPLIANCE CERTIFICATE

TO THE MEMBERS OF ESAAR (INDIA) LIMITED

1. We have examined the compliance of conditions of Corporate Governance by M/S. ESAAR (INDIA) LIMITED for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges with the relevant records and documents maintained by the company and furnished to us.
2. Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of the effectiveness with which the management has conducted the affairs of the Company.
4. During the year Company has not received any grievances from any shareholders as per the records maintained by the Company.
5. On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange have been complied with in all respect except for discrepancies stated in the Corporate Governance Report by the Company.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

ESAAR (INDIA) LIMITED

REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has always recognised the importance of high standards of Corporate Governance. In the past, shareholders were provided all material information in the most transparent manner. It has been the practice in your Company to encourage wider and active participation from shareholders at every General Meeting, this provided opportunity for the Directors to interact with the main shareholders. The Company has taken series of steps to comply with the Clause 49 of the listing agreement. The Company has appointed three new Independent Directors in 2010.

2) BOARD OF DIRECTORS

As at 31st March, 2010, the Board of Directors of the Company consists of five members two of whom are independent.

A) THE COMPOSITION OF THE RESTRUCTURED BOARD IS AS UNDER

<u>NAME OF THE DIRECTOR</u>	<u>CATEGORY</u>
Mr. Sameer Saxena	Managing Director
Mr. O. P. Saxena	Director (Non Executive)
Mr. Prasanta Bandyopadhyay	—do—
Mr. Raj Kumar Bhalotia	Independent Director
Mr. Bajrang Lal Sharda	—do—
Mr. Kailash Dhanuka	—do—
Mr. Giriraj Kishore Agarwal	—do—
Mr. Tanu Agarwal	—do—

B) MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors provide the strategic direction and trust to the operations of the company. During the period under review 5(Five) Board Meetings were held on 25th April 2009, 29th July, 2009, 22nd August 2009, 31st October 2009 & 30th January 2010.

Attendance of each Director at Board Meetings and Annual General Meeting (AGM) was as follows :-

<u>Sl. No.</u>	<u>Name of the Director</u>	<u>No of Board Meetings attended</u>	<u>Attendance at AGM held on 29.09.2009</u>
1.	Mr. Sameer Saxena	5	Yes
2.	Mr. O. P. Saxena	5	Yes
3.	Mr. Prasanta Bandyopadhyay	5	Yes
4.	Mr. Bajrang Lal Sharda	5	Yes
5.	Mr. Raj Kumar Bhalotia	5	Yes

3) DETAILS OF DIRECTORS

<u>Name of the Director</u>	<u>Directorship in No. of other Pvt. Ltd. Co.</u>	<u>Directorship in Public Ltd. Co.</u>
Mr. Sameer Saxena	16	3
Mr. O. P. Saxena	8	3
Mr. Prasanta Bandyopadhyay	2	3
Mr. Raj Kumar Bhalotia	Nil	Nil
Mr. Bajrang Lal Sharda	Nil	Nil

4) AUDIT COMMITTEE

An Audit Committee of the Board was constituted on 31st January, 2002 with the following terms of reference :-

- a) Overseeing of the Company's Financial reporting process and the disclosure of its Financial information to ensure that the Financial Statements are correct sufficient and credible.
- b) Re-commending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any services.
- c) Reviewing with management the annual financial statements before submission to the Board, focussing primarily on :-

- * Any changes in accounting policies and practices.
- * Major accounting entries based on exercise or judgement by management.
- * Qualifications in draft audit report.
- * Significant adjustments arising out of audit.
- * The going concern assumption.
- * Compliance with accounting standards.
- * Compliance with Stock Exchange (s) and legal requirements concerning financial statements.
- * Any related Compliance with Stock Exchange (s) and legal requirements concerning financial statements.
- * Transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives or etc. that may have potential conflict with the interests of the company at large.

- d) Reviewing with the management, external and internal auditors the adequacy of internal control system.
- e) Discussion with external auditors before the audit commences, nature and scope of audit as well as having post-audit discussion to ascertain any areas of concern.
- f) Reviewing the Company's financial and risk management policies.
- g) To look in to the reasons for substantial defaults in payment to depositors, Shareholders (in case of non-payment of declared dividend) and creditors.

ii) Composition, Name of Members and Chairman

During the year ended 31st March, 2010, 5(Five) meetings of the Audit Committee were held, the dates being 25th April, 2009, 29th July 2009, 31st October 2009, and 30th January 2010.

<u>Members</u>	<u>Meetings attended</u>
Mr. Raj Kumar Bhalotia	-do- 5
Mr. Bajrang Lal Sarda	-do- 5

iii) **CHAIRMAN**

Mr. Prasanta Bandyopadhyay, Director is the Chairman of the Audit Committee.

- iv) Invitees entitled to attend as per relevant, provisions,
 - a) The Statutory Auditors

ESAAAR (INDIA) LIMITED

5) BOARD PROCEDURE

In the year 2009-2010 Meetings for the Board were held. The intervening period between two Board meetings was within the maximum time gap of three months prescribed in clause 49 of the Listing Agreement. The minimum information to be made available to the Board as per Annexure forming part of clause 49 has been complied with. Information on Foreign Exchange exposures are not applicable, as company has no foreign exchange earning or outgo.

6) MANAGEMENT

Management discussions and analysis are a part of the annual report.

7) SHARE HOLDING INFORMATION

A) DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTOR

Pursuant to the provisions of the companies Act, 1956 Mr. Kailash Dhanuka, Mr. Giriraj Kishore Agarwal & Mrs. Tanu Agarwal retires at the Annual General Meeting and retiring by rotation as specified in the notice offer themselves for re-appointment.

B) DISCLOSURES

- i) As per written explanation obtained from the management there were no transaction of material nature with Directors / Promoters or any other related entity, having potential conflict with the interests of the Company at large.
- ii) As per the Written explanation obtained from the management there is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other Statutory authority on any matter related to Capital Markets during the last three years/periods.
- iii) Quarterly / Yearly "Limited Review" was conducted by the auditors during 2009-2010.

C) PUBLICATION OF FINANCIAL RESULTS

The Company publishes its quarterly, half yearly and Annual Financial Results.

D) SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE OF BOARD

The Company formed the Shareholders' & Investors Grievances Committee of Board in the meeting of the Board held on January 31, 2002. This Committee is chaired by Mr. Bajrang Lal Sarda, Director. The other members are Mr. Sameer Saxena and Mr. O. P. Saxena. As per written explanation obtained from the management the Company has not received any complaint from its shareholders/Investors during the year.

E) SHARE TRANSFER COMMITTEE OF BOARD

The Registrar and share transfer Agent, was delegated authority to attend to share transfer formalities at least once in a fortnight, to be subsequently rectified by the Share Transfer Committee of Board. This was done mainly to expedite the process of share transfer in the interest of share holders and the investors.

9) GENERAL INFORMATION

A) GENERAL BODY MEETINGS

<u>YEAR</u>	<u>DATE</u>	<u>TIME</u>	<u>VENUE</u>	<u>TYPE</u>
2007-2008	30.09.2008	11.00 A.M.	4A, Council House St. Kolkata-700 071	AGM
2008-2009	29.09.2009	11.00 A.M.	4A, Council House St. Kolkata-700 071	AGM
2009-2010	29.09.2010	01.00 P.M.	4A, Council House St. Kolkata-700 071	AGM
2009-2010	25.02.2010	11.00 P.M.	4A, Council House St. Kolkata-700 071	EGM

B) MEANS OF COMMUNICATION

The Company publishes unaudited quarterly, half yearly and annual Financial Results in the Echo of India and Arthik Lipi at Kolkata.

C) Registrar and Share Transfer Agent for Demat & Physical Shares
S. K. Computers, 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006,
Tel. No. : 2219-6797/4815, Fax : 2219-4815

D) WHEN AND WHERE TO CONTACT FOR SHARE RELATED SERVICE FOR ROUTINE MATTERS

ANY ASSISTANCE REGARDING Share Transfer and Transmission, change of Address, non-receipt of Dividend, Duplicate/Missing Share Certificates, Demat and other matters please write to or contact Registrars & Share Transfer Agent of the Company at the above address :

FOR REDRESSAL OF COMPLAINTS & GRIEVANCES

Please write or contact :-

Ms. Mini Bagaria,

E) ANNUAL GENERAL MEETING

29th September, 2010 Wednesday, at 01.00 P.M., held on 4A, Council House Street, Kolkata - 700 006.

F) FINANCIAL YEAR

April 1,2009 to March 31, 2010

G) DATE OF BOOK CLOSURE

September 22, 2010 to September 29, 2010, both days inclusive.

H) DIVIDEND PAYMENT DATES

No Dividend was declared for the year.

I) LISTING ON STOCK EXCHANGES

The Company's shares are Listed and traded at the following Stock Exchanges :-

- 1) The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata - 700 001
- 2) The Stock Exchange, Mumbai
P. J. Towers, Dalal Street, Mumbai - 400 001
- 3) Ahmedabad Stock Exchange Ltd.,
Kamdhenu Complex, 4th Floor
Panjrapole Opp. Sahajanand College, Ambawadi, Ahmedabad - 720005
- 4) Jaipur Stock Exchange Ltd., Stock Exchange Building, J. L. N. Marg,
Malviya Nagar, Jaipur - 302017.

ESAAAR (INDIA) LIMITED

J) STOCK CODE

VENUE	TIME	DATE	YEAR
Calcutta Stock Exchange	11:00 A.M.	15063	2007-2008
Mumbai Stock Exchange	11:00 A.M.	531502	2007-2008
Jaipur Stock Exchange	11:00 A.M.	760	2007-2008
Ahmedabad Stock Exchange	11:00 P.M.		2007-2008

DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH, 2010

i) According to category of Holding.

Category	No of Shares	% of Shares
Resident Promoters	2500000	50.00
Other Corporate Bodies	1466200	29.33
N.R.I.	502500	10.05
Public	531300	10.63
Total	5000000	100%

ii) According to number of ordinary shares hold.

No. of Ordinary Shares held	No of Share Holders	% of Shareholders
1-500	1277	87.17
501-1000	29	1.98
1001-2000	48	3.28
2001-3000	15	1.02
3001-4000	8	0.55
4001-5000	4	0.27
5001-10000	24	1.64
10001 & ABOVE	60	4.09
Total	1465	100.00

(M) COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from the Auditors of the company is annexed herewith.

10) Non Mandatory Requirements

a) Chairman of the Board

The Company does not have a Chairman. At every Board Meeting, a Director is elected as Chairman to preside over the Meeting Hence, there is no separate office in the company provided for use of Chairman.

b) Remuneration committee

The Company has not formed a Remuneration committee.

c) Shareholders Rights

Half yearly/quarterly financial results including summary of the significant events are presently not being sent to the shareholders of the Company.

d) Postal Ballot

No resolutions are being proposed to be passes by postal ballot.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants

(B. C. KHAITAN)

Partner

Membership No. 17387

O. P. Saxena

Sameer Saxena

12, Waterloo Street, Kolkata - 700 069

Dated, the 27th day of August, 2010

Director

Managing Director

ESAAR (INDIA) LIMITED

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

Chartered Accountants

12, Waterloo Street, Kolkata - 700 069

Phone : 2248 7696, 3296 2308, Fax : 033-2248 3151

AUDITORS' REPORT

TO THE MEMBERS OF ESAAR (INDIA) LIMITED

1. We have audited the attached Balance Sheet of M/S. ESAAR (INDIA) LIMITED as at 31st March, 2010 and the Profit & Loss Account for the the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit including examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's report) order, 2003 (as ammended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of the books of accounts.
 - iii) The Balance Sheet, Profit & Loss Account and cashflow dealt with by this report are in agreement with the said Books of Accounts as examined by us.
 - iv) In our opinion, The Balance Sheet, profit & loss Account and cashflow statement dealt with by this report are prepared in compliance with the accounting standards referred in section 211 (3C) of the Companies act, 1956.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

Chartered Accountants

12, Waterloo Street, Kolkata - 700 069

Phone : 2248 7696, 3296 2308, Fax : 033-2248 3151

v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

vi) In our opinion and to the best of our information and according to the explanations given to us, subject to note 12 mentioned in schedule 14, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

(a) In the case of Balance Sheet of the Statement of Affairs of the Company as at 31st March, 2010

(b) In the case of profit & loss account, of the profit for the year ended on that date.

and

(c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

Chartered Accountants

12, Waterloo Street, Kolkata - 700 069

Phone : 2248 7696, 3296 2308, Fax : 033-2248 3151

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 of our report even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets over a period of three years. The fixed assets so scheduled for verification during this year have been physically verified by the management. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) During the year the Company has not deposited off any substantial / major part of fixed assets.
- ii. (a) As per the information furnished the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stock, the frequency of the physical Verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical Verification of inventory followed by the management are not reasonable and adequate in relation to the size of Company and the nature of its business.
- (c) We are unable to comment on inventory records of the company as these could not be verified thoroughly. But these were checked on a test basis and the, discrepancies noticed on Verification were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.
- iii. (a) The company has neither granted nor taken any loan secured / unsecured from Companies covered in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956).
- (b) As stated above sub clause (b) to (g) of clause (iii) of the companies (auditors Reports) order, 2003 are not applicable.
- iv. In our opinion and in according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for sale of the goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that, sub-clause (a) & (b) of clause (v) of the Companies (Auditors Report) order, 2003 is not applicable since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into by the Company during the year.

- vi. The Company has not accepted any deposit from the Public within the meaning of section 58A and 58AA of the Companies Act, 1956.
- vii. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of business.
- viii. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- ix. (a) According to the information and explanations given to us and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees state insurance, income tax, sales tax, Wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, wealth tax, sales tax, custom duty, Service tax, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
- x. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- xi. In our opinion according to the informations and explanations given to us, the company has not taken any loans from financial institution, bank or debenture holders. Therefore, the provision of clause 4 (XI) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund / societies.
- xiv. In respect of dealing / trading in securities and other investment, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities have been held by the Company, in its own name.
- xv. According to the information and explanations given to us, the company has not given any guarantee for loans taken, by its holding company, fellow subsidiaries, associates and others, from Bank or financial institutions.
- xvi. The Company has not availed of any term loan during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used to finance short term assets except permanent Working Capital.

- xviii. The company has not made any preferential allotment of shares to parties of companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures during the year. Therefore, the provisions of clause 4(xix) of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx. The company has not raised any money through a public issue during the year.
- xxi. Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

ESAAR (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010.

		As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
SOURCES OF FUNDS :			
SHARE HOLDERS' FUNDS :			
Share Capital	1	5,00,00,000.00	5,00,00,000.00
Reserves and Surplus	2	1,38,68,195.88	1,34,88,541.65
Unsecured Loans	3	—	61,90,000.00
TOTAL		6,38,68,195.88	6,96,78,541.65
APPLICATION OF FUNDS			
A. FIXED ASSETS			
Gross Block	4	2,11,93,963.00	2,11,93,963.00
Less : Depreciation		1,08,21,584.00	97,42,007.00
Net Block		1,03,72,379.00	1,14,51,956.00
B. CURRENT ASSETS, LOANS AND ADVANCES :			
Inventories	5	3,34,896.45	1,13,61,169.11
Sundry Debtors	6	44,82,436.34	22,13,650.91
Cash & Bank Balances	7	36,86,443.52	43,69,436.96
Loan & Advances	8	4,95,20,567.65	5,62,92,289.65
		5,80,24,343.96	7,42,36,546.63
Less : CURRENT LIABILITIES & PROVISIONS :	9	16,49,956.00	1,28,60,663.72
Net Current Assets		5,63,74,387.96	6,13,75,882.91
TOTAL (A+B)		6,67,46,766.96	7,28,27,838.91
MISCELLANEOUS EXPENDITURES :			
Miscellaneous Expenses		—	—
Add : Deferred Tax Assets		(28,78,571.08)	(31,49,297.26)
TOTAL		6,38,68,195.88	6,96,78,541.65

NOTES TO THE ACCOUNTS 14

In terms of our Report of even date

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)

Partner
Membership No. 17387

O. P. Saxena
Director

Sameer Saxena
Director

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

ESAAAR (INDIA) LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010.

	Schedule	As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
I N C O M E :			
Sale	10	2,43,42,231.28	1,75,98,147.58
Interest (TDS Rs. 10,554/- Pr. yr. Rs. 39,222/-)		1,01,730.00	2,00,351.00
Lease Rent & Hire Charges (TDS Rs. 15,749/-)		9,50,309.00	9,51,673.00
Dividend		47,383.01	66,961.23
Other Income (TDS Rs. 71,806/-)		7,18,061.00	2,54,069.00
Increase / (Decrease) in Inventories	11	(1,10,26,272.66)	18,80,530.88
TOTAL		1,51,33,441.63	2,09,51,732.69
E X P E N D I T U R E :			
Purchase	12	1,32,34,712.68	1,75,08,738.32
Administrative & Selling expenses	13	6,58,615.73	10,97,896.57
Depreciation		10,79,577.00	4,04,541.00
Security Transaction Tax		31,608.17	2,521.00
TOTAL		1,50,04,513.58	1,90,13,696.89
PROFIT/(LOSS) BEFORE TAX		1,28,928.05	19,38,035.80
Less : Provision for Taxation		20,000.00	1,99,700.00
Less : Provision for FBT		—	17,010.00
Add : Deferred Tax (Current)		2,70,726.18	—
PROFIT / (LOSS) AFTER TAX		3,79,654.23	17,21,325.80
Add : Balance brought forward from Previous year		54,24,051.65	37,02,725.85
Balance carried to Balance Sheet		58,03,705.88	54,24,051.65
In terms of our Report of even date	14		

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

O. P. Saxena
Director

Sameer Saxena
Director

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

ESAAR (INDIA) LIMITED

SCHEUDLES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010.

Schedule	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	P.	Rs.	P.
SCHEDULE - 1				
SHARE CAPITAL				
Authorised				
55,00,000 Equity Shares of Rs. 10/- each.	5,50,00,000.00		5,50,00,000.00	
	5,50,00,000.00		5,50,00,000.00	
Issued & Subscribed & Paid Up Capital				
50,00,000 Equity Shares of Rs. 10/- (50,00,000 equity Shares of Rs. 10/- each) fully paid up in cash except 3,22,585 Equity Shares of Rs. 10/- each issued as Bonus Shares by capitalisation of free reserves in 1995-1996)	5,00,00,000.00		5,00,00,000.00	
	5,00,00,000.00		5,00,00,000.00	

SCHEDULE - 2				
RESERVE & SURPLUS				
Share Premium	80,64,490.00		80,64,490.00	
As per Last Account	58,03,705.88		54,24,051.65	
Profit & Loss Account	1,38,68,195.88		1,34,88,541.65	
	1,38,68,195.88		1,34,88,541.65	

SCHEDULE - 3				
UNSECURED LOANS				
From Body Corporates	-		61,90,000.00	
	-		61,90,000.00	

PARTICULARS	COST				DEPRECIATION				NET BLOCK	
	As on 01.04.2009	Addition/ Deletion	TOTAL 31.03.2010	UPTO 31.03.2009	For the Year	Adjust- ment	TOTAL 31.03.2010	As on 31.03.2010	As on 31.03.2009	
	Rs.	Sale	Rs.	Rs.			Rs.	Rs.	Rs.	
Furniture & Office Equipments	176062.00	-	176062.00	87310.00	11145.00	-	98455.00	77607.00	88752.00	
Plant & Machinery	20102926.00	-	20102926.00	9130019.00	954899.00	-	10084918.00	10018001.00	10972907.00	
Car	513033.00	-	513033.00	204667.00	48378.00	-	253045.00	259988.00	308366.00	
Computer	401942.00	-	401942.00	32801.00	65155.00	-	385166.00	16775.00	81931.00	
TOTAL	21193963.00	-	21193963.00	9742007.00	1079577.00	-	10821584.00	10372379.00	11451956.00	
PREVIOUS YEAR	20593963.00	-	21193963.00	9337466.00	484541.00	-	9742007.00	11451956.00	11427430.00	

ESAAAR (INDIA) LIMITED

Schedule	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	P.	Rs.	P.
SCHEDULE - 5				
INVENTORIES				
(As valued and quantities certified by the management)				
Construction Work in progress		—		16,58,200.00
Cotton Hank Yarn		—		11,14,026.78
Son Food		—		2,25,529.99
Stock of Shares	3,34,896.45		83,63,412.34	
	<u>3,34,896.45</u>		<u>1,13,61,169.11</u>	
SCHEDULE - 6				
SUNDRY DEBTORS				
(Unsecured considered goods subject to confirmation by management)				
More than six months		—		22,13,650.91
Less than six months	44,82,436.34		—	
	<u>44,82,436.34</u>		<u>22,13,650.91</u>	
SCHEDULE - 7				
CASH AND BANK BALANCES				
Cash in hand		2,48,113.00		11,12,124.61
Balance with Scheduled Banks		—		—
In Current Account		34,38,330.52		32,57,312.35
		<u>36,86,443.52</u>		<u>43,69,436.96</u>
SCHEDULE - 8				
LOANS AND ADVANCES				
(Unsecured Considered Goods)				
Loans & Advances		4,81,97,035.65		5,60,66,866.65
(Recoverable in cash or kind or for value to the received)				
LIC Margin Money		—		—
Tax Deducted at Sources		3,23,532.00		2,25,423.00
Share Application Money		10,00,000.00		—
		<u>4,95,20,567.65</u>		<u>5,62,92,289.65</u>
SCHEDULE - 9				
CURRENT LIABILITIES & PROVISIONS				
Sundry Creditors		74,000.00		1,07,62,638.63
Advance received against Sales of flats		2,50,000.00		7,08,000.00
Deferred Payments Credits (ICICI Bank & HDFC Bank)		9,33,000.00		10,17,069.09
Unclaimed dividend		—		—
PROVISIONS				
Provision for taxation		3,60,136.00		3,40,136.00
Provision for FBT		32,820.00		32,820.00
		<u>16,49,956.00</u>		<u>1,28,60,663.72</u>

ESAAR (INDIA) LIMITED

	Schedule	As at 31st		As at 31st	
		March, 2010		March, 2009	
		Rs.	P.	Rs.	P.
SCHEDULE - 10					
SALES					
Shares			2,11,10,591.28		1,19,90,552.58
Soa Food			2,27,500.00		18,01,950.00
Sheet			—		1,99,500.00
Real Estate			16,58,200.00		—
Cotton Hosiery Yarn			2,48,390.00		—
Stock of Hank Yarn			—		—
Cotton Hank Yarn			10,97,550.00		36,06,145.00
			2,43,42,231.28		1,75,98,147.58
SCHEDULE - 11					
INCREASE / (DECREASE) IN INVENTORIES					
A. REAL ESTATE					
Opening Balance			16,58,200.00		16,58,200.00
Closing Balance			—		16,58,200.00
Increase / (Decrease)			(16,58,200.00)		—
B. SHARES					
Opening Balance			83,63,412.34		78,22,438.23
Closing Balance			3,34,896.45		83,63,412.34
Increase / (Decrease)			(80,28,515.89)		5,40,974.11
C. COTTON HANK YARN					
Opening Balance			11,14,026.78		—
Closing Balance			—		11,14,026.78
Increase / (Decrease)			(11,14,026.78)		11,14,026.78
D. SEA FOOD					
Opening Balance			2,25,529.99		—
Closing Balance			—		2,25,529.99
Increase / (Decrease)			(2,25,529.99)		2,25,529.99
Total (A+B+C+D) Increase / (Decrease)			(1,10,26,272.66)		18,80,530.88

ESAAAR (INDIA) LIMITED

Schedule	As at 31st March, 2010		As at 31st March, 2009	
	Rs.	P.	Rs.	P.
SCHEDULE - 12				
PURCHASES				
Shares		1,32,34,712.68		1,20,47,552.59
Sea Food		—		16,00,000.00
Cotton Hosiery Yarn		—		1,59,497.03
Flat		—		—
Cotton Hank Yarn		—		37,01,688.70
		<u>1,32,34,712.68</u>		<u>1,75,08,738.32</u>

SCHEDULE - 13

ADMINISTRATIVE & SELLING EXPENSES

Salaries		1,78,669.00		2,98,523.00
Staff Welfare Expenses		1,644.00		—
Rent Paid		18,000.00		18,000.00
Miscellaneous Expenses		2,226.60		3,538.00
Office Expenses		—		6,561.80
Books & Periodicals		1,024.00		—
Car Expenses		41,915.00		39,083.00
Listing & Filling Fees		28,411.50		12,084.00
Legal Expenses		32,430.00		3,60,000.00
Advertisement		4,952.00		6,687.00
<u>Auditor Remuneration :</u>				
Audit Fee		20,000.00		8,000.00
Professional charges		—		—
Directors Fees		52,500.00		67,500.00
Insurance		3,307.00		3,962.00
Interest on Car Loan		1,130.91		6,402.38
Consultancy Charges		—		36,000.00
Postage Stamp & Telegram		5,948.00		6,656.00
Service Charges on rent received		—		10.25
Trade Licence		1,850.00		1,850.00
Demat Charges		6,550.40		4,072.76
Electricity Charges		22,280.00		—
Brokerage Commission		—		45,000.00
Travelling & Conveyance		77,445.00		65,300.00
Bank Charges		4,133.90		4,864.00
Car Parking Expenses		—		14,400.00
Cleaning Charges		—		3,189.50
Service Tax & Other Charges		4,570.07		874.40
Donation		—		1,450.00
General Expenses		28,599.28		—
Repairs & Maintainance		23,440.00		—
Printing & Stationery		19,136.00		2,622.60
Consultancy Charges		18,000.00		—
Telephone Charges		60,453.07		81,265.88
		<u>6,58,615.73</u>		<u>10,97,896.57</u>

SCHEDULE - 14

ACCOUNTING FOR THE YEAR ENDED 31ST MARCH, 2010.

A. ACCOUNTING POLICIES

- i) Fixed Assets are stated at cost
- ii) Depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.
- iii) Depreciation on Leased Assets is provided on Capital Recovery method

B. INVESTMENTS

Investment is stated at cost.

C. INVENTORIES

- i) Work-in-progress is valued at cost
- ii) Stock-in-Trade representing Shares & Debentures which are held on long term basis, are valued at cost.

D. RECOGNITION OF INCOME AND EXPENDITURE

- i) Items of Income & Expenditure are recognised on accrual basis.
- ii) Sale of flats is accounted on final completion and possession.

E. RETIREMENT BENEFITS

Retirement benefit is provided for on Cash basis. However, there is no liability on date.

- F. Provision for deferred taxation is made using the liability method, at the current rates of taxation, on all timing differences to the extent that is probable that the assets or liability will crystallise. The same is reviewed at all Balance sheet date.

2. LICENSED & INSTALLED CAPACITY :

Licensed & Installed Capacities are not applicable.

ESAAAR (INDIA) LIMITED

QUANTATIVE STATEMENT :

	UNIT	31.03.2010	31.03.2010	31.03.2009	31.03.2009
		Quantity	Rs.	Quantity	Rs.
A. OPENING STOCK					
Shares	Nos.	1,88,578	83,63,412	848,311	7,822,438
Flats & Garage	Nos.	1	1,658,200	1	1,658,200
Sea Food	Kgs.	1294.000	2,25,530	—	—
Ctton Hank Yarn	Bales/Kgs	—	9,34,592	—	—
Hosiery Yarn	Kgs.	1,391,000	1,79,434	—	—
			1,13,61,168		9,480,638
B. PURCHASES					
a) Shares	Nos.	1,12,068	1,32,34,713	843,066	12,047,553
b) Flat	Nos.	—	—	—	—
c) Ctton Hank Yarn	Bales/Kgs	—	—	—	3,701,689
d) Sheets	Kgs.	—	—	2,660,000	—
e) Sea Foods	Kgs.	—	—	9,294,000	1,600,000
f) Hosiery Yarn	Kgs.	—	—	5,631,000	159,497
			1,32,34,713		17,508,739
C. SALES					
a) Shares	Nos.	2,89,938	2,11,10,591	1,502,799	11,990,553
b) Flat	Nos.	1	16,58,200	—	—
c) Ctton Hank Yarn	Bales/Kgs	—	10,97,550	—	2,878,500
d) Sheets	Kgs.	—	—	2,660,000	199,500
e) Sea Foods	Kgs.	1,294,000	2,27,500	8,000,000	1,801,950
f) Hosiery Yarn	Kgs.	1,391,000	2,48,390	4,240,000	727,645
			2,43,42,231		17,598,148
D. CLOSING STOCK					
Shares	Nos.	10,708	3,34,896	188,578	83,63,142
Flats & Garage	Nos.	—	—	1	1,658,200
Sea Food	Kgs.	—	—	1,294,000	225,530
Ctton Hank Yarn	Kgs	—	—	—	934,592
Hosiery Yarn	Kgs.	—	—	1,391,000	179,434
			3,34,896		11,360,898

Contingent Liability : No provision for Interest on Loan from ICICI Home Finance Co. Ltd. has been provided in the books. The Company has shown the amount outstanding in its Books at an amount of Rs. 958000/- but the amount as per the lenders is Rs. 1384380.26/-

In the opinion of the Board of directors, the aggregate value of Current assets, Loans & Advances on realisation in the ordinary course of Business will not be less than the amount at which they are stated in the Balance Sheet.

Prudential Norms of the Reserve Bank of India :

In respect of Loans Advances to parties, interest in some cases has been past due for six months. No provisions against such loans have been made treating them as NPA's. The management is, however, of the opinion that the above loans are fully recoverable and hence the management does not treat it as NPA and no provision has been made for the above.

Since the company has not accepted any Public Deposit, Prudential Norms as regards requirements as to Capital Adequacy and Concentration of Credit / Investments are not applicable to it. Hence no observations as regards these has been made.

Retirement benefits (Accounting standards - 15 issued by The Institute of Chartered Accounts of India)

The company has not made any provisions for Gratuity as the provisions of the Act are not applicable to the Company, Further, Since the Company does not have any permanent employees, the Company is not liable to pay any Post Employment Benefits to its Employees, the provisions of AS-15 "Accounting for Retirement benefits in financial statement of Employer" are also not applicable.

ESAAR (INDIA) LIMITED

Related party disclosure

1. Names of related parties with whom transactions have taken place during the year

ASSOCIATES		KEY MANAGERIAL PERSONNEL	
i) Eastern Housing Udyog Finance Co. Ltd.		i) P. BANDHOPADHYAY	
ASSOCIATES		Transaction for the year 2010(Rs.)	Balance as at 2010(Rs.)
Name of Party	Nature of Transactions		
i) Eastern Housing Udyog Finance Co. Ltd.	Unsecured Loan	6730000.00	Nil

KEY MANAGERIAL PERSONNEL		Transaction for the year 2010(Rs.)
Name of Party	Nature of Transactions	
i) P. BANDYOPADHYAY	Sitting Fees	52500.00

10. Earning per Share

The Company calculated basic and diluted earning per equity share in accordance with AS-20 Earning per share. Earning per equity share on been computed by dividing net profit after tax by the weighted average number of share outstanding during the period. Diluted earning per equity share has been computed under the weighted average number of equity share outstanding during the period.

Earning per share (As per Accounting Standard-20 issued by ICAI)

	Year ended 31.03.2010	Year ended 31.03.2009
Profit / (Loss) attributable to Equity Shareholders (Rs.)	379654	1721326
Weighted average Number of Equity Share	5000000	5000000
Nominal Value of Equity Share	10	10
Basic/Diluted Earning's per share (Rs.)	0.08	0.34

11. Impairment of Assets

As stipulated in Accounting Standard on Impairment of Assets (AS 28) the Management has carried out review of the remaining useful live its fixed assets and its value in use. As the recoverable amount as per projections exceeds the carrying amount, no impairment has be provided for in the accounts.

12. The inventories valuation have been certified by the management but were not verified physically.

13. Previous year's figure have been regrouped / rearranged wherever necessary.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

O. P. Saxena
Director

Sameer Saxena
Director

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

ESAAAR (INDIA) LIMITED

SEGMENT REPORT FOR THE YEAR ENDED MARCH, 2010 :

	TRADING	REAL ESTATE	NBFC	TOTAL
1. SALES REVENUE				
Cotton Hank Yarn	13,45,940	—	—	13,45,940
Sheet	—	—	—	—
Sea Food	2,27,500	—	—	2,27,500
Lease Rent	—	—	9,50,309	9,50,309
Sale of Shares	—	—	2,11,10,591	2,11,10,591
Dividend	—	—	47,383	47,383
Interest	—	—	1,01,730	1,01,730
Flat	—	16,58,200	—	16,58,200
Misc	—	—	7,18,061	7,18,061
	15,73,440	16,58,200	2,29,28,074	2,61,59,714
2. EXPENSES				
Opening Stock				
Cotton Hank Yarn	11,14,027	—	—	11,14,027
Hank Yarn	—	—	—	—
Shares	—	—	83,63,412	83,63,412
Sea Food	2,25,530	—	—	2,25,530
Real Estate	—	16,58,200	—	16,58,200
Add : Purchases				
Cotton Hank Yarn	—	—	—	—
Shares	—	—	1,32,34,713	1,32,34,713
Sea Food	—	—	—	—
Hosiery Yarn	—	—	—	—
Less : Closing Stock				
Cotton Hank Yarn	—	—	—	—
Shares	—	—	3,34,896	3,34,896
Real Estate	—	—	—	—
	13,39,557	16,58,200	2,12,63,229	2,42,60,986
DIRECT EXPENSES				
STT	—	—	31,608	31,608
TOTAL EXPENSES	13,39,557	16,58,200	2,12,94,837	2,42,92,594
SEGMENT RESULT	2,33,883	—	16,33,238	18,67,121
UNALLOCABLE EXPENSES				17,38,193
Profit (Loss) before Tax				1,28,928
Provision for Taxation				(20,000)
Provision for FBT				—
Deferred Tax				2,70,726
Profit (Loss) after Tax				3,79,654

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)

Partner
Membership No. 17387

O. P. Saxena
Director

Sameer Saxena
Director

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Dated, the 27th day of August, 2010

ESAAR (INDIA) LIMITED

	TRADING	REAL ESTATE	NBFC	TOTAL
SEGMENT ASSETS				
Stock	—	—	3,34,896	3,34,896
Sundry Debtors	—	—	44,82,436	44,82,436
LOANS	—	—	4,91,97,036	4,91,97,036
FIXED ASSETS	—	1,00,18,008	3,54,371	1,03,72,379
	—	1,00,18,008	5,43,68,739	6,43,86,747
UNALLOCABLE ASSETS				
Miscellaneous Expenses	—	—	—	—
Assets	—	—	—	—
Deferred Tax Assets	—	—	—	(28,78,571)
Cash & Bank Balances	—	—	—	36,86,444
TDS	—	—	—	3,23,532
				<u>11,31,405</u>
				<u>6,55,18,152</u>
SEGMENTAL LIABILITY				
Sundry Creditors	—	74,000	—	74,000
Advance against flats	—	2,50,000	—	2,50,000
OTHER LIABILITY	—	—	9,33,000	9,33,000
	—	3,24,000	9,33,000	12,57,000
UNALLOCABLE LIABILITY				
Other Liability	—	—	—	—
Provision	—	—	—	3,92,956
Unclaimed Dividend	—	—	—	—
Unsecured Loans	—	—	—	3,92,956
				<u>16,49,956</u>

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants

(B. C. KHAITAN)

Partner

Membership No. 17387

O. P. Saxena
Director

Sameer Saxena
Director

12, Waterloo Street, Kolkata - 700 069

Dated, the 27th day of August, 2010

ESAAAR (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010 PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT :

	Rs. In Lacs 31.03.2010	Rs. In Lacs 31.03.2009
A. CASH FLOW OPERATING ACTIVITIES		
Net profit before tax & extraordinary items Adjusted for :	1.29	19.38
Depreciation	10.80	4.05
Interest Received	(1.02)	(2.00)
Interest Paid	0.01	
Operating profit before working capital changes	11.08	21.43
Adjustment for :		
Trade & other receivables	(22.90)	50.26
Inventories	110.26	(18.81)
Investment	—	32.57
Trade Payables	(112.11)	65.51
Loans & Advances	67.72	(166.06)
Net cash used in operating activities (A)	54.05	(15.11)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	—	(6.00)
Interest Received	1.02	2.00
Interest Paid	(0.01)	—
Net cash used in investing activities (B)	1.01	(4.00)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings		
Interest Paid on Loan	—	—
Addition/Repayment of Unsecured Loans	(61.90)	61.90
Net cash generated in financial activities (C)	(61.90)	61.90
Net increase in cash & cash equivalents (A+B+C)	(6.84)	42.79
Cash&Cash equivalent as 01.04.09	43.70	0.91
Cash&Cash equivalent as 31.03.10	36.86	43.70

Note :

- i) Cash equivalents consist of Cash in hand and Bank balances.
- ii) Figures in brackets indicate outflows.
- iii) Previous year figures has regrouped, rearranged wherever necessary.

ESAAR (INDIA) LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE IN TERMS OF AMENDMENT TO SCHEDULE VI PART IV

I. REGISTRATION DETAILS :

Registration No.	:	21-19930 of 1951-52
State Code	:	21
Balance Sheet Date	:	31st March, 2010.

II. CAPITAL RAISED DURING THE YEAR

	:	(Amount in Rs. Thousands)
Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS : (Amt. in Rs. Thousands)

Total Liabilities	:	63868196
Total Assets	:	63868196

SOURCES OF FUNDS :

Paid up Capital	:	50000000
Reserve & Surplus	:	13868196
Secured Loans	:	—
Unsecured Loans	:	—

APPLICATION OF FUNDS

Net Fixed Assets	:	10372379
Investments	:	#REF!
Net Current Assets	:	56374388
Misc. Expenditure	:	NIL

IV. PERFORMANCE OF COMPANY : (Amt in Rs. Thousand)

Turnover & other Income	:	26159714
Total Expenditure	:	26030786
Profit / (Loss) before Tax	:	128928
Profit / (Loss) after Tax	:	379654
Earning per share in Rs. -Basic	:	0.08
- Diluted	:	0.08
Dividend Rate %	:	Nil

V. GENERIC NAMES OF PRINCIPAL PRODUCT OF THE COMPANY

Item Code No. (ITC Code)	:	Not Applicable
Product Description	:	SHARE DEALING
Item Code No. (ITC Code)	:	Not Applicable
Product Description	:	REAL ESTATE
Item Code No. (ITC Code)	:	Not Applicable
Product Description	:	TRADING

For AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

Chartered Accountants

(B. C. KHAITAN)

Partner

Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

O. P. Saxena
Director

Sameer Saxena
Director

ESAAAR (INDIA) LIMITED

Schedule to the Balance Sheet as at 31st March 2010 of a Non-Banking Financial Company
(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms
(Reserve Bank) Directors, 1998)

Particulars	Amount Outstanding	Amount Overdue
Liabilities side :		
1. Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	NIL	NIL
Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits		
(c) Terms Loans	NIL	NIL
(d) Inter-Corporate Loans and Borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Public Deposits	NIL	NIL
(g) Other Loans (Specify nature)	NIL	NIL
* Please see Note 1 at the end of Format.		
2. Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
(a) In the form of Unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i. e. debentures there is a shortfall in the value of security.	NIL	NIL
(c) Other public deposits	NIL	NIL
	Amount outstanding	
Assets side :		
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	NIL	
(b) Unsecured	481.97	

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

O. P. Saxena
Director

Sameer Saxena
Director

ESAAR (INDIA) LIMITED

Particulars	Amount outstanding
4. Break-up of Leased Assets and stock on hire and hypothecation loans counting towards FL/HP activities :	NIL
(i) Lease assets including lease rentals under sundry debtors :	NIL
(a) Financial Lease	NIL
(b) Operating Lease	NIL
(ii) Stock on hire including hire charges under sundry debtors :	NIL
(a) Assets on hire	NIL
(b) Repossessed Assets	NIL
(iii) Hypothecation loans counting towards EL/HP activities	NIL
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	NIL

5. Break-up of Investments :	
Current Investment : (Taken as Stock in Trade)	
1. Quoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
2. Unquoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
Long Term Investment	
1. Quoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL
2. Unquoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

ESAAR (INDIA) LIMITED

6. Borrower group-wise classification of all assets, stock hire

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	Nil	481.97	481.97
Total	Nil	481.97	481.97

7. Investors group-wise classification of all investments

Category	Market value / Break up or fair value or NAV	Book Value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	NIL	NIL
Total	NIL	NIL

8. Other Information

Particulars	Amount (Rs.)
i) Gross Non-Performing Assets	
a) Related Parties	NIL
b) Other than Related Parties	NIL
ii) Net Non-Performing Assets	
a) Related Parties	NIL
b) Other than Related Parties	NIL
iii) Assets acquired in satisfaction of debts	NIL

Signature to schedule "1" to "16"

As per our Report Annexed :

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**
Chartered Accountants

(B. C. KHAITAN)
Partner
Membership No. 17387

12, Waterloo Street, Kolkata - 700 069
Dated, the 27th day of August, 2010

O. P. Saxena
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