

Annual Report
2022-23
71st Annual General Meeting



CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Shruti Rahul Joshi	:	Chairperson & Whole Time Director
Mr. Bipin Varma (w.e.f January 27, 2023)	:	Executive Director
Ms. Dipti Yelve	:	Non- Executive, Independent Director
Mr. Vaibhav Shastri	:	Non- Executive, Independent Director
Mr. Mehul Shah	:	Non- Executive, Non-Independent Director
Mr. Rajesh Kumar A. Pandey (w.e.f January 27, 2023)	:	Non- Executive, Independent Director

CHIEF FINANCIAL OFFICER

Ms. Shruti Rahul Joshi

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Palak Jain (w.e.f. May 12, 2023)

STATUTORY AUDITORS:

M/s. Harish Arora & Associates
Chartered Accountants

REGISTERED OFFICE

Shop No. 06, Prathamesh Avenue,
Datta Mandir Road, Malad East,
Mumbai - 400097, India
CIN: L67120MH1951PLC222871
Tel No.: 02240676000
Email Id: cs@esaar.in
Website: www.esaar.in

CORPORATE OFFICE

Unit No. 101, Western Edge I, Kanakia Spaces,
Western Express Highway, Borivali (East) Mumbai 400 066
Email Id: cs@esaar.in
Tel No. 02240676000

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Purva Sharegistry India Private Limited
9 Shiv Shakti Industrial Estates, J R Boricha Marg.
Opp. Lodha Excelus, Lower Parel (East), Mumbai – 400 011
Tel: 022-23012518
Email: support@purvashare.com
Website: www.purvashare.com

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DIRECTOR'S REPORT

To,
The Members,
Esaar (India) Limited

Your Directors are pleased to present the 71st Annual Report of Esaar (India) Limited together with Director's Report, Audited Financial Statements and Auditors' Report for the financial year ended March 31, 2023.

1. FINANCIAL RESULTS

Your Company financial performance during the year 2022-23 is summarized below:

(Rs. in Lakhs except EPS)

Particulars	2022-23	2021-22
Income from operations	1846.20	898.80
Other Income	288.52	2796.92
Total Income	2134.72	3695.72
Depreciation & Amortization	3.50	0
Finance Cost	729.60	262.74
Other Expenses	668.40	1345.72
Extraordinary Items	-	-
Profit/Loss After Depreciation & Interest & Extraordinary Items	580.06	2136.70
Provision for Tax	80	16.25
Deferred Tax	52.35	18.45
Profit After Tax	447.70	2102
EPS (Basic and diluted)	2.19	10.28

2. RESULTS OF OPERATIONS

During the year under review, your Company has generated a revenue of Rs. 1846.20 lakhs as compared to Rs. 898.80 lakhs in the previous year. The Company's net profit for the financial year ended March 31, 2023 stood at Rs. 447.70 lakhs as against the net profit of Rs. 2102 lakhs in the previous year.

3. CHANGE IN THE NATURE OF THE BUSINESS

There were no change in the nature of business of the Company for the year under review. Further, information on the business overview and outlook and state of the affairs of the Bank is covered under the Management Discussion & Analysis section of the Annual Report.

4. CHANGE IN THE NAME OF THE COMPANY

During the year under review, there was no change in the name of the Company.

5. MATERIAL CHANGES OR COMMITMENTS

There were no material changes or commitments that took place after the closure of FY 2022-23 till date which will have any material or significant impact on the financials of the Company.

6. CHANGE IN SHARE CAPITAL

During the financial year, the authorized share capital of the Company has been increased from Rs. 21,50,00,000/- (Rupees Twenty-One Crores Fifty Lakhs Only) consisting of 2,15,00,000 (Two Crores Fifteen Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 61,50,00,000 /- (Rupees Sixty-One Crores Fifty Lakhs only) consisting of 6,15,00,000 (Six Crores Fifteen Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The approval of the members was sought via. Extra-ordinary General Meeting dated June 16, 2022.

Further, at the 70th Annual General Meeting held on Thursday, September 29, 2022, the Members had approved to increase the authorized share capital of the Company from Rs. 61,50,00,000 /- (Rupees Sixty-One Crores Fifty Lakhs only) to Rs. 71,50,00,000/- (Rupees Seventy-One Crores Fifty Lakhs only), but as circumstances have evolved, and it has become evident that the need to raise capital is no longer required at the moment therefore, Company decided not to further increase the authorized share capital during the year.

7. TRANSFER TO RESERVE AND SURPLUS

Your Company transferred 20% of the profit i.e. Rs 89.54/- Lakhs to Statutory Reserves during the year ended March 31, 2023.

8. DIVIDEND

With a view to strengthening the financial position of the Company, your Board have not recommended any dividend on equity shares for the FY 2022-23.

9. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

10. PUBLIC DEPOSITS

Your Company has been registered as a NBFC 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/invited any deposits during the year from the public falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

11. BUY-BACK / SWEAT EQUITY / BONUS SHARES / Employee stock options

The Company has neither bought back its shares nor has issued any sweat equity or Bonus shares during the year under review.

During the period under review, the Company has not issued any shares or shares with differential voting rights. It has neither issued Employee stock options nor Sweat equity

shares of the Company and does not have any scheme to fund its employees to purchase the shares of the Company.

12. ISSUE OF DEBENTURES, BONDS OR ANY NON-CONVERTIBLE SECURITIES

The Company has not issued any Debentures, bonds or any Non-Convertible Securities.

13. ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS

The Company had issued 3,50,00,000 convertible equity warrants at a price of Rs. 10/- each in accordance with the SEBI guidelines and the Companies Act, 2013, but the same has not been allotted due to non-receipt of upfront payment of 25% of total consideration within 15 days of in-principle approval received from BSE as per SEBI guidelines.

14. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES, IF ANY

The Company neither have any Subsidiary, Joint venture or Associate Company nor there are Companies/ Body Corporate which have become/ ceased to be subsidiary / Joint Venture / Associate during the FY 2022-23.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is put up on the Company's website at www.esaar.in.

15. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Harish Arora & Associates, Chartered Accountant (Firm Registration No. 015226C) was appointed as the Statutory Auditors by the Members at the 67th Annual General Meeting of the Company to hold office for the term of 5 consecutive year from 67th AGM to 72nd AGM of the Company.

16. INTERNAL AUDITOR

The Company has appointed M/s. Grandmark & Associates as an Internal Auditor of the Company for the FY 2022-23.

17. STATUTORY AUDIT REPORT

The Auditors' Report on the financial statement for the current year is self-explanatory, therefore does not require any further explanation. The Company has already submitted declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ("SEBI LODR") to the Stock Exchange.

18. COST AUDITOR REPORT AND COST RECORD

The Directors state that Section 148(1) of the Companies Act, 2013, is not applicable to the Company.

19. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

M/s. HD & Associates (Membership No.: A47700, COP No. 21073), Practicing Company Secretary was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the FY 2022-23, pursuant to Section 204 of the Companies Act, 2013 and rules made there under. The Secretarial Audit Report for the Financial Year 2022-2023 forms part of the Annual Report. The Secretarial Audit Report is annexed to this Report.

The Secretarial Audit report for the current year is self-explanatory, therefore does not require any further explanation.

Further, Company had appointed M/s. NVB & Associates (Membership No: 12268; CP No. 6069), Practicing Company Secretary, as a Secretarial Auditor of the Company with effect from September 4, 2023, to conduct the Secretarial Audit of the Company for the FY 2023-24.

20. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Company has Seven (7) Directors consisting of two (2) Executive Director, One (1) Non - Executive, Non- Independent Director and Four (4) Non- Executive, Independent Directors.

(i) Independent Director:

Pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Rajesh A. Pandey (DIN: 03560331) has been appointed as an Additional Director (Independent Director) of the Company at the Board Meeting held on January 27, 2023, and further regularized as Independent Director by the members at the Extra Ordinary General Meeting held on April 20, 2023.

During the FY 2022-23, no director had resigned from the Board.

On June 30, 2023, Mr. Raju Kishan Darade, had resigned from the post of Independent Director of the Company. the Board places on record their appreciation for the assistance and guidance provided by Mr. Raju Kishan Darade during his tenure as an Independent Director of the Company.

(ii) Executive Director:

Pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Bipin Dinesh Varma (DIN: 05353685) has been appointed as an Additional Director of the Company at the Board Meeting held on January 27, 2023 and further regularized by the Members at the Extra Ordinary General Meeting held on April 20, 2023.

(iii) Women Director:

Your Company's Board is represented by two Woman Directors viz. Ms. Shruti Rahul Joshi, Chairperson & WTD of the Company and Ms. Dipti Yelve Shashank, Non-Executive, Independent Directors.

(iv) Directors Retiring by Rotation:

In accordance with the provision of Section 152 of the Companies Act, 2013, Mr. Mehul Hasmukh Shah (DIN:00338356), Non-Executive, Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The information of Directors seeking appointment/re-appointment as required pursuant to Regulation 36(3) of the SEBI LODR is provided in the notice covering the Annual General Meeting of the Company.

(v) Key Managerial Personnel

The Board noted the resignation of Ms. Disha Shah from the post of Company Secretary and Compliance Officer of the Company with effect from September 3, 2022, and subsequently appointed Ms. Jai Vaidya (Membership No. A 42246) with effect from September 6, 2022 as a Company Secretary and Compliance Officer of the Company. Ms. Jai Vaidya tendered her resignation on November 16, 2022, due to some personal reasons.

On May 12, 2023, Company has appointed Ms. Palak Jain (Membership No. A57361) as a Company Secretary and Compliance Officer of the Company.

21. ANNUAL RETURN

Pursuant to Sections 92 and 134 of the Act, the Annual Return along with Notice of AGM is available on the website of the Company. The web link for the same is www.esaar.in

22. FAMILIARIZATION PROGRAMME

Through the Familiarization programme, the Company apprises the Independent Directors about the business model, corporate strategy, business plans and operations of the Company. Directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarized with Company's vision, core values, ethics and corporate governance practices.

Details of Familiarization programme of Independent Directors with the Company are available on the website of the Company at www.esaar.in

23. INDEPENDENT DIRECTOR'S MEETING

The Independent Directors of the Company meets once in every financial year without the presence of Executive Directors and management of the Company. The role of the Independent Directors is as per the provisions of Companies Act, 2013, as well as the SEBI LODR.

24. DECLARATION BY INDEPENDENT DIRECTOR

Pursuant to Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company have given the declaration to the Company that they qualify the criteria of independence as required under the Act.

25. NOMINATION AND REMUNERATION POLICY

An extract of the Company's policy relating to directors appointment, payment of remuneration and discharge of their duties is annexed herewith. The policy is available on the website of the Company at www.esaar.in.

26. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of the board, the Independent Directors fulfill the conditions specified in SEBI LODR, and are independent of the management of the Company. The Independent

Directors have complied with the code prescribed in schedule IV of the Companies Act, 2013.

27. MEETING OF BOARD OF DIRECTORS

Details of meeting of the board of directors is mentioned in Corporate Governance report.

28. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of Companies Act, 2013 and SEBI LODR, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee, including the Chairperson of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairperson and the Non Independent Directors was carried out by the Independent Directors.

The Directors has expressed its satisfaction with the evaluation process.

29. PARTICULARS OF EMPLOYEES

The Directors and employees do not exceed the remuneration criteria prescribed in Section 197 of the Companies Act, 2013 (“the Act”) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details attached as **Annexure II**.

The said information in detail is available for inspection at Registered Office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary, at the registered office and the same will be furnished on request.

30. CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of the SEBI LODR, compliance of Corporate Governance is not mandatory. However, the company has complied with the provisions of Regulation 17 to 27 of the SEBI LODR, to the extent possible. A separate section on Corporate Governance forms part of the Directors’ Report as stipulated in SEBI LODR, is included in the Annual Report as **Annexure III**.

31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report is annexed as **Annexure IV**.

32. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has adequate internal financial controls besides timely statutory audit and limited reviews of performance taking place periodically.

33. RISK MANAGEMENT POLICY

The Board of Directors of the Company has put in place a Risk Management Policy which aims at enhancing shareholders’ value and providing an optimum risk-reward tradeoff.

The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

34. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases. The Board has framed the “Whistle Blower Policy” as the vigil mechanism for Directors and employees of the Company. The web link for the policy is: www.esaar.in

35. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social Responsibility was not applicable for the FY 2022-2023. However, the same is applicable from FY 2023-2024. The policy on Corporate Social Responsibility is disclosed on the website of the Company. The web link for the policy on Corporate Social Responsibility is: www.esaar.in

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Board thereafter constituted a sexual harassment committee where Ms. Shruti Rahul Joshi is the Chairperson of the Committee and Ms. Dipti Yelve and Mr. Bipin Dinesh Varma are the Members. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

- a. number of complaints filed during the financial year - None
- b. number of complaints disposed of during the financial year - None
- c. number of complaints pending as on end of the financial year – None

37. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditor and Secretarial Auditor of your Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

38. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees given and investments made during the year, as required under Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, are given in the notes to the financial accounts forming part of the Annual Report.

39. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013. The related party

transactions as per AS 18 are given in the notes to the financial accounts and forms part of the Annual Report.

Pursuant to Section 188 (1) of the Act, particulars of contracts/arrangements entered into by the company with related parties is attached to the director report in Form AOC-2. The Company's Policy on Related Party Transaction is available on the Company's website: www.esaar.in.

40. REGISTRATION WITH INDEPENDENT DIRECTOR'S DATABANK

The Independent Directors of the company are registered with Independent director databank.

41. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material orders have been passed by the Regulators or Courts or Tribunals which will impact the going concern status of the Company and its future operations.

42. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There are no Material Changes between the date of the Board Report and at the end of the Financial Year.

43. MATERIAL DEVELOPMENTS DURING THE FINANCIAL YEAR

There are no material developments during the Financial Year.

44. POSTAL BALLOT

There was no resolution passed by Postal Ballot during the FY 2022-23.

45. EXTRA ORDINARY GENERAL MEETING

During the year, an Extra Ordinary General Meeting of the Members of the Company was held on Thursday, June 16, 2022.

46. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF

The trading of the Company has not been suspended.

47. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

As on March 31, 2023, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

48. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There is no one time settlement done with bank or any financial institution.

49. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo as required under section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure I**.

50. SECRETARIAL STANDARDS

During the FY 2022-23, the Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

51. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors state that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) Appropriate accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profits of the Company for the year ended March 31, 2023;
- c) proper and sufficient care was taken 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 going concern basis;
- e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

52. ACKNOWLEDGEMENT

Your Directors take this opportunity to express deep and sincere gratitude to all the stakeholders of the Company.

For and on Behalf of the Board of Directors of
Esaar (India) Limited

Sd/

Shruti Rahul Joshi
Chairperson & Whole-time Director
DIN: 09388260

Sd/-

Bipin Dinesh Varma
Director
DIN: 05353685

Place: Mumbai

Date: September 4, 2023

NOMINATION AND REMUNERATION POLICY

Extract of the Policy is as under:

Appointment of Directors:

The appointments of Directors are recommended by the Nomination and Remuneration Committee of the Company however all the appointments are subject to approval of Board of Directors of the Company.

Remuneration to Directors and Key Managerial Personnel:

Whole time directors are entitled to Remuneration and Independent Directors are entitled to sitting fees. Reimbursement of expenses is allowed wherever expense is made for the Company.

Discharge of Duties:

Directors and KMP are required to perform all the duties which are mentioned under the Articles and all other duties as may be prescribed by the Board of Directors of the Company.

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 Companies Act, 2013 including certain arms length transactions under third proviso thereto:

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

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
NA							

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of Related Party and nature of transactions	Nature of contract /arrangement /transactions	Duration of the contract/ arrangement /transactions	Salient terms of contract /arrangement /transactions, including value, if any	Date(s) of approval by the Board	Amounts paid as advance (s), if any
1	Ms. Shruti Rahul Joshi	Remuneration	FY 2022-23	7,70,809	May 17, 2022	NA
2	Mr. Bipin Dinesh Varma	Remuneration	FY 2022-23	1,23,600	January 27, 2023	NA
3	Ms. Jai Vaidya	Remuneration	FY 2022-23	63,853	September 3, 2022	NA
4	Ms. Disha Shah	Remuneration	FY 2022-23	4,86,304	May 17, 2022	NA

ANNEXURE I

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

A. CONSERVATION OF ENERGY:

a. Major energy conservation measures taken during the year:

The Company has taken adequate measures to conserve energy by continuous monitoring and effective use of energy, which is a continuous process.

b. Additional investment and proposals, if any, being implemented for reduction of consumption of energy: No additional investment proposed.

c. Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Since it is continuous process of monitoring and usage, the impact is not quantifiable.

d. During the year Company has taken following measure for optimisation of electricity:

To reduce the environmental impact on society, the Company focuses on optimising electricity consumption, installing energy efficient systems and technologies.

The Company is entrenching an energy efficient culture through improved operational efficiencies, and increased focus on inclusion of renewable sources into the energy mix.

B. TECHNOLOGY ABSORPTION:

Particulars with respect to technology absorption are given below:

a. Research and Development (R & D)

i. Specific areas in which R & D carried out by the Company: The Company has not carried out any research and development activities during the year under review.

ii. Benefits derived as a result of the above R & D: **Not Applicable**

iii. Future plan of Action: **NIL**

iv. Expenditure on R & D.: **NIL**

b. Technology absorption, adoption and innovations: NIL

C. 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.

ANNEXURE II

PARTICULARS OF EMPLOYEES

Details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- a) **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary and Whole Time Director during the FY 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2022-23 are as under:**

Name of Directors/KMP and designation	Remuneration of Director / KMP for FY 2022-23 (Rs. in Lakhs)	% increase/ (decrease) in Remuneration for FY 2022-23	Ratio to median remuneration
Ms. Shruti Rahul Joshi Chairperson, Whole-time Director & CFO	7.73	0	3.95
Mr. Bipin Dinesh Varma - Director	1.80	0	3.80
Ms. Disha Shah Company Secretary	4.86	0	-
Ms. Jai Vaidya Company Secretary	0.63	0	-

Notes:

- Ms. Disha Shah resigned from the post of Company Secretary & Compliance Officer w.e.f. September 3, 2022.
- Ms. Jai Vaidya appointed as a Company Secretary & Compliance Officer w.e.f. September 6, 2022, and tender her resignation w.e.f. November 16, 2022.

- b) **The percentage increase in the median remuneration of employees during the Financial Year**

During FY 2022-23, there was no increase in the median remuneration of employees.

- c) **The number of permanent employees on rolls of the Company:**

The Company had total 7 employees as on March 31, 2023.

- d) **Average percentile increase already made in 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**

There has been no increase in the salaries of employees and the managerial personnel during the year.

- e) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company.

f) **Details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

During the year no employee was paid in excess of limit prescribed in Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on Behalf of the Board of Directors of
Esaar (India) Limited

Sd/-

Shruti Rahul Joshi
Chairperson & Whole-time Director
DIN: 09388260

Sd/-

Bipin Dinesh Varma
Director
DIN: 05353685

Place: Mumbai

Date: September 4, 2023

ANNEXURE III

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes that Corporate Governance is an integral element of any responsible company and is a reflection of its core values and principles, encompassing its culture, practices, policies and relationship with its stakeholders. Your Company understands and respects its role and responsibility towards its stakeholders and strives hard to meet their expectations.

At Esaar (India) Limited, the Corporate Governance philosophy is based on the basic principles of integrity, transparency, accountability and adherence to the highest standards of governance and regulatory compliance. Your Company strives for the highest standards of ethical and sustainable conduct of business to create enduring values for its stakeholders (viz., customers, agents, regulators, etc.)

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and vision to the management and supervises the functioning of the Company. In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of stakeholders.

The Board consists of an optimal combination of Executive Directors and Non-Executive Directors including Independent Directors, representing a judicious mix of in-depth knowledge and experience.

a. Composition of Board as on March 31, 2023, Category of Directors and Attendance of each Directors:

During the year, the Board comprises of 7 (Seven) Directors viz., 2 (Two) Executive Directors and 5 (Five) Non-Executive Directors out of which 4 (Four) are Independent Directors. In the opinion of the board, the Independent Directors of the Company fulfill the conditions specified in SEBI LODR, and are independent of the management of the Company.

Details of Composition of Board as on March 31, 2023 & Attendance of Directors are given below:-

Sr. No.	Name of Director	Category	Number of Board Meeting held	Number of Board-Meeting Attended	Attendance at the last AGM held on September 29, 2023	Directorships in other Public Limited Entities *	No. of Committee Positions in Other Public Limited Entities		No. of Directorships in Other Listed Entities	
							Chairperson**	Member**	Name of listed entities	Category of directorship

1	Ms. Shruti Rahul Joshi	Whole Time Director & Chairperson	8	8	Yes	--	--	--	--	--
2	Ms. Dipti Yelve Shashank	Non-Executive, Independent Director	8	8	No	--	--	--	--	--
3	Mr. Mehul Shah	Non-Executive, Non-Independent Director	8	8	No	--	--	--	--	--
4	Mr. Vaibhav Shastri	Non-Executive, Independent Director	8	6	No	--	--	--	--	--
5	Mr. Raju Kishan Darade	Non-Executive, Independent Director	8	7	Yes	--	--	--	--	--
6	Mr. Bipin Dinesh Varma	Executive Director	2	2	NA	--	--	--	--	--
7	Mr. Rajesh A. Pandey	Non-Executive, Independent Director	2	1	NA	--	--	--	--	--

*Does not Includes Private Companies, Limited Liability Partnership, Foreign Companies, Section 8 Companies & Alternate Directorship.

**Includes Audit Committee, Stakeholders Relationship Committee only, of all companies including this company.

Notes:

1. None of the Directors of the Company are directors in any other listed Company.
2. None of the Director is a member of more than 10 committees or acting as Chairperson of more than 5 committees across all companies in which he is a director.
3. Mr. Bipin Dinesh Varma was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Executive Director of the Company by the Members at the General Meeting held on April 20, 2023.
4. Mr. Rajesh A. Pandey was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Independent Director of the Company by the Members at the General Meeting held on April 20, 2023.
5. Mr. Raju Kishan Darade has resigned from the post of Independent Director of the Company w.e.f. June 30, 2023.

b. Change in the composition of the Board

As required under Regulations 26(4) and 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2, particulars of the Directors seeking appointment / re-appointment are given under Explanatory Statement to the Notice of the AGM.

• Appointment of the Directors, if any

During the year under review, Mr. Bipin Dinesh Varma was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Executive Director of the Company by the Members at the General Meeting held on April 20, 2023.

Mr. Rajesh A. Pandey was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Independent Director of the Company by the Members at the General Meeting held on April 20, 2023.

• Director Retired by Rotation

Mr. Mehul Hasmukh Shah (DIN: 00338356), Non-Executive-Non-Independent Director who is retiring by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

• Resignation of the Directors, if any

During the current year, Mr. Raju Kishan Darade (DIN: 07255522) has resigned from the post of Independent Director of the Company w.e.f. June 30, 2023 due to pre-occupation.

c. Number of Board meetings held and dates on which held

The Board of Directors met 8 times during the FY 2022-23 and the gap between two meetings did not exceed 120 days. The necessary quorum was present for all the Board meetings. Board Meetings were held on May 17, 2022, May 27, 2022, August 10, 2022, September 6, 2022, November 14, 2022, January 27, 2023, February 14, 2023 and March 25, 2023.

d. Meeting of Independent Directors

The Company's Independent Directors are required to meet at least once in every financial year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the Non-Independent Directors, Chairman (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the year under review, the Independent Directors met on May 27, 2022 and all the Independent Directors attended the meeting.

e. Number of shares and convertible instruments held by Non-Executive Directors

No shares of the Company are held by the non-executive Directors of the Company.

f. Disclosure of relationship between Directors Inter-se

None of the Directors of the Company are related to each other.

g. Independent Directors

In the opinion of the board, the independent directors fulfill the conditions specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, and are independent of the management of the Company.

3. CHART OF SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

The following are the skills/competencies determined as required for the discharge of the obligations by the Board:

Major Classification	Sub Classification	Remarks
Industry Related	Specific Skills	Good knowledge about the industry and the issues specific to the Company.
	Technical Skills	Technical/professional skills and specialist knowledge about the Company, its market, process, operations, etc. (For Executive Directors).
Strategy & Policy	Strategy	Strategic thinking and decision making and ability to oversee strategi human resource management
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management.
	Crisis Management	Ability to guide crisis management and provide Leadership in hours of need.
Risk & Compliance	Operational	Knowledge and experience of risk management models
	Legal	Monitor the risks and compliances and knowledge of regulatory requirements
	Financial	Experience in accounting and finance, ability to analyze the financial statements presented, assess the viability of various financial proposals, oversee funding arrangements and budgets.

4. 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 Chairperson of the Audit Committee, the Nomination & Remuneration Committee and of the Stakeholders Relationship Committee.

5. Board Evaluation

The criteria for performance evaluation are determined by the Nomination and Remuneration Committee. The performance evaluations cover the areas relevant to the functioning for Independent Directors such as preparation, participation, conduct and effectiveness.

The performance evaluation of the Chairperson, Independent Directors, Executive Directors and Board as a whole was done by the entire Board of Directors and in the evaluation, the respective Directors who was subject to evaluation, did not participated.

6. SHARES HELD AND CASH COMPENSATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2023(IN LAKHS)

Sr. No.	Name and designation	Sitting Fees for attending Board & Committee Meetings	Salary & Perquisites	Incentive/ Bonus	Total Compensation	Fully paidup Ordinary Shares held (Nos.)
1.	Ms. Shruti Rahul Joshi Chief Financial officer & Executive Director	0	7.73	0	7.73	100
2.	Mr. Bipin Dinesh Varma-Executive Director	0	1.80	0	1.80	0
3.	Mr. Mehul Shah –Non-Executive, Non-Independent	0	0	0	0	0
4.	Mr. Vaibhav Shastri – Independent Director	0	0	0	0	0
6.	Mr. Raju Kishan Darade – Independent Director	0	0	0	0	0
7.	Mr. Rajesh A. Pandey – Independent Director	0	0	0	0	0

Notes:

1. Mr. Bipin Dinesh Varma was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Executive Director of the Company by the Members at the General Meeting held on April 20, 2023.
2. Mr. Rajesh A. Pandey was appointed as an Additional Director of the Company w.e.f. January 27, 2023, and regularised as an Independent Director of the Company by the Members at the General Meeting held on April 20, 2023.
3. Mr. Raju Kishan Darade has resigned from the post of Independent Director of the Company w.e.f. June 30, 2023.

7. STATUTORY BOARD COMMITTEES:

A. Audit Committee

I. Constitution of Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI LODR read with Section 177 of the Companies Act, 2013.

II. Composition and Attendance of the members of the Audit Committee:

During the FY 2022-23, Audit Committee met 6 times and the gap between the two Meetings did not exceed 120 days. The necessary quorum was present for all the Meetings. Audit Committee Meetings were held on May 27, 2022, August 10, 2022, September 6, 2022, November 14, 2022, January 27, 2023, and February 14, 2023.

The Composition of the Audit Committee and details of meetings attended by its members during the year is as under:

Name	Designation	No. of meetings attended
Mrs. Dipti Yelve	Chairperson	6
Mr. Raju Darade	Member	5
Mrs. Shruti Rahul Joshi	Member	6
Mr. Rajesh A. Pandey	Member	-

Notes:

1. Mr. Raju Kishan Darade has resigned from the post of Independent Director of the Company w.e.f. June 30, 2023.
2. Mr. Rajesh A. Pandey was appointed as a member of Committee w.e.f July 26, 2023.

III. 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 SEBI LODR.

B. Nomination & Remuneration Committee

I. Constitution of Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the SEBI LODR read with Section 178 of the Companies Act, 2013.

II. Composition and Attendance of the members of the Nomination and Remuneration Committee:

During the FY 2022-23, the Committee met three times i.e. on September 6, 2022, November 14, 2022, and January 27, 2023. The necessary quorum was present for all the meetings.

The Composition of the Nomination and Remuneration Committee and details of meetings attended by its members during the year is as under:

Name	Designation	No. of meetings attended
Mrs. Dipti Yelve	Chairperson	3
Mr. Mehul Shah	Member	3
Mr. Raju Darade	Member	2
Mr. Rajesh A. Pandey	Member	-

Notes:

1. Mr. Raju Kishan Darade (DIN: 07255522) has resigned from the post of Independent Director of the Company w.e.f. June 30, 2023.
2. Mr. Rajesh A. Pandey was appointed as a member of Committee with effect from July 26, 2023.

III. 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

IV. Performance evaluation Criteria for Independent Directors

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

C. Stakeholder Relationship Committee

I. Constitution of Committee, Meetings held and attendance

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the SEBI LODR read with Section 178 of the Companies Act, 2013.

II. Composition and Attendance of the members of the Stakeholders' Relationship Committee:

During the year under review one (1) meeting of the Committee held on May 27, 2022. Necessary quorum was present during the Meeting.

The Composition of the Stakeholders' Relationship Committee and details of Meetings attended by its members during the year is as under:

Name	Designation	Attended
Mrs. Dipti Yelve	Chairperson	1
Mrs. Shruti Rahul Joshi	Member	1
Mr. Mehul Shah	Member	1

III. 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

IV. Stakeholders Grievance Redressal

During the year under review no compliant were received by the Company. There was no outstanding complaint as on March 31, 2023. No requests for transfer and for dematerialization were pending for approval as on March 31, 2023.

The Registrar and Share Transfer Agents (RTA), M/s. Purva Shareregistry (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

Ms. Palak Jain
 Company Secretary & Compliance Officer
 Shop No. 06, Prathamesh Avenue Datta Mandir Road,
 Malad (East), Mumbai -400097
 Email id: cs@esaar.in

VI. 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.

D. Sexual Harassment Committee

The Committee looks into the matter regarding Sexual Harassment at work place. Also various measures adopted by the Company in order to make the employees aware of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Composition of Sexual Harassment Committee is as under:

Name of the Member	Status
Ms. Shruti Rahul Joshi	Chairperson
Ms. Dipti Yelve	Member
Mr. Bipin Dinesh Varma	Member

8. GENERAL BODY MEETINGS

A. Annual General Meeting:

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

Sr. No.	Date & Time of meeting	Venue	Details of Special Resolution passed
70 th AGM	29/09/2022 at 2:00 p.m.	Through Video Conference/ Audio Visual means	<ul style="list-style-type: none"> To increase the Authorized share capital of company and to amend the Memorandum of Association. To appoint Mr. Raju Kishan Darade (DIN: 07255522) as a Non-Executive, Independent Director of the Company. To appoint Mrs. Shruti Rahul Joshi (DIN: 09388260) as an Executive Director of the Company. To Consider and take on record for the Ratification of the Inter Corporate Deposits (ICD) Agreement and Conversion of Inter Corporate Deposits (ICD) received by the Company.
EGM	16/06/2022 at 1:00 p.m.	Through Video Conference/ Audio Visual means	<ul style="list-style-type: none"> To increase the Authorized share capital of company and to amend the Memorandum of Association. Issue and allotment of warrants on preferential basis.
69 th AGM	27/09/2021 at 12:00 p.m.	Through Video Conference/ Audio Visual means	<ul style="list-style-type: none"> To appoint Mr. Vaibhav Shastri (DIN: 02136309) as a Non-Executive, Independent Director of the Company. To take a note on the Special Resolution passed through Postal Ballot on November 21, 2020 for the Reduction of Equity Share Capital of the Company along with observation letter received from BSE Ltd.

			• Issuance of equity shares, and/or equity linked securities and/or securities convertible into equity shares and/or conversion of debt into equity shares through Private Placement/Qualified Institutional Placement (QIP) or preferential allotment.
Postal Ballot	21/11/2020 at 5:00 p.m.	-	To approve the Reduction of Equity Share Capital of the Company.
68 th AGM	29/09/2020 at 10:00 a.m.	Through Video Conference/ Audio Visual means	To appoint Mr. Mehul Shah (DIN: 00338356) as a Non-Executive, Independent Director.

9. 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:

A. Quarterly Results

The quarterly, half-yearly and annual results are generally published in one leading national (English) business newspaper Financial Express and in one vernacular (Marathi) newspaper Mumbai Lakshadep. The results and presentations are submitted and published on stock exchanges and are also displayed on the Company's website at <http://esaar.in/>

B. Website

All the information and relevant policies to be provided under applicable regulatory requirements are available on the website of the company viz. <http://esaar.in/> in a user-friendly form.

C. Designated Email ID:

The Investors can register their grievances and complaints on the email id of the company cs@esaar.in. This email id is displayed on the company's website <http://esaar.in/>

D. 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.

E. 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.

10. CEO/CFO CERTIFICATION

A certificate signed by Director is attached with this report.

11. GENERAL INFORMATION FOR SHAREHOLDERS

a.	Annual General Meeting	:	Saturday, September 30, 2023 at 12:00 noon. through Video Conference / Other Audio-Visual Means
b.	FY of the Company	:	April 1, 2022 - March 31, 2023 Calendar (tentative dates of declaration of half yearly results) 2 nd half year: Within 45 Days from end of respective half year 4 th full year: Within 60 Days from end of respective year
c.	Date of Book Closure	:	September 25, 2023 to September 29, 2023. (Both days inclusive)
d.	Registered Office	:	Shop 06, Prathamesh Avenue, Datta Mandir Road, Malad East, Mumbai - 400097.
e.	Address for correspondence with the company	:	101, Western Edge I, Kanakia Spaces, Western Express Highway, Borivali (East) Mumbai 400066 Tel: 022-40676000
f.	Dividend Payment	:	Not Applicable as the Board has not recommended any dividend
g.	Listing of Shares	:	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
h.	Listing Fees	:	Paid
i.	Stock Code	:	Scrip Code: 531502 ISIN: INE404L01021
j.	Registrar & Share Transfer Agents	:	M/s. Purva Sharegistry (India) Pvt Ltd, 9 Shiv Shakti Industrial Estate, J R Boricha Marg. Opp. LodhaExcelus, Lower Parel (East), Mumbai - 400011 Tel: 022- 23012518 Fax: 022-23012517 Email: support@purvashare.com
k.	Share Transfer System	:	Share Transfer in physical form are generally registered and returned within 15 days from the date of receipt in case if documents are complete in all respects.

I. Stock Market data:

The monthly 'high' and 'low' of the shares traded during the period from April 2022 to March 2023 on BSE are given below:

Month	High	Low	No. of shares traded
April, 2022	4.84	4.17	1,43,707
May, 2022	4.63	3.68	2,67,191
June, 2022	7.02	4.72	9,11,282

July, 2022	8.68	7.16	9,20,795
August, 2022	7.38	6.46	6,79,995
September, 2022	6.78	6.07	9,04,419
October, 2022	9.33	6.83	5,89,483
November, 2022	10.28	7.25	2,90,523
December, 2022	7.56	6.34	7,88,668
January, 2023	7.83	6.57	3,14,400
February, 2023	6.91	5.58	3,30,137
March, 2023	5.47	4.11	7,72,259

m. Distribution of Shareholding as on March 31, 2023:

Shareholding of Nominal Value	No. of shareholders	% of total shareholders	Total No. of shares held	% of shares held
Up to 5000	6388	81.79	7,18,741	3.52
5,001 - 10,000	517	6.62	4,28,845	2.10
10,001 - 20,000	322	4.12	4,96,491	2.42
20,001 - 30,000	123	1.57	3,11,987	1.53
30,001 - 40,000	51	0.65	1,84,810	0.90
40,001 - 50,000	68	0.87	3,24,650	1.59
50,001 - 1,00,000	123	1.57	9,22,566	4.51
1,00,001 and above	218	2.79	1,70,54,410	83.43
TOTAL	7810	100.00	2,04,42,500	100.00

n. Shareholding Pattern (Category wise) as on March 31, 2023:

Sr. No	Category of Shareholders	Total Holding	% of Total Holding
1	Promoter	6,34,688	3.10
2	Resident Individuals	1,60,80,434	78.66
3	Bodies Corporate	19,41,667	9.50
4	Clearing Members	47,310	0.23
5	Non-Resident Indian	74,887	0.37
6	Hindu Undivided Family (HUF)	15,63,514	7.65
7	Trust	1,00,000	0.49
	Total	2,04,42,500	100.00

o. Dematerialization of shares and liquidity: Company has DEMAT connectivity with CDSL & NSDL.

Bifurcations of shares held in physical and demat form as on March 31, 2023.

Particulars	No. of Shares	%
Physical Segment	7,24,166	3.54
Demat Segment:		
NSDL	73,71,715	36.06
CDSL	1,23,46,619	60.40
Total	2,04,42,500	100

p. Nomination:

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from your Company's Registrar and Share Transfer Agent.

q. Address for Communication:

Registered Office: Shop 06, Prathamesh Avenue, Datta Mandir Road, Malad East, Mumbai - 400097.

Tel No: 022 - 40676000; **Email ID:** cs@esaar.in.

r. Credit Ratings:

The Company has not obtained any credit rating for its securities. <http://esaar.in/>

s. Code of Conduct

In accordance with Regulation 26(3) and Schedule V of the SEBI LODR, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2023.

Copies of the aforementioned Codes have been put on the Company's website and can be accessed at <http://esaar.in/>.

12. OTHER DISCLOSURES

- All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the FY 2022-23 were undertaken in compliance with the aforesaid regulatory provisions;
- There were no materially significant transactions with related parties during the FY which were in conflict with the interest of the Company;
- The Company does not have any Subsidiary and Associate Companies as on March 31, 2023.
- The Board has approved a policy for related party transactions which has been uploaded on the website of the company viz. <http://esaar.in/>
- 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.
- The Board of Directors confirm that they have accepted all the recommendations received from all its Committees.
- No securities of the Company have been suspended during the year.
- A total fee of Rs. 2,00,000/- was paid by the Company for all the services availed from Statutory Auditors and all entities in the network firm / network entity of which they are part.
- The Company has adopted Policy on Prevention of Sexual Harassment at Work Place as required by The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has not received any complaints during the FY 2022-23. The said policy has been put on the Company's website viz. <http://esaar.in/>
- M/s. HD & Associates, Practising Company Secretaries have conducted Secretarial Audit of the Company for the FY 2022-23. The Secretarial Audit Report forms part of the Director's Report.
- A certificate has been received from M/s. NVB & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from

being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

- Mr. Nithish Bangera, Practising Company Secretaries, have certified that the Company has complied with the mandatory requirements as stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- The Auditors has given an unmodified opinion on the financial statement.
- The Company has issued 3,50,00,000 convertible equity warrants at a price of Rs. 10/- each in accordance with the SEBI guidelines and the Companies Act, 2013 but the same has not been allotted due to non-receipt of upfront payment of 25% of total consideration within 15 days of in-principle approval received from BSE.
- The Company has not issued any GDRs/ADRs in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

13. COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS:

The Company has complied with all mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has adopted the following non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

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"> • Board Composition • Meeting of Board of Directors • Review of compliance reports • Plans for orderly succession for appointments • Code of Conduct or all members of board of directors and senior management • Fees / compensation • Minimum information to be placed before the Board • Compliance Certificate • Risk Assessment & Management • Performance Evaluation of Independent Directors
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition • Meeting of Audit Committee • Role of Audit Committee and review of information by the Committee
3	Nomination & Remuneration Committee	19	Yes	<ul style="list-style-type: none"> • Composition • Role of the Committee • Meeting of Nomination & Remuneration Committee • Role of Nomination & Remuneration Committee

4	Stakeholders Relationship Committee	20	Yes	<ul style="list-style-type: none"> • Composition • Role of the Committee • Meeting of Stakeholders Relationship Committee • Role of Stakeholders Relationship Committee
5	Risk Management Committee	21	NA	<ul style="list-style-type: none"> • The Company is not in the list of top 500 listed entities by market capitalization
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> • Formulation of Vigil Mechanism for Directors and employees • Direct access to Chairperson of Audit Committee
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> • Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions • Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and Shareholders of the Company • Review of transactions pursuant to aforesaid contract
8	Corporate Governance requirements with respect to subsidiary of listed entity	24	NA	<ul style="list-style-type: none"> • The Company does not have any subsidiary
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum Directorship and Tenure • Meeting of Independent Directors • Familiarization of Independent Director
10	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	26	Yes	<ul style="list-style-type: none"> • Memberships/Chairpersonships in Committees • Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel • Disclosure of shareholding by Non-executive Directors • Disclosures by Senior Management about potential conflicts of interest • 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
11	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
12	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> • Terms and conditions of appointment of Independent Directors

				<ul style="list-style-type: none"> • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors and Management Personnel • Details of establishment of Vigil Mechanism/ Whistle Blower Policy • Policy on dealing with Related Party Transactions • Policy for determining material subsidiary • Details of familiarization programmes imparted to Independent Directors
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DECLARATION

It is hereby declared that all the Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct, pursuant to Corporate Governance, for the year ended March 31, 2023.

For and on behalf of the board of Directors of
Esaar (India) Limited

Sd/-

Shruti Rahul Joshi
Chairperson & WTD
DIN: 09388260

Sd/-

Bipin Dinesh Varma
Director
DIN: 05353685

Place: Mumbai

Date: September 4, 2023

CEO/CFO COMPLIANCE CERTIFICATION***Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015***

I, Ms. Shruti Rahul Joshi, Whole Time Director and Chief Financial Officer do hereby certify to the Board that:

1. I have reviewed the Financial Statements, read with the Cash Flow Statement of the Company and to the best of my knowledge and belief, I state that:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company'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 violative 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 the internal control systems of the Company pertaining to financial reporting and have disclosed to the Statutory Auditor 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 Statutory Auditor and the Audit Committee –
 - i. significant changes in internal control over financial reporting during the year, if any;
 - ii. significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - iii. 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 Company's internal control system over financial reporting.

For **Esaar (India) Limited**

Sd/-

Shruti Rahul Joshi
Whole Time Director & Chief Financial Officer
DIN: 09388260

Date: September 4, 2023

Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to clause C of Schedule V read with Regulation 34(3) of the SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015).

**To
The Members,
Esaar (India) Limited**

Pursuant to item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby certify that none of the directors on the board of Esaar (India) Limited have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI, Ministry of Corporate Affairs or any such statutory authority.

**For NVB & Associates,
Practicing Company Secretaries,**

Sd/-

**CS Nithish Bangera
Proprietor**

ACS: 12268; CP No. 6069

UDIN: A012268E000925708

Peer Review: S2016MH373700

Place: Mumbai

Date: September 4, 2023

Practising Company Secretary's Certificate Regarding Compliance of Conditions of Corporate Governance

**To
The Members,
Esaar (India) Limited**

We have examined the compliance of the conditions of Corporate Governance by Esaar (India) Limited ('the Company') for the year ended on March 31, 2023. The company has complied with the provisions of Regulation 17 to 27 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of 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 and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2023.

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

The certificate is solely issued for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For NVB & Associates,
Practicing Company Secretaries,**

Sd/-

**CS Nithish Bangera
Proprietor**

ACS: 12268; CP No. 6069

UDIN: A012268E000925763

Peer Review: S2016MH373700

Place: Mumbai

Date: September 4, 2023

ANNEXURE IV

MANAGEMENT DISCLOSURES AND REPORTING (MDAR)

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2023. 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.

NBFC INDUSTRY

The NBFC sector is expected to remain at the forefront and drive new credit disbursements for India's underserved retail and MSME space. In the last five years the lending book of NBFCs has grown drastically due to a deep understanding of target consumer segments, technological advancements, lean cost structures and differential business model to reach credit-starved customer segments.

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 stabilization in the coming days.

OPPORTUNITIES & 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 and on Behalf of the Board of Directors of
Esaar (India) Limited

Sd/-

Shruti Rahul Joshi
Chairperson & WTD
DIN: 09388260

Sd/-

Bipin Dinesh Varma
Director
DIN: 05353685

Place: Mumbai

Date: September 4, 2023

FORM NO. MR - 3SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,

The Members,

Esaar (India) Limited,

Shop No. 06, Prathamesh Avenue Datta Mandir Road,

Malad East Mumbai -400097.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ESAAR (INDIA) LTD** formerly known as (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2023, 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.

We have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, to the extent applicable 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") to the extent applicable to the Company: -
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the audit period)
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the audit period)
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the audit period)
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the audit period)
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable during the audit period)
- The Company has complied with the requirements under the Equity Listing Agreement entered into with BSE Limited.

vi) Reserve Bank of India Act, 1934;

vii) Master Direction - Non-Banking Financial Company (Reserve Bank) Directions, 2016;

viii) The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as specified in Annexure B.

We have also examined compliances with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors i.e Secretarial Standards 1 and General Meetings i.e Secretarial Standards 2.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above, subject to the following observation(s):

1. *Pursuant to the Non-Banking Financial Companies Directions, Guidelines and Circulars issued by the Reserve Bank of India. The Company had delayed in filing of the Returns with RBI and same were ratified.*

We further report that:

Following changes were held in constitution of Board of Directors of the Company during the term of signing of this Report:

- i. Mrs. Disha Shah has resigned from the post of Company Secretary and Compliance Officer of the Company with effect from 03rd September, 2022;
- ii. Ms. Jai Vaidya has been appointed as a Company Secretary and Compliance Officer of the Company with effect from 06th September, 2022;
- iii. Ms. Jai Vaidya resigned from the post of Company Secretary and Compliance Officer of the Company with effect from 16th November, 2022;
- iv. Mr. Bipin Dinesh Varma (DIN: 05353685) has been appointed as an Executive Director of the Company with effect from 27th January, 2023.
- v. Mr. Rajesh Kumar Amarnath Pandey (DIN: 03560331) has been appointed as an Independent Director of the Company with effect from 27th January, 2023.
- vi. Ms. Palak Jain has been appointed as a Company Secretary and Compliance Officer of the Company with effect from 12th May, 2023.
- vii. Mr. Raju Kishan Darade (DIN: 07255522) has resign from the post of Independent Director of the Company with effect from 30th June, 2023.

Except this the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within the prescribed time, 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.

We 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.

We further report that during the audit period:

During the audit period apart from the instances mentioned hereunder, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.:

- The Company has obtained Shareholder's approval in the 70th Annual General Meeting for:
 - I. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon;
 - II. Re-appointment of Mr. Mehul Hasmukh Shah, Director (DIN: 00338356), who retires from office by rotation and being eligible, offers himself for reappointment;
 - III. To increase the Authorized share capital of Company from INR. 61,50,00,000 /- (Indian Rupees Sixty-One Crores Fifty Lakhs only) divided into 6,15,00,000 (Six Crores Fifteen Lakhs) Equity Shares of INR. 10/- (Indian Rupees Ten Only) each to INR. 71,50,00,000 (Indian Rupees Seventy-One Crores Fifty Lakhs only) divided into 7,15,00,000 (Seven Crores Fifteen Lakhs) Equity Shares of INR. 10/- (Indian Rupees Ten Only);

-
- IV. To appoint Mr. Raju Kishan Darade (DIN: 07255522) as a Non-Executive, Independent Director of the Company;
- V. To appoint Mrs. Shruti Rahul Joshi (DIN: 09388260) as an Executive Director of the Company;
- VI. To Consider and take on record for the Ratification of the Inter Corporate Deposits (ICD) Agreement and Conversion of Inter Corporate Deposits (ICD) received by the Company from the respective Lenders into equity shares in align with the ICD Agreement including determination of Issue price as may be permitted under applicable laws, subject to the approval of the Shareholders of the Company and Regulators as applicable.
- The Company has obtained the In-principal approval from the Bombay Stock Exchange ("BSE") on August 30, 2022 for issuance and allotment of Warrant. However, since the warrant application money was not received within 15 days from the date of receiving the in-principal approval, the warrants were subsequently cancelled. As a result, the In-principal approval received from the exchange was held in abeyance.

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.

**FOR HD AND ASSOCIATES
COMPANY SECRETARIES**

Sd/-
**HARDIK DARJI
PRACTICING COMPANY SECRETARY
PROPRIETOR
ACS NO. 47700 C.P.NO.: 21073
FRN: S2018MH634200**

PLACE: MUMBAI

DATE: 27TH JULY, 2023

UDIN: A047700E000687341

PEER REVIEW NO.: 2208/2022

ANNEXURE A TO SECRETARIAL AUDIT

To

The Members,

Esaar (India) Limited,

Shop No. 06, Prathamesh Avenue Datta Mandir Road,

Malad East Mumbai – 400 097.

My report of even date is to be read along with this letter:

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

**FOR HD AND ASSOCIATES
COMPANY SECRETARIES**

Sd/-

HARDIK DARJI

**PRACTICING COMPANY SECRETARY
PROPRIETOR**

ACS NO. 47700 C.P.NO.: 21073

FRN: S2018MH634200

PLACE: MUMBAI

DATE: 27TH JULY, 2023

UDIN: A047700E000687341

PEER REVIEW NO.: 2208/2022

ANNEXURE- B TO SECRETARIAL AUDIT

LIST OF OTHER APPLICABLE LAWS TO THE COMPANY

Under the Major Group and Head:

1.	The Maternity Benefit Act, 1961;
2.	The Payment of Gratuity Act, 1972;
3.	The Maharashtra Shops & Establishment Act, 1972;
4.	The Employee's State Insurance Act, 1948;
5.	Employee's Compensation Act, 1923;
6.	The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975;
7.	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
8.	The Employees Provident Funds and Miscellaneous Provisions Act, 1952;
9.	The Profession Tax Act, 1975;
10.	The Environment (Protection) Act, 1986;
11.	Water (Prevention and Control of Pollution) Act, 1974;
12.	Air (Prevention and Control of Pollution) Act, 1981;
13.	Environment Protection Act, 1986;
14.	Maharashtra Fire Prevention & Life Safety Measures Act, 2006;
15.	Income Tax Act, 1961;
16.	Relevant provisions of the Service Tax and Rules and Regulations thereunder;
17.	Capital Market related Laws/Rules/Regulation;
18.	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**FOR HD AND ASSOCIATES
COMPANY SECRETARIES**

Sd/-

**HARDIK DARJI
PRACTICING COMPANY SECRETARY
PROPRIETOR**

ACS NO. 47700 C.P.NO.: 21073

FRN: S2018MH634200

PLACE: MUMBAI

DATE: 27TH JULY, 2023

UDIN: A047700E000687341

PEER REVIEW NO.: 2208/2022



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 financial statements of ESAAR (INDIA) LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") read with note of Emphasis of Matter below and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, changes in equity and its cash flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have no matters to be reported as the key audit matters to be communicated in our report.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Emphasis of Matter

Without qualifying our report attention is invited to note no. 25 of financial statement wherein the Company has taken/given inter corporate deposits, has entered into transactions such as sales, purchase, investments etc. from related parties. The Company has not completed its Completeness in identification and disclosure of related party transactions in accordance with the applicable financial reporting frameworks, which would require the prior approval of the audit committee for these transactions, which has not been obtained.

Without qualifying our report attention is invited to note no. 05 of financial statement wherein the company has not allotted 2,40,64,000 convertible equity warrants at a price of Rs. 10/- each in accordance with the SEBI guidelines and the companies act 2013 upon non-receipt of upfront payment of 25% i.e. Rs. 601.60 lakhs of total consideration (of Rs. 2406.40 Lakhs) as per the term of preferential issue. These convertible warrants were not issued on physical basis and dematerialization of these warrants are not under process.

Our opinion is not modified in respect of the above.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the 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 pending litigations and the impact on its financial position - refer note 29 to the 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. Refer Note 13 to the financial statements.

- 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.
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. No dividend have been declared or paid during the year by the company.
 - vi. As proviso to rule 3(1) of the Companies (Account) Rules,2014 is applicable for the company only w.e.f. April 1,2023, reporting under this clause is not applicable.
3. In our opinion, according to information, explanation given to us, the remuneration paid by the company to its directors is within the limits laid prescribed under section 197 of the Act the rules thereunder.

FOR HARISH ARORA & ASSOCIATES

Chartered Accountants

FRN: 015226C

HARISH ARORA

Partner

Membership No. 407420

Place: Mumbai

Date: 26/06/2023

UDIN :23407420BGXPTY5674

Annexure 'A'

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of ESAAR (INDIA) LIMITED, for the year ended March 31, 2023)

We report that:

- (i) (a) (A) The company has maintained proper records showing full particulars, particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable to the Company.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not

been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) a) The Company involved in the business of giving loans. Accordingly, the provision stated in paragraph 3(iii) (a) of the Order are not applicable to the Company.

b) Based on our examination and the information and explanations given to us, in respect of the aforesaid loans, investments/ guarantees/ securities/ loans/ advances in nature of the loan, in our opinion, the terms and conditions under which such loans were granted/ investments were made/ guarantees provided/ security provided are not prejudicial to the Company's interest.

c) In respect of the [aforesaid] loans/ advances in nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a non-banking financial company engaged in the business of finance, the borrower wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2023 is Rs. 218.86 lakhs. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 48 in the financial statements for details of number of cases and the amount of principal and interest overdue as at March 31, 2023.

e) The Company involved in the business of giving loans. Accordingly, provision stated in paragraph 3(iii) (e) of the Order are not applicable to the Company.

f) According to the information explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, following are the statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute:

Nature of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount Disputed
The Income Tax Act, 1961	Income Tax	CIT Appeals	A.Y. 2014-15	95,15,020
The Income Tax Act, 1961	Income Tax	CIT Appeals	A.Y. 2015-16	3,07,65,621
The Income Tax Act, 1961	Income Tax	CIT Appeals	A.Y. 2016-17	50,84,838
The Income Tax Act, 1961	Income Tax	AO	A.Y. 2021-22	4,17,41,240

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act,

1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) 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 for long term purposes by the company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.

- (xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business,
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our Opinion and based on our examination, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and the registration has been obtained;
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention,

which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For HARISH ARORA & ASSOCIATES
Chartered Accountants
FRN: 015226C

Place: Mumbai
Date: 26/06/2023

HARISH ARORA
(PARTNER)
Membership No.: 407420

Annexure 'B'

Report on Internal Financial Controls with reference to financial statements

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

Opinion

We have audited the internal financial controls over financial reporting of ESAAR (INDIA) LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of

Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

**For HARISH ARORA & ASSOCIATES
Chartered Accountants
FRN: 015226C**

Place: Mumbai
Date: 26/06/2023

**HARISH ARORA
(PARTNER)
Membership No.: 407420**

Esaar (India) Limited
Balance Sheet as at 31st March 2023

(Amount in Lacs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	2	78.20	77.34
(b) Receivables		-	-
(I) Trade Receivables	3	887.24	887.24
(II) Other Receivables - Derivatives		-	-
(c) Loans	4	12,650.06	8,651.59
(d) Investments	5	1,751.32	2,768.07
(e) Other Financial assets	6	113.94	23.49
(f) Inventories	7	39.89	163.80
Total Financial Assets		15,520.66	12,571.53
2 Non-Financial Assets			
(a) Current tax assets (Net)	8	7.00	41.32
(b) Deferred tax Assets (Net)	9	87.68	140.03
(c) Property, Plant and Equipment	10	206.81	27.37
(d) Miscellaneous Expenditure not written off		36.85	-
Total Non-Financial Assets		338.35	208.72
TOTAL ASSETS		15,859.01	12,780.25
II LIABILITIES AND EQUITY			
1 LIABILITIES			
Financial Liabilities			
(a) Trade Payables			
1.Total Outstanding dues of MSME	11	-	-
2.Total Outstanding dues of Creditors other than MSME	11	553.83	402.53
(b) Borrowings	12	10,673.86	8,141.97
(c) Other financial liabilities	13	167.80	14.86
Total Financial Liabilities		11,395.51	8,559.36
Non-Financial Liabilities			
(a) Provisions	14	2.64	-
(b) Current tax Liabilities (Net)	8	-	-
Total Non-Financial Liabilities		2.64	-
2 EQUITY			
(a) Equity share capital	16	2,044.25	2,044.25
(b) Receipts Against Warrants		761.60	-
(c) Other Equity	17	1,655.01	2,176.64
Total Equity		4,460.86	4,220.89
TOTAL LIABILITIES AND EQUITY		15,859.01	12,780.25

As per our report of even date attached

1-34

For Harish Arora & Associates
FRNo. 015226C
Chartered Accountants

For and on behalf of the Board of Directors

Harish Arora
Partner
Membership No. 407420

Shruti Rahul Joshi
Whole Time Director & CFO
DIN : 09388260

Bipin Varma
Director
DIN : 05353685

Place : Mumbai
Date : 26-06-2023
UDIN: 23407420BGXPUA9861

Palak Jain
Company Secretary
(PAN:ARQPJ7853H)

Esaar (India) Limited
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31,2023

(Amount in Lacs except EPS)

Particulars		Note No.	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Revenue from Operations			
	Interest Income	18	913.81	843.15
	Sale & Purchase of Shares and Securities (Net)	19	631.22	43.85
	Other Revenue from Operations	19	301.17	11.80
I	Total Revenue from operations		1,846.20	898.80
II	Other income	20	288.52	2,796.92
III	Total Revenue		2,134.72	3,695.72
	Expenses:			
	Finance Cost	21	729.60	262.74
	Impairment on financial instruments		-	-
	Net loss /(gain) on fair value changes		-	-
	Changes in Inventory of Shares and Securities		123.90	(77.48)
	Employee Benefits Expenses	22	29.27	28.04
	Depreciation & amortization expenses	10	3.50	1.25
	Other Expenses	23	668.40	1,345.72
IV	Total Expenses		1,554.66	1,560.27
V	Profit/(Loss) before exceptional items and tax (III-IV)		580.06	2,135.46
VI	Exceptional Items		-	-
VII	Profit/(Loss) before tax (V -VI)		580.06	2,135.46
VIII	Tax expenses:			
	(1) Income Tax			
	- Current year		80.00	16.25
	- Earlier years		-	-
	(2) Deferred tax		52.35	18.45
IX	Profit/(Loss) for the period (VII-VIII)		447.70	2,100.75
X	Other Comprehensive Income			
	A. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	B. (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Comprehensive Income for the period (IX+X)		447.70	2,100.75
XI	(Comprising Profit/(Loss) and Other Comprehensive Income for the period)		447.70	2,100.75
XII	Earning per equity share:	24		
	(1) Basic		2.19	10.28
	(2) Diluted		2.19	10.28

As per our report of even date attached

1-34

For Harish Arora & Associates
FRNo. 015226C
Chartered Accountants

For and on behalf of the Board of Directors

Harish Arora
Partner
Membership No. 407420

Shruti Rahul Joshi
Whole Time Director & CFO
DIN : 09388260

Bipin Varma
Director
DIN : 05353685

Place : Mumbai
Date : 26-06-2023
UDIN: 23407420BGXPUA9861

Palak Jain
Company Secretary
(PAN:ARQPJ7853H)

Esaar (India) Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2023

(Amount in Lacs)

	Particulars	For the year ended	
		31 March, 2023	31 March, 2022
A	Cash Flow From Operating activities:		
	Profit before income tax :	580.06	2,135.46
	Adjustments for:		
	Other Comprehensive Income	(969.33)	(148.63)
	Fair Value Measurement - ECL / Reversal of Provisions	-	332.01
	Operating Profit Before Working Capital Changes [I]	(389.27)	2,318.84
	Adjustment for Working Capital Changes:		
	Increase in Trade Payables and Other Liabilities	306.91	(148.14)
	Decrease/(Increase) in Inventories	123.91	(77.48)
	Decrease in Trade Receivable	-	598.12
	(Increase) in Financial and Other Assets	(4,091.46)	(5,593.00)
	Increase in Other Current Aseets	-	(21.47)
	Cash generated from Operations [II]	(3,660.66)	(5,241.97)
	Income Taxes Paid [III]	(80.00)	(16.25)
	Net Cash (outflow)/inflow from Operating Activities (A) [I+II+III]	(4,129.93)	(2,939.39)
B	Cash Flows From Investing Activities		
	(Investment in Shares)/ Sale of Shares	1,016.74	(1,667.04)
	Investment in Fixed Assets	(179.45)	(26.80)
	Net Cash (outflow)/inflow From Investing Activities (B)	837.29	(1,693.84)
C	Cash Flows From Financing Activities:		
	Short Term Borrowings	2,531.89	4,693.35
	Receipts against Share Warrants	761.60	-
	Net Cash Inflow From Financing Activities (C)	3,293.49	4,693.35
	Net increase (decrease) in cash and cash equivalents (A+B+C)	0.86	60.12
	Cash and Cash Equivalents at the beginning of the financial year	77.34	17.22
	Cash and Cash Equivalents at end of the year	78.20	77.34

As per our report of even date attached

For Harish Arora & Associates
FRNo. 015226C
Chartered Accountants

Harish Arora
Partner
Membership No. 407420

Place : Mumbai
Date : 26-06-2023
UDIN: 23407420BGXPUA9861

For and on behalf of the Board of Directors

Shruti Rahul Joshi **Bipin Varma**
Whole Time Director & CFO **Director**
DIN : 09388260 **DIN : 05353685**

Palak Jain
Company Secretary
(PAN:ARQPJ7853H)

Esaar (India) Limited
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

Other Equity						(Amount in Lacs.)
Particulars	Reserve & Surplus				Total	
	Share Premium	Retained Earnings	Statutory Reserves	OCI		
Balance as at 31 March 2021	124.89	407.33	86.95	399.47		
Profit for the year	-	2,100.75	-	-	2,100.75	
Additions during the year	-	332.01	-	(148.63)	183.38	
Transfer to Statutory Reserve		(420.15)	420.15		-	
Other Comprehensive Income	-	-	-		-	
Balance as at 31 March 2022	124.89	1,273.27	507.10	271.37	2,176.63	
Particulars	Reserve & Surplus				Total	
	Share Premium	Retained Earnings	Statutory Reserves	OCI		
Balance as at 31 March 2022	124.89	1,273.27	507.10	271.37	2,176.63	
Profit for the year	-	447.70	-	-	447.70	
Additions during the year	-		-	(969.33)	(969.33)	
Transfer to Statutory Reserve		(89.54)	89.54		-	
Other Comprehensive Income	-	-	-		-	
Balance as at 31 March 2023	124.89	1,631.43	596.64	(697.96)	1,655.01	

1 ACCOUNTING POLICY

1.1 Company Information

Esaar India Limited ('The Company'), Incorporated In India, Is A Public Limited Company, Headquartered In Mumbai. The Company is A Non -Banking Financial Company ('NBFC') Engaged in Providing Asset Finance. The Company Is Registered As A Non-Systemically Non Important Non Deposit Accepting NBFC As Defined Under Section 45-IA Of The Reserve Bank Of India ('RBI') Act, 1934 With Effect From 4 September 1998. The Equity Shares Of The Company Are Listed On The Bombay Stock Exchange ("BSE") In India.

The Company's Registered Office Is At Shop no. 06, Prathamesh Avenue, Datta Mandir Road, Malad East, Mumbai - 400 097, Maharashtra, India

The Company's corporate office is at 101, 1st Floor, Western Edge I, Western Express highway, Borivali (East) Mumbai 400066 Maharashtra, India.

Summary OF Significant Accounting Policies

Statement of Compliance and Basis for Preparation and Presentation of Financial

These Standalone Or Separate Financial Statements Of The Company Have Been Prepared In Accordance With The Indian Accounting Standards ("Ind AS") As Per The Companies (Indian Accounting Standards) Rules 2015 As Amended And Notified Under Section 133 Of The Companies Act, 2013 ("The Act"), And In Conformity With The Accounting Principles Generally Accepted In India And Other Relevant Provisions Of The Act. Further, the Company Has Complied with All the Directions Related to Implementation of Indian Accounting Standards Prescribed for Non-Banking Financial Companies (NBFCs) In accordance with the RBI Notification No. RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/2019-20 Dated 13 March 2020. Any Application Guidance/ Clarifications/ Directions Issued By RBI Or Other Regulators Are Implemented As And When They Are Issued/ Applicable.

These Standalone or Separate Financial Statements have Been Approved by the Company's Board of Directors and Authorized for Issue on 26th June 2023.

Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment.

2.1 Basis of preparation

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on this basis. Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are
- Level 3 inputs are unobservable inputs for the asset or liability.

Application of new and revised Ind AS

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC").

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.2 Functional and Presentation Currency

These Financial Statements Are Presented in Indian Rupees ('INR' Or 'Rs.')

 which is also The Company's Functional Currency. All Amounts Are Rounded-Off to the nearest ten, Unless Otherwise Indicated.

2.3 Basis of Measurement

The Financial Statements Have Been Prepared On A Historical Cost Convention and on an Accrual Basis, except For Certain Financial Instruments Which Are Measured At Fair Values As Required By Relevant Ind AS.

Measurement of Fair Values

A Number of Company's Accounting Policies and Disclosures required the measurement of fair Values, For Both Financial and Non-Financial Assets and Liabilities. The Company Has Established Policies And Procedures With Respect To The Measurement Of Fair Values. Fair Values Are Categorized Into Different Levels In A Fair Value Hierarchy Based On The Inputs Used In The Valuation Techniques As Follows:

Level 1: Quoted Prices (Unadjusted) In Active Markets For Identical Assets And Liabilities.

Level 2: Inputs other than Quoted Prices Included In Level 1 That Are Observable For The Asset Or Liability, Either Directly Or Indirectly.

Level 3: Inputs for The Asset or Liability Y That Are Not Based on Observeable Market Data (Unobservable Inputs).

Use of Estimates and Judgments and Estimation Uncertainty

In preparing these financial statements, Management Has Made Judgments, Estimates and Assumptions That Affect the Application of the Company's Accounting Policies and the Reported Amounts of Assets, Liabilities, Income, Expenses and the Disclosures of Contingent Assets and Liabilities. Actual Results May Differ From These Estimates. Estimates And Underlying Assumptions Are Reviewed On An Ongoing Basis. Revisions To Estimates Are Recognized Prospectively.

The Key Assumptions Concerning The Future And Other Key Sources Of Estimation Uncertainty At The Reporting Date That Have A Significant Risk Of Causing A Material Adjustment To The Carrying Amounts Of Assets And Liabilities Within The Next Financial Year Are Described Below. The Company Based Its Assumptions And Estimates On Parameters Available When The Financial Statements Were Issued. Existing Circumstances And Assumptions About Future Developments, However, May Change Due To Market Changes Or Circumstances Arising That Are Beyond The Control Of The Company. Such Changes Are Reflected In The Assumptions When They Occur.

Following are Areas That Involved a Higher Degree of Estimate and Judgment or Complexity in Determining the Carrying Amount of Some Assets and Liabilities.

Effective Interest Rate (EIR) Method

The company recognize interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments requires judgment, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

THE COMPANY'S EXPECTED CREDIT LOSS (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgments and estimates include:

- The Company's Criteria for Assessing If There Has Been a Significant Increase in Credit Risk.
- The Segmentation of Financial Assets When Their ECL Is Assessed On a Collective Basis.
- Development of ECL Model, Including the Various Formulae and the Choice of Inputs.
- Selection of Forward-Looking Macroeconomic Scenarios and Their Probability Weights, To Derive the Economic Inputs into the ECL Model.
- Management Overlay Used In Circumstances Where Management Judges That The Existing Inputs, Assumptions And Model Techniques Do Not Capture All The Risk Factors Relevant To The Company's Lending Portfolios.

It Has Been the Company's Policy to Regularly Review Its Model in the Context of Actual Loss Experience and Adjust When Necessary.

Provisions and Other Current Liabilities

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Segment Information

As the Company has no activities other than those of an investment company, the segment reporting under Indian Accounting Standard Ind AS 108 - 'Operating Segments' is not applicable. The Company does not have any reportable geographical segment.

Provision for Income Tax and Deferred Tax Assets:

The company uses estimates and judgments based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the company exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

Revenue Recognition

Recognition of Interest Income on Loans

Interest Income Is Recognized In Statement Of Profit And Loss Using The Effective Interest Method For All Financial Instruments Measured At Amortized Cost, Debt Instrument S Measured At FVOCI And Debt Instruments Designated At FV TPL. The 'Effective Interest Rate' Is the Rate That Exactly Discounts estimated Future cash payments or receipts Through the Expected Life of the Financial Instrument.

The Calculation Of The Effective Interest Rate Includes Transaction Costs And Fees That Are An Integral Part Of The Contract. Transaction Costs Include Incremental Costs That Are Directly Attributable To The Acquisition Of Financial Asset.

If Expectations Regarding The Cash Flows On the Financial Asset Are Revised For Reasons Other Than Credit Risk, The Adjustment is Recorded as A Positive Or Negative Adjustment to the Carrying Amount Of The Asset In the Balance Sheet With An Increase Or Reduction In Interest Income. The Adjustment Is Subsequently Amortized Through Interest Income In The Statement Of Profit And Loss. The Company Calculates Interest Income By applying The EIR To The Gross Carrying Amount Of Financial Assets Other Than Credit-Impaired Assets.

When A Financial Asset Becomes Credit-Impaired, The Company Calculates Interest Income By Applying The Effective Interest Rate To The Net Amortized Cost Of The Financial Asset. If The Financial Asset Cures And Is No Longer Credit-Impaired, The Company Reverts To Calculating Interest Income On A Gross Basis.

Additional Interest and Interest on Trade Advances are Recognized When They Become Measurable and When It Is Not Unreasonable to Expect Their Ultimate Collection.

Fee and Commission Income:

Fee Based Income Are Recognized When They Become Measurable And When It Is Probable To Expect Their Ultimate Collection. Commission And Brokerage Income Earned for the Services rendered are Recognized As and When They Are Due.

Dividend and Interest Income on Investments:

Dividends Are Recognized In Statement Of Profit And Loss Only When The Right To Receive Payment Is Established, It Is Probable That The Economic Benefits Associated With The Dividend Will Flow To The Company And The Amount Of The Dividend Can Be Measured Reliably.

Interest income from Investments is Recognized When It Is Certain That the Economic Benefits Will Flow to the Company and the Amount of Income Can Be measured reliably. Interest Income Is Accrued On A Time Basis, By Reference To The Principal Outstanding And At The Effective Interest Rate Applicable.

2.4 Financial Instruments:

A) Recognition and Initial Measurement

Financial Assets and Financial Liabilities are Recognized When the Company Becomes a Party to the Contractual Provisions of the Instruments.

Financial Assets And Financial Liabilities Are Initially Measured At Fair Value. Transaction

- Amortized Cost;
- FVOCI - Debt Instruments;
- FVOCI - Equity Instruments;
- FVTPL

Amortized Cost -

The Company's Business Model is not assessed on an Instrument-By-Instrument Basis, But at a Higher Level of Aggregated Portfolios Being the Level at Which They Are Managed. The Financial Asset Is Held With The Objective To Hold Financial Asset In Order To Collect Contractual Cash Flows As Per The Contractual Terms That Give Rise On Specified Dates To Cash Flows That Are Solely Payment Of Principal And Interest (SPPI) On The Principal Amount Outstanding. Accordingly, the Company measures Bank Balances, Loans, Trade Receivables and Other Financial Instruments at Amortized Cost.

FVOCI - Debt Instruments -

The Company Measures Its Debt Instruments At FVOCI When The Instrument Is Held Within A Business Model, The Objective Of Which Is Achieved By Both Collecting Contractual Cash Flows And Selling Financial Assets; And The Contractual Terms Of The Financial Asset Meet The SPPI Test.

FVOCI - Equity Instruments -

'Financial Assets are not reclassified Subsequent To Their Initial Recognition, Except If and In the Period the Company Changes Its Business Model for Managing Financial Assets.

All Financial Assets Not Classified As Measured At Amortized Cost Or FVOCI Are Measured At FVTPL. This Includes All Derivatives Financial Assets.

Subsequent Measurement of Financial Assets

Financial Assets at Amortized Cost Are Subsequently measured at amortized cost using effective Interest Method. The Amortized Cost Is reduced By Impairment Losses. Interest Income, Foreign Exchange Gains And Losses And Impairment Are Recognized In Statement Of Profit And Loss. Any Gain and Loss on Derecognition Is Recognized In Statement of Profit And Loss.

DEBT Investments FVOCI are subsequently measured at Fair Value. Interest Income under Effective Interest Method and Impairment are recognized In Statement of Profit And Loss. Other Net Gains And Losses Are Recognized In OCI. On Derecognition, Gains And Losses Accumulated In OCI Are Reclassified To Statement Of Profit And Loss.

For Equity Investments, The Company Makes An selection On An Instrument-By-Instrument Basis To Designate Equity Investments As Measured At FVOCI.

These Elected Investments Are Measured At Fair Value With Gains And Losses Arising From Changes In Fair Value Recognized In Other Comprehensive Income And Accumulated In The Reserves. The Cumulative Gain or Loss is reclassified to Statement of Profit And Loss on Disposal of the Investments. These Investments in Equity Are Held For Trading, Instead of Held For Strategic Purpose. Dividend Income Received On Such Equity Investments Are Recognized In Statement Of Profit And Loss.

Equity Investments That Are Not Designated as Measured at FVOCI is Designated as Measured at FVTPL and Subsequent Changes in Fair Value Are Recognized in Statement of Profit And Loss.

Financial Assets at FVTPL are Subsequently Measured at Fair Value. Net Gains and Losses, Including Any Interest or Dividend Income, are recognized in Statement of Profit And Loss.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity -

Debt And Equity Instruments Issued By The Company are Classified As Either Financial Liabilities Or As Equity In Accordance With The Substance Of The Contractual Arrangement S And The Definitions Of A Financial Liability And An Equity Instrument.

Equity Instruments -

An Equity Instrument Is Any Contract That Evidences a Residual Interest In The Assets Of An Entity after Deducting All Of Its Liabilities. Equity Instruments Issued By Company Are Recognized At The Proceeds Received. Transaction Costs Of An Equity Transaction Are Recognized As A Deduction From Equity.

Financial Liabilities -

Financial Liabilities Are Classified As Measured At Amortized Cost Or FVTPL. A Financial Liability Is Classified As At FVTPL.

De-Recognition

Financial Assets

The Company Derecognizes A Financial Asset When The Contractual Rights To The Cash Flows From The Financial Asset Expire, Or It Transfers The Rights To Receive The Contractual Cash Flows In A Transaction In Which Substantially All Of The Risks And Rewards Of Ownership Of The Financial Asset Are Transferred Or In Which The Company Neither Transfers Nor Retains Substantially All Of The Risks And Rewards Of Ownership And Does Not Retain Control Of The Financial Asset.

If The Company Enters Into Transactions Whereby It Transfers Assets Recognized On Its Balance Sheet, But Retains Either All Or Substantially All Of The Risks And Rewards Of The Transferred Assets, The Transferred Assets Are Not Derecognized.

Financial Liabilities

A Financial Liability Is Derecognized When The Obligation In Respect Of The Liability Is Discharged, Cancelled Or Expires. The Difference Between The Carrying Value Of The Financial Liability And The Consideration Paid Is Recognized In Statement Of Profit And Loss.

Offsetting

Financial Assets And Financial Liabilities Are Offset And The Net Amount Presented In The Balance Sheet When, And Only When, The Company Currently Has A Legally Enforceable Right To Set Off The Amounts And It Intends Either To Settle them On a net Basis or to realize the assets And settle the liability Simultaneously.

Derivative Financial Instruments

The Company has not entered into Derivative Financial Instruments, Primarily Forward Contracts, Options, Currency Derivatives and Swaps. Derivatives embedded In Non – derivative Host contracts are treated as Separate Derivatives When Their Risks and Characteristics Are Not closely related to those of the Host Contracts and the Host Contracts Are Not Measured at FVTPL.

Derivatives Are Initially Recognized At Fair Value At The Date The Contracts Are Entered Into And Are Subsequently Premeasured to Their Fair Value At The End Of Each Reporting Period. The Resulting Gain/ Loss Is Recognized In Statement Of Profit And Loss.

H) Impairment of Financial Instruments

Equity Instruments Are Not Subject To Impairment Under Ind AS 109.

The Company Recognizes Lifetime Expected Credit Losses (ECL) When There Has Been A Significant Increase In Credit Risk Since Initial Recognition And When The Financial Instrument Is Credit Impaired. If The Credit Risk On The Financial Instrument Has Not Increased Significantly Since Initial Recognition, The Company Measures The Loss Allowance For That Financial Instrument At An Amount Equal To 12 Month ECL.

The Assessment Of Whether Lifetime ECL Should Be Recognized Is Based On Significant Increases In The Likelihood Or Risk Of A Default Occurring Since Initial Recognition. 12 Month ECL Represents The Portion Of Lifetime ECL That Is Expected To Result From Default Events On A Financial Instrument That Are Possible Within 12 Months After the Reporting Date.

Management Overlay Is used to adjust the ECL Allowance in Circumstances Where Management Judges That the Existing Inputs, Assumptions and Model Techniques Do Not Capture All the Risk Factors relevant to the company's lending Portfolios. Emerging Local or Global Macroeconomic, Micro Economic or Political Events, And Natural Disasters that are not incorporated into The Current Parameters, Risk Ratings, and or Forward Looking Information Are Examples of Such Circumstances. The Use Of Management Overlay May Impact The Amount Of ECL Recognized.

The Company Recognizes Lifetime ECL For Trade, Lease And Other Receivables. The Expected Credit Losses On These Financial Assets Are Estimated Using A Provision Matrix Based On The Company's Historical Credit Loss Experience, Adjusted For Factors That Are Specific to The Debt Or S, General Economic Conditions And An Assessment of Both The Current As Well As The Forecast

Direction Of Conditions At The Reporting Date, Including Time Value Of Money Where Appropriate. Lifetime ECL Represents the Expected Credit Losses That Will Result From All Possible Default Events over the Expected Life of a Financial Instrument.

Loss Allowances For Financial Assets Measured At Amortized Cost Are Deducted From the Gross Carrying Amount Of The Assets. For Debt Securities at FVOCI, The Loss Allowance Is recognized In OCI and Carrying Amount of the Financial Asset Is Not Reduced in the Balance Sheet.

Collateral Repossessed

Based on Operational Requirements, The Company's Policy Is to Determine Whether a Repossessed Asset Can Be Best Used for Its Internal Operations or Should Be Sold. Assets Determined to Be Useful for the Internal Operations are transferred to Their Relevant Asset Category for Capitalization at Their Fair Market Value.

In The Normal Course Of Business, The Company Does Not Physically Repossess Assets/Properties In Its Loan Portfolio, But Engages External Agents To Repossess And Recover Funds, To Settle Outstanding Debt. Any Surplus Funds are returned To the Customers/ Obligors. Financial Assets held as collaterals are shown as Current Assets as well as current liabilities.

Write-Offs

The Gross Carrying Amount of A Financial Asset Is Written of when there Is No Realistic Prospect Of Further Recovery. This Is Generally The Case When The Company Determines that The Debtor/Borrower Does Not Have Assets Or Sources Of Income that Could Generate Sufficient Cash Flows To Repay the Amounts Subject To The Write- Off. However, Financial Assets that are written off Could Still Be subject To Enforcement Activities under the Company's Recovery Procedures, Taking Into account Legal Advice Where Appropriate. Any Recoveries Made From Written Off Assets Are Netted Off Against The Amount Of Financial Assets Writ Ten Off During The Year Under Bad Debts And Write Offs Forming Part Of Impairment On Financial Instruments In Statement Of Profit And Loss.

2.5 Finance Cost

Finance Costs Include Interest Expense computed By Applying the Effective Interest Rate on Respective Financial Instruments Measured at Amortized Cost. Financial Instruments Include Bank/ FI Borrowings, Broker facilities to The Extent they Are Regarded As an Adjustment to the Interest Cost. Finance Costs Are Charged to the Statement Of Profit And Loss.

2.6 Taxation - Current and Deferred Tax:

Income tax expenses Comprises of Current Tax and Deferred Tax. It Is Recognized In Statement Of Profit And Loss Except To The Extent That It Relates to An Item Recognized Directly In Equity Or In Other Comprehensive Income.

A) Current Tax:

Current Tax Comprises Amount Of Tax Payable In Respect Of The Taxable Income Or Loss For The Year Determined in Accordance With Income Tax Act, 1961 and Any Adjustment To The Tax Payable Or Receivable In Respect Of Previous Years.

The Company's Current Tax is Calculated Using Tax Rates That Have Been Enacted or Substantively Enacted by the End of the Reporting Period. Significant Judgments Are Involved In Determining The Provision For Income Taxes Including Judgment On Whether Tax Positions Are Probable Of Being Sustained In Tax Assessments. A Tax Assessment Can Involve Complex Issues, Which can only be resolved over extended Time Periods.

B) Deferred Tax:

Deferred Tax Assets and Liabilities Are Recognized for the Future tax consequences of temporary Differences between the Carrying Values of Assets and Liabilities and their respective tax Bases. Deferred Tax Liabilities And Assets Are Measured At The Tax Rates That Are Expected To Apply In The Period In Which The Liability Is Settled Or The Asset Realized, Based On Tax Rates (And Tax Laws) That Have Been Enacted Or Substantively Enacted By The End Of The Reporting Period. The Measurement Of Deferred Tax Liabilities And Assets Reflects The Tax Consequence That Would Follow From The Manner In Which The Company Expects, At The End Of The Reporting Period, To Recover Or Settle The Carrying Amount Of Its Assets And Liabilities.

Deferred Tax Assets Are Recognized To The extent that it is possible that Future Taxable Income Will Be Available against Which the Deductible Temporary Difference Could Be Utilized. Such Deferred Tax Assets And Liabilities Are Not Recognized If The Temporary Difference Arises From The Initial Recognition Of Assets And Liabilities In A Transaction That Affects Neither The Taxable Profit Nor The Accounting Profit. The Carrying Amount Of Deferred Tax Assets Is Reviewed At The End Of Each Reporting Period And Reduced To The Extent That It Is No Longer Probable That Sufficient Taxable Profits Will Be Available To Allow All Or Part of The Asset to be Recovered.

Employee Welfare Fund

The Company has created Employee Welfare Fund of Rs. 2,32,915/- during the Financial year 2022-23 for the Benefits of Employees to support families of deceased employees, Top up option under Group Mediclaim schemes, economic assistance to affected employees, etc.

2.7 Provisions:

Provisions Are Recognized When There Is A Present Obligation As A Result Of A Past Event, And It Is Probable that An Outflow Of Resources Embodying Economic Benefits Will Be required to Set off the Obligation and There is a Reliable Estimate Of the Amount Of The Obligation. Provisions Are Reviewed At Each Balance Sheet Date And Adjusted To Reflect The Current Best Estimate.

The Amount Recognized As A Provision Is the best estimate of the Consideration Required to Set off The Present Obligation At The End Of The Reporting Period, Taking Into Account The Risks And Uncertainties Surrounding The Obligation. Provisions Are Determined By Discounting The Expected Future Cash Flows At A Pre-Tax Rate That Reflects Current Market Assessments Of The Time Value Of Money And The Risks Specific To The Liability.

When There Is A Possible Obligation Or A Present Obligation In Respect Of Which The Likelihood Of Out Flow Of Resources Is Remote, No Provision Or Disclosure Is Made.

2.8 Cash and Cash Equivalents:

Cash And Cash Equivalents In The Balance Sheet Comprise Cash On Hand, Cheques And Drafts On Hand, Balance With Banks In Current Accounts And Short-Term Deposits With An Original Maturity Of Three Months Or Less, Which Are Subject To An Insignificant Risk Of Change In Value.

2.9 Earnings per Share:

Basic Earnings Per Share is Calculated By Dividing The Net Profit Or Loss For The Period Attributable To Equity Shareholders By The Weighted Average Number Of Equity Shares Outstanding During The Period. Earnings Considered In Ascertaining The Company's Earnings Per Share Is The Net Profit For The Period After Deducting Preference Dividends And Any Attributable Tax Thereto For The Period. The Weighted Average Number Of Equity Shares Outstanding During The Period And For All Periods Presented Is Adjusted For Events, Such As Bonus Shares, Sub - Division Of Shares Etc. That Have Changed The Number Of Equity Shares Outstanding, Without A Corresponding Change In Resources. For The Purpose Of Calculating Diluted Earnings Per Share, The Net Profit Or Loss For The Period Attributable To Equity Shareholders Is Divided By The Weighted Average Number Of Equity Shares Outstanding During The Period, Considered For Deriving Basic Earnings Per Share And Weighted average Number of equity Shares that could have Been Issued Upon Conversion Of All Dilutive Potential Equity Shares.

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Lacs.)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
2	CASH & CASH EQUIVALENTS Balance With Banks in Current Accounts Cash on Hand Total	76.07 2.13 78.20	75.44 1.90 77.34
3	TRADE RECEIVABLES (I) Trade Receivables Secured, considered goods Unsecured, considered goods (II) Other Receivables Total	887.24 - 887.24	887.24 - 887.24
Note 3.1: Trade Receivables ageing Schedule			
The trade receivables ageing schedule for the years ended as on March 31, 2023 are as follows :			
	Particulars	Not Due	Outstanding for following periods from due date of payment
			Less than 6 months 6 months to 1 year 1-2 years 2-3 years More than 3 years Total
	Undisputed trade receivables – considered good	-	- - 887.24 - - 887.24
	Undisputed trade receivables – credit impaired		
	Disputed trade receivables – considered good		
	Disputed trade receivables – credit impaired		
	Less : Allowance for credit loss		
	Total trade receivables	-	- - 887.24 - - 887.24
The trade receivables ageing schedule for the years ended as on March 31, 2022 are as follows :			
	Particulars	Not Due	Outstanding for following periods from due date of payment
			Less than 6 months 6 months to 1 year 1-2 years 2-3 years More than 3 years Total
	Undisputed trade receivables – considered good	-	- 69.75 817.49 - - 887.24
	Undisputed trade receivables – credit impaired		
	Disputed trade receivables – considered good		
	Disputed trade receivables – credit impaired		
	Less : Allowance for credit loss		
	Total trade receivables	-	- 70 817 - - 887.24
<p>Note 2.1. The average credit period ranges between 1 to 11 months.</p> <p>Note 2.2 The Company measures trade receivables at amortised cost. Trade receivables are measured at transaction price.</p> <p>Note 2.3. Expected credit loss on trade receivables: The Company applies the simplified approach for computation of expected credit loss on trade receivables as allowed under IndAS 109. The Company is recognizing lifetime expected credit loss for trade receivables, as applicable.</p> <p>Note 2.4. The carrying amount of trade receivables approximates the fair value because of their short term nature.</p> <p>Note 2.5 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.</p>			
4	LOANS Loans (a) Secured, Considered Good (b) Unsecured, Considered Good -Loans to Related Parties -Loans to others Provision for Standard Assets, Doubtful Assets & Loss Assets Unrealised Interest on NPA Accounts Total	3,193.43 - 10,026.90 (342.00) (228.26) 12,650.06	400.00 - 9,013.66 (545.55) (216.53) 8,651.59
Note 4.1 There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.			
Note 4.2			
	Loans In India	13,220.33	9,413.66
	Loans outside India	-	-
	Less: Impairment allowances	(342.00)	(545.55)
	Less: Unrealised Interest on NPA Accounts	(228.26)	(216.53)
	Total	12,650.06	8,651.59

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 4.3

Loan Secured by Tangible Assets	3,193.43	400.00
Loan Secured by Intangible Assets	-	-
Unsecured	10,026.90	9,013.66
Less: Impairment allowances	(342.00)	(545.55)
Less: Unrealised Interest on NPA Accounts	(228.26)	(216.53)
	12,650.06	8,651.59

I) Underlying securities for the assets are secured by tangible assets property, machinery and book debts.

II) Underlying securities for the assets secured by Intangible assets are Shares & Securities.

III) Additional Disclosure required as per Schedule III amendments dated March 24, 2021: There is no loan outstanding from subsidiary or any related party as a 31.03.2023 and 31.03.2022.

Note 4.4

Exposure to Real Estate sector	3,193.43	400.00
Exposure to Capital Market / Securities	-	-
Others	10,026.90	9,013.66
Less: Impairment allowances	(342.00)	(545.55)
Less: Unrealised Interest on NPA Accounts	(228.26)	(216.53)
	12,650.06	8,651.59

5	INVESTMENTS (Refer Note 5.1 & 5.2) Other investments (Gold Jewellery)	1,749.53 1.80	2,768.07
	Total	1,751.32	2,768.07
6	OTHER FINANCIAL ASSETS Fixed Deposit Security Deposit Staff Advances Advance against car Prepaid Expenses Deferred Expenditure	103.59 0.50 0.04 - 9.81 -	3.44 - - 20.00 0.05 -
	Total	113.94	23.49
7	INVENTORIES Stock In Trade - Shares & securities (Refer note 6.1)	39.89	163.80
	Total	39.89	163.80
8	OTHER TAX ASSETS (NET) Tax Deducted at Source Unrealised GST Less: income tax provision	119.95 - (112.94)	74.24 0.02 (32.94)
	Total	7.00	41.32
9	DEFERRED TAX LIABILITIES/(ASSETS) (NET) Opening Balance Add/ (Less): Fair Value through Profit & Loss (See 8.1)	140.03 (52.35)	158.48 (18.45)
	Total	87.68	140.03

No Deferred Tax Assets/ (Liabilities) has been recognised for Equity Instruments designated at FVTOCI

Note 9.1 : REASON FOR DIFFERENCE

Due to Difference in Depreciation on Assets	(3.51)	(0.79)
Due to Difference in Provision on Loan as per RBI Guidelines and Income Tax Act	91.19	140.82
Total	87.68	140.03

11	TRADES PAYABLES Trades Payables Other financial liabilities	553.83 -	- 392.17 10.36
	Total	553.83	402.53

Note 11.1: Note on disclosure under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Based on the information available with the Company, there are no outstanding amount payable to creditors who have been identified as "suppliers" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006" as at March 31, 2023 and March 31, 2022.

Note 11.2: Trades Payable Ageing Schedule

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 are as follows :

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	487.08	3.60	39.15	24.00	553.83
Other financial liabilities (excluding liability towards contingent consideration) on an undiscounted basis					
Total	487.08	3.60	39.15	24.00	553.83

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 are as follows :

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	363	5	24	-	392.17
Other financial liabilities (excluding liability towards contingent)	10	-	-	-	10.36
Total	374	5	24	-	402.53

12	BORROWINGS				
	Secured Loans			2,204.98	2,478.51
	Unsecured Loans - From Banks			95.02	
	Unsecured Loans			8,373.86	5,663.46
	Total			10,673.86	8,141.97

There is no borrowings measured at FVTPL or designated at FVTPL.

13	OTHER FINANCIAL LIABILITIES				
	Salary & Reimbursement			0.99	2.80
	Other Payables			116.61	-
	Other Current Liabilities			30.74	0.15
	Other Statutory Payables			19.47	11.91
	Total			167.80	14.86

14	PROVISIONS				
	Provision for Impairment - Derivatives			-	-
	Provision for Expenses			2.64	-
	Total			2.64	-

15	OTHER NON-FINANCIAL LIABILITIES				
	Security Deposits Payable			-	-
	Other Current Liabilities			-	-
	Other Payable			-	-
	Total			-	-

16	EQUITY SHARE CAPITAL				
	Authorized, Issued, Subscribed and Paid Up				
	Authorized				
	6,15,00,000 Equity Shares of Rs. 10 each (Previous Year 2,15,00,000 Equity Shares of Rs. 10 each)			6,150.00	2,150.00
	Issued				
	2,04,42,500 Equity Shares of Rs.10 each (Previous Year 2,04,42,500 Equity Shares of Rs. 10 each)			2,044.25	2,044.25
	Subscribed & Paid up				
	2,04,42,500 Equity Shares of Rs.10 each fully paid (Previous Year 2,04,42,500 Equity Shares of Rs. 10 each)			2,044.25	2,044.25
	Add : Share Forfeiture			-	-
	Total			2,044.25	2,044.25

Note 16.1 - Terms / rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 16.2 - Objective for managing capital: The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements as prescribed by Reserve Bank of India (RBI).

Particulars	Opening Balance	Addition/	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2022			
- Number of shares	2,04,42,500	-	2,04,42,500
- Amount (Rs.)	20,44,25,000	-	20,44,25,000
Year ended 31 March, 2023			
- Number of shares	2,04,42,500	-	2,04,42,500
- Amount (Rs.)	20,44,25,000	-	20,44,25,000

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 16.4 - Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	% holding in the class	No of Shares held	
		As at March 31, 2023	As at March 31, 2022.
	NA	NIL	NIL

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 16.5 - Shareholding of Promoter and Promoter Group

Name of Shareholder	% holding in the class	No of Shares held	
		As at March 31, 2023	As at March 31, 2022.
Dheeraj Shah	3.10%	6,34,688	6,34,688

17 OTHER EQUITY

Particulars	Opening Balance	Profit for the year	Additions during the year	Transfer to Statutory Reserve	Closing Balance
Reserves & surplus					
Securities Premium	124.89				124.89
Statutory Reserves	507.10			89.54	596.64
Retained earnings	1,273.27	447.70	-	(89.54)	1,631.43
Other Comprehensive Income (OCI)	271.37		(969.33)		(697.96)
-Fair Value of Equity Investments through OCI					
Total	2,176.63	447.70	(969.33)	-	1,655.01

Description of the nature and purpose of Other Equity :

Statutory reserve:

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

Securities premium reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained Earnings:

Revenue reserve is a portion of profit owned by the company and is kept aside for the use of other multiple purposes. This reserve is recorded in the profit and loss account and can be used for distributing Dividend to shareholder, Expand the business, Stabilise the dividend rate in accordance with the provisions of the Companies Act, 2013.

Other Comprehensive Income (OCI):

Other comprehensive income (OCI) includes revenues, expenses, gains, and losses that have yet to be realized and are excluded from net income on an income statement. The Company has set aside Unrealized gain or loss on investments that are available for sale as Other Comprehensive Income.

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Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in Lacs.)

Note No.	Particulars	As at 31st March 2023	As at 31st March 2022
18	Interest Income		
	Interest on Loan (income)	913.81	831.79
	Penal Interest Income	-	11.35
	Total	913.81	843.15
19	Sale of Goods & Services		
	Sales of shares and securities (Net)	631.22	43.85
	Other revenue from Operations	301.17	11.80
	Total	932.39	55.65
20	OTHER INCOME		
	Dividend and commission Income	76.51	0.02
	Interest on Fixed Deposit	1.21	0.12
	OCI Provision reversed		388.44
	Long term capital Gains		12.87
	Other Income - Reversal of Provisions	210.80	2,161.81
	Other Income - Sundry Balances		233.65
	Total	288.52	2,796.92
	<p>Note 20.1 - After overcoming from covid 19 pandemic, The company reviewed all the business prospects and activities, The company reassessed all the provision made in earlier year during the covid 19 pandemic scenario and after reassessment, reversed back the provision on loans and advances of Rs. 2161.81 Lakhs and same has been taken into other income.</p> <p>Note 20.2 - Previous years OCI Provision have been reversed since the Shares pertaining to OCI entries were sold off during the Financial year. Hence the Management decided to reverse the OCI provision passed as the same was no longer necessary.</p>		
21	FINANCE COST		
	Interest Expenses	729.26	262.73
	Bank Charges	0.34	0.01
	Total	729.60	262.74
	Note: Other than financial liabilities measured at amortized cost, there are no other financial liabilities measured at FVTPL.		
22	EMPLOYEE BENEFIT EXPENSES		
	Payment to Directors & KMP:		
	(i) Remuneration	28.81	28.04
	(ii) Staff Welfare Expenses	0.46	-
	Total	29.27	28.04
23	OTHER EXPENSES		
	Auditor's Remuneration	2.00	2.00
	Other Expenses- Derivatives M2M	-	203.10
	Donation	10.75	-
	Income tax Paid	-	0.62
	Provision for Loans & Advances (Expense)	-	446.89
	Provision for Sub-Standard Assets (Expense)	-	78.22
	Provision for Standard Assets (Expense)	7.25	20.42
	Membership Fees & Registration Charges	0.15	0.40
	Provision of Fair Value (Current INDAS)	-	2.24
	Accomodation expenses	1.17	-
	Rent	1.37	-
	Bad Debts	597.02	439.45
	Late Fees and Delay charges	8.13	0.05
	Car Expenses	0.80	-
	Computer	0.07	-
	Petrol & fuel	0.15	-
	Miscellaneous Expenses	7.28	2.04
	Professional Expenses	7.78	22.85
	Consultancy Charges	8.00	3.20
	Annual & Listing Fees	4.93	4.12
	Prior Period Expenses	-	0.16
	Speculation Loss	-	0.36
	Legal & Stamp Duty Charges	1.22	-
	Preliminary Expenses written off	6.50	-
	Sundry Balance written off	-	0.24
	Share Transfer charges	1.39	1.39
	Share expenses	2.42	117.97
	Total	668.40	1,345.72

(Amount in Lacs.)

	23.1 AUDITORS REMUNERATION		
	a) Statutory Audit Fees	2.00	2.00
24	BASIC & DILLUTED EARNING PER SHARE		
	(A) Profit attributable to Equity Shareholders (Rs.)	447.70	2,100.75
	(B) No. of Equity Share outstanding during the year.	2,044.25	2,044.25
	(C) Face Value of each Equity Share (Rs.)	10.00	10.00
	(D) Basic & Diluted earning per Share (Rs.)	2.19	10.28

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Esaar (India) Limited
Notes forming part of Financial statement

(Amount in Lacs)

Note: 5.1 Investments

Particulars	2022-23			2021-22		
	Quantity	FMV	Amount	Quantity	FMV	Amount
Quoted Securities						
Nippon India ETF Liquid Fund	1	1,000.00	0.01	1	1,000.00	0.01
Prabhat Technologies India Limited	424097	195.00	826.99	4,24,097	315.00	1,335.91
Pro-Fin Capital Services Limited			-	7,000	152.85	10.70
Dhani Services Limited	9005	26.55	2.39	9,241	62.35	5.76
DRC Systems India Limited	20	48.85	0.01	20	38.05	0.01
Brightcom Group Limited				5,00,000	97.40	487.00
Mayukh Dealtrade Limited	4000	10.25	0.41	4,000	11.03	0.44
India Bulls Real Esatate				8,400	101.35	8.51
Suvidhaa Infoserv Limited				115	8.08	0.01
Siddharth Education Services Limited	40000	14.75	5.90	40,000	14.75	5.90
Total Quoted Share (a)			835.71			1,854.25
Unquoted Shares						
Non convertible Redeemable Preference Shares of Mansukh Commodity Future Private Limited	75,00,000	10.00	750.00	75,00,000	10.00	750.00
Searock International Private Limited	1,07,825	129.84	140.00	1,07,825	129.84	140.00
SKM Steels Limited	9,500	250.71	23.82	9,500	250.71	23.82
Total Unquoted Shares (b)			913.82			913.82
Total Investments			1,749.53			2,768.07

Note 5.2 # Quoted securities are marked to Market through FVOCI at each reporting period and are held for trade. Unquoted securities are measured at amortised cost and held for Investment purpose.

Note: 6.1 Inventories

Particulars	As on 31.03.2023			As on 31.03.2022		
	Qty	Price	Amount	Qty	Price	Amount
Quoted Shares						
Pabhat Technologies (India) Limited	4,496	195.00	8.77	2,509	306.08	7.68
Pro-Fin Capital Limited	1,92,000	1.03	1.98	6,400	37.75	2.42
Penta Gold Limited	57,000	48.85	27.84	57,000	104.70	59.68
Penta Gold Limited	11,800	10.00	1.18	9,39,000	10.00	93.90
Yes Bank Limited	997	12.30	0.12	997	12.30	0.12
			-			
Total Inventory			39.89			163.80

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Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE "10" : FIXED ASSETS

(Amount in Lacs)

Descriptions	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1 April, 2022	Additions during the year	Deduction during the year	As at 31 March, 2023	Balance as at 1 April, 2022	Additions during the year	Deduction during the year	Balance as at March 31, 2023	As at March 2023	As at 31st March 2022
Tangible Assets										
Plant & Machinery	2.15	-	-	2.15	1.64	0.06	-	1.70	0.44	0.50
Office Equipments	7.81	1.37	-	9.19	7.81	0.02	-	7.84	1.35	-
Motor Car	28.05	181.57	-	209.62	1.19	3.41	-	4.60	205.02	26.86
TOTAL	38.01	182.94	-	220.95	10.64	3.50	-	14.14	206.81	27.37

Descriptions	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at 1 April, 2021	Additions during the year	Deduction during the year	As at 31 March, 2022	Balance as at 1 April, 2021	Additions during the year	Deduction during the year	Balance as at March 31, 2022	As at March 2022	As at 31st March 2021
Tangible Assets										
Plant & Machinery	2.15	-	-	2.15	1.58	0.06	-	1.64	0.50	0.57
Office Equipments	7.81	-	-	7.81	7.81	-	-	7.81	-	-
Motor Car	-	28.05	-	28.05	-	1.19	-	1.19	26.86	-
TOTAL	9.96	28.05	-	38.01	9.39	1.25	-	10.64	27.37	0.57

Notes for Management**Note 24A : Financial instruments – Fair values and risk management****A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2023

Particulars	Carrying amount			Total
	FVTOCI - designated as such	Amortised Cost	Total	
Financial assets				
Investments	837.51	913.82	1,751.32	1,751.32
Other Assets	-	1,302.67	1,302.67	1,302.67
Loans	-	12,650.06	12,650.06	12,650.06
Cash & cash equivalents	-	78.20	78.20	78.20
	837.51	14,944.75	15,782.26	15,782.26
Financial liabilities				
Payables	-	11,398.16	11,398.16	-
	-	-	-	-
	-	11,398.16	11,398.16	-

As at 31st March 2022

Particulars	Carrying amount			Total
	FVTOCI - designated as such	Amortised Cost	Total	
Financial assets				
Investments	1,854.25	913.82	2,768.07	2,768.07
Other Assets	-	1,119.45	1,119.45	1,119.45
Loans	-	8,651.59	8,651.59	8,651.59
Cash & cash equivalents	-	77.34	77.34	77.34
	1,854.25	10,762.20	12,616.45	12,616.45
Financial liabilities				
Payables	-	8,559.36	8,559.36	-
	-	-	-	-
	-	8,559.36	8,559.36	-

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Notes for Management

B. Financial Risk Management

B.i. Risk management framework

A wide range of risks may affect the Company's business and operational or financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

B.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due, When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances as stated in Financial statements. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

B.iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

B.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

B.iv.a Currency risk

The Company is not exposed to any currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in INR's Only. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

B.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

25 Related party disclosure

a) Name of the related party and description of relationship.

S.No.	Particulars	Nature of Relationship
1	Shruti Joshi	Executive Director and Chief Financial Officer
2	Raju Darade	Independent Director
3	Dipti Yelve	Independent Director
4	Bipin Varma (Appointed on 27th January 2023)	Independent Director
5	Rajesh Kumar Amarnath Pandey (Appointed on 27th January 2023)	Independent Director
6	Mehul Hasmukhlal Shah	Whole Time Director
7	Disha Hareesh Shah (Resigned on 06th September 2022)	Company Secretary & Compliance Officer
8	Jai Vaidya (Served till 16th November 2022)	Company Secretary & Compliance Officer

b) Details of Transactions and Balances during the year with related parties at the year end.

S.No.	Related parties	Nature of Transactions during the year	2022-23	2021-22
			(Rs.)	(Rs.)
1	Raghvendra Kumar	Remuneration	-	6.25
2	Bipin Varma	Remuneration	1.24	-
3	Shruti Joshi	Remuneration	7.71	6.45
4	Jai Vaidya	Remuneration	0.64	
5	Disha Shah	Remuneration	4.86	3.99
6	Prismx Global Ventures Limited	Interest Expense	-	0.42
7	Prismx Global Ventures Limited	Closing Balance	-	9.25
8	Jamms Stock Brokers Private Limited	Loan Taken	-	35.00
9	Jamms Stock Brokers Private Limited	Repayment of Loan	-	35.00

Note 25.1 - Disclosures required by regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

No Transactions made during Financial Year which requires disclosures under the said regulation.

26 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

27 Applicable provisions for NBFC covered under IndAS :

RBI under this circular provide that NBFCs which are required to comply with Indian Accounting Standards (IndAS) shall, as hitherto, continue to be guided by the guidelines duly approved by their boards and as per ICAI advisories for recognition of the impairments.

28 Capital Management

1. The Reserve Bank of India vide its circular reference RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 outlines the regulatory guidance in relation to Ind AS financial statements from financial year 2019-20 onwards. This included guidance for computation of 'owned funds', 'net owned funds' and 'regulatory capital'. Accordingly, the 'regulatory capital' as of 31 March 2022 has been computed in accordance with these requirements read with the requirements of the Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (as amended). The 'regulatory capital' as of 31 March 2021 as disclosed in the comparative period numbers below was computed based on the carrying values as reflected in the financial statements prepared in accordance with requirements of Ind AS. The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate. The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

2. The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI.

Particulars	FY 2022-23	FY 2021-22
Tier I Capital	4,460.86	4,220.89

Tier II Capital	-	-
Total Capital	4,460.86	4,220.89
Aggregate of Risk weight	15,535.33	12,498.08
Tier-I Capital Ratio	28.71%	33.77%
Total Capital Ratio	28.71%	33.77%

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

29 Contingent Liabilities & Commitments

Particulars	As at March 31, 2023 (in Lacs)
Capital Commitments	
- Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Advances)	-
Contingent Liabilities	
- Claims against company not acknowledged as debts	-
- Tax Matters	166.82

Details of Tax matters

Income Tax Authorities has raised a demand against the company pertaining to assessment years 2014-15 and 2016-17; collectively amounting to Rs. 166.82 lacs. However the Company has filed writ petition with Honorable High Court for the same.

30 The Company is primarily engaged in the business of investment in companies including group companies. As such the Company's standalone financial statements are largely reflective of the investment business and there is no separate reportable segment.

Pursuant to

Ind AS 108 – Operating Segments, no segment disclosure has been made in these standalone financial statements, as the Company has only one geographical segment and no other separate reportable business segment.

31 Comparison of IRCAP and Impairment Allowances Under Ind AS 109

Sr. No.	Assets Type	Loss Allowance Provision as per Ind AS -	Provision as IRCAP	Difference
A	Standard Assets	27.67	27.67	-
B	Sub-Standard Assets	166.84	166.84	-
C	Doubtful Assets	-	-	-
D	Loss Assets	147.49	147.49	-

Note 31.1 - The Amount of Provision as per Income recognition, Assets Classification, Provisioning (IRCAP) is excess in provision required under Ind-AS 109, therefore there is no requirement of "Impairment reserve" in terms of Reserve Bank of India notification vide RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020.

32 Financial Ratios

Ratio / Measure	March 31,2023	March 31,2022	Variances %	Explanation for variances exceeding 25%
Current Ratio	1.55	2.76	-44.00%	See 32.1
Debt-Equity Ratio	2.56	2.03	26.00%	NA
Debt Service Coverage Ratio	0.03	-0.08	-133.62%	See 32.2
Return on Equity Ratio %	0.10	0.68	-84.88%	See 32.3
Net profit ratio %	0.27	0.58	-52.97%	See 32.4
Return on Capital employed %	0.15	0.15	2.34%	NA
Return on investment %	0.19	0.00	40.40%	See 32.5

32.1 The Variance in Current Ratio is due to Increase in Current Liability as compared to previous year

32.2 The Variance in Debt-Service Coverage ratio is due to Increase in Operational profit as compared to Previous year.

32.3 The Variance in Return on Equity Ratio is due to Reversal of Excess Provisions in Previous year.

32.4 The Variance in Net Profit Ratio is due to Reversal of Excess Provisions in Previous year.

32.5 The Variance in Return on Investment is due to Dividend-paying debentures who pays Once in two years.

Methodology of Ratio / Measure

Ratio / Measure	Methodology
Current Ratio	Current assets over current liabilities
Debt-Equity Ratio	Debt over total shareholders' equity

Debt Service Coverage Ratio	EBIT over current debt	
Return on Equity Ratio %	PAT over total average equity	
Net profit ratio %	Net profit over revenue	
Return on Capital employed %	PBIT over average capital employed	
Return on investment %	Dividend and net fair value gain over weighted average investments	

Esaar (India) Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

33 The Company has taken inter-corporate deposits from certain companies and entered into Purchase/ Sale of Securities with same companies during the year ended March 31, 2022. The Company does not have any influence on the directors and/ or its operations of the said companies hence has not considered these as related party transactions in compliance with the Board approved policy on Related Party Transactions. However, in view of the Auditors remark, Audit Committee at its meeting held on May 27, 2022 has out of abundant caution and in compliance with the highest standards of corporate governance considered and ratified the transactions. In Audit Committee inter-alia considered the same and is of the opinion that these transactions are per-se independent in nature and therefore in compliance with the applicable regulatory framework.

The above financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the the Companies Act, 2013 ("the Act"), and other recognized accounting practices generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.

34 Previous period/ year figures have been regrouped and reclassified wherever necessary to conform to current period's presentation. This reclassification has not affected previously reported results.

For Harish Arora & Associates
FRNo. 015226C
Chartered Accountants

Harish Arora
Partner
Membership No. 407420

Place : Mumbai
Date : 26-06-2023
UDIN: 23407420BGXPUA9861

For and on behalf of the Board of Directors

Shruti Rahul Joshi	Bipin Varma
Whole Time Director & CFO	Director
DIN : 09388260	DIN : 05353685

Palak Jain
Company Secretary
(PAN:ARQPJ7853H)