

ESAAR (INDIA) LIMITED
4A, COUNCIL HOUSE STREET,
KOLKATA - 700 001

Audited
Balance Sheet
&
Profit & Loss Account
For the year ended on 31st March, 2007

AUDITORS
AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES
Chartered Accountants

12, Waterloo Street, 3rd Floor, Suite No.6
Kolkata - 700 069

Tel. : 2248-7696 / 3296-2308, Fax No.(033) 2248-3151

COMPLIANCE CERTIFICATE

To
The Member of Esaar (India) Limited

We have examined to the compliance of conditions of Corporate Governance by ESAAR (INDIA) LIMITED for the year ended 31st March, 2007 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges with the relevant records and documents maintained by the company and furnished to us.

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

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

During the year Company has not received any grievances from any shareholders as per the records maintained by the Company.

On the basis of our review and according to the information and according to the information and explanation given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange have been complied with in all respect except for discrepancies stated in the Corporate Governance Report by the Company.

For AGARWAL GUPTA NOKARI &
RUSTAGI ASSOCIATES
Chartered Accountants


(B.C. KHAITAN)

Partner

Membership No. 17387

12, Waterloo Street, Kolkata - 700 069

Dated this 2nd day of August, 2007.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES
CHARTERED ACCOUNTANTS
12, WATERLOO STREET, KOLKATA - 700 069
PHONE NO.2248-7696, 3296-2308 FAX NO.(033)2248-3151

AUDITOR'S REPORT

TO
THE DIRECTORS OF M/S. ESAAR (INDIA) LIMITED

As required by the "NBFC Auditors Report (reserve Bank) Directions, 1988" issued by Reserve Bank of India in terms of Section 45IA of the Reserve Bank of India Act, 1934 (2 of 1934) and on the basis of such checks as we considered appropriate, we hereby state that:-

- (A) The Company has applied for registration as provided in Section 45IA of the Reserve Bank of India Act (2 of 1934) and has received due communication from RBI to this effect vide their Certificate No.05.01860 dated 30.04.1998.

We further state that :-

- (i) The Board of Directors has passed a resolution in their meeting dated 2nd day of April, 2007 for the non-acceptance of any Public Deposit.
- (ii) The Company has not accepted any Public Deposits during the relevant year and

However, the Company has appended to its Balance Sheet the particulars in the prescribed format at Schedule 17 as required Vide para 9BB of the Non Banking Companies prudentials Norms (reserve Bank) Directions, 1998.

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


(B.C.KHAITAN)

Partner

Membership No.17387

12, Waterloo Street, Kolkata - 700 069

Dated this 2nd day of August, 2007.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

CHARTERED ACCOUNTANTS

12, WATERLOO STREET, KOLKATA - 700 069

PHONE : 2248-7696, 32962308, FAX : (033) 2248 - 3151

AUDITORS REPORT

TO THE MEMBRES OF ESAAR (INDIA) LIMITED

- 1 We have audited the attached Balance Sheet of ESAAR (INDIA) LIMITED, Kolkata as at March 31st, 2007 and the profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement based on our audit.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books:
 - iii) The balance sheet and profit & loss Account dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, The Balance sheet and profit and loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to sub-section 3(c) of section 211 of the Companies Act, 1956 except point regarding impairment of leased assets amounting to Rs.34.77 Lacs referred to in Notes to the Accounts.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES


CHARTERED ACCOUNTANTS

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- v) The Company has granted loans and advances amounting to Rs.353.24 lakhs to Various parties Rs.204.96 lakhs are due from M/s. Hemlata Textiles. The recovery of this amount is subject to settlement referred to in note no.4 of notes to account. The Company is currently under suspension of operations and case filed by secured creditors is pending before DRT. In view of management this amount is fully recoverable and no provision is required to be made in books of accounts.
- vi) On the basis of written representations received from the directors, as on 31st March 2007 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956:
- vii) In our opinion and to the best of our information and according to the explanations given to us and the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
- (a) In the case of the balance sheet, of the state of affairs of the company as at 31st March, 2007.
- (b) In the case of profit & loss account , of the loss for the year ended on that date.
- and
- (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

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


(B. C. KHAITAN)

Partner

Membership No.17387

12, Waterloo Street, Kolkata - 700 069

Dated, this 2nd day of August, 2007

ANNEXURE TO THE AUDITORS REPORT
(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets over a period of three years. The fixed assets so scheduled for verification during this year have been physically verified by the management. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) During the year the Company has not deposited off any substantial / major part of fixed assets.
- (ii) (a) As per the information furnished the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stock, the frequency of the physical Verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical Verification of inventory followed by the management are reasonable and adequate in relation to the size of Company and the nature of its business.
- (c) The company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical Verification were not material in relation to the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) The company has neither granted nor taken any loan secured / unsecured from Companies covered in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956).
- (b) As stated above sub clause (b) to (g) of clause (iii) of the companies (auditors Reports) order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of the goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

CHARTERED ACCOUNTANTS

12, WATERLOO STREET, KOLKATA - 700 069

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- (v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that, sub-clause (a) & (b) of clause (v) of the Companies (Auditors Report) order, 2003 is not applicable since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into by the Company during the year.
- (vi) The Company has not accepted any deposit from the Public within the meaning of section 58A and 58AA of the Companies Act, 1956.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the companies Act, 1956 for the products of the Company.
- (ix) (a) According to the information and explanations given to us and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees state insurance, income tax, sales tax, Wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2007 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, Service tax, excise duty and cess were in arrears, as at 31st March, 2007 for a period of more than six months from the date they became payable.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (xi) In our opinion according to the informations and explanations given to us, the company has not taken any loans from financial institution, bank or debenture holders. Therefore, the provision of clause 4 (XI) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES

CHARTERED ACCOUNTANTS

12, WATERLOO STREET, KOLKATA - 700 069

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- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi /mutual benefit fund / societies.
- (xiv) In respect of dealing / trading in securities and other investment, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities have been held by the Company, in its own name.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken, by its holding company, fellow subsidiaries, associates and others, from Bank or financial institutions.
- (xvi) The Company has not availed of any term long during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used to finance short term assets except permanent Working Capital.
- (xviii) The Company has not made any preferential allotment of shares to parties of companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures during the year. Therefore, the provisions of clause 4(xix) of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For AGARWAL GUPTA NOKARI &

RUSTAGI ASSOCIATES

Chartered Accountants


(B. C. KHAITAN)

Partner

Membership No.17387

12, Waterloo Street, Kolkata - 700 069

Dated, this 2nd day of August, 2007

REPORT ON CORPORATE GOVERNANCE

1) **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company has always recognised the importance of high standards of Corporate Governance. In the past, shareholders were provided all the material information in the most transparent manner. It has been the practice in your Company to encourage wider and active participation from shareholders at every General Meeting, this provided opportunity for the Directors to interact with the main shareholders. The Company has taken series of steps to comply with the clause 49 of the listing agreement. The Company has appointed two new additional independent director in 2003.

2) **BOARD OF DIRECTORS**

As at 31st March, 2007, the Board of Directors of the Company consists of five members two of which are independent.

A) **THE CONSUMPTION OF THE RESTRICTED BOARD IS AS UNDER**

<u>NAME OF THE DIRECTOR</u>	<u>CATEGORY</u>
Mr. H.D. Saxena	Director (Non Executive)
Mr. O.P. Saxena	- do -
Mr. Sameer Saxena	- do -
Mr. Raj Kumar Bhalotia	Independent Director
Mr. Bajrang Lal Sharda	- do -

B) **MEETING OF THE BOARD OF DIRECTORS**

The Board of Directors provide the strategic direction and trust to the operations of the company. During the period under review 7(Seven) Board Meeting were held on 27th April, 2006, 24th July, 2006, 22nd October, 2006, 20th December, 2006, 23rd February, 2007.

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

<u>Sl. No.</u>	<u>Name of the Director</u>	<u>No. of Board Meeting attended</u>	<u>Attendance at AGM held on 30.09.2007</u>
1	Mr. H.D. Saxena	5	Yes
2	Mr. O.P. Saxena	5	Yes
3	Mr. Sameer Saxena	5	Yes
4	Mr. Bajrang Lal Sharda	5	Yes
5	Mr. Raj Kumar Bhalotia	5	Yes

3) **DETAILS OF DIRECTOR**

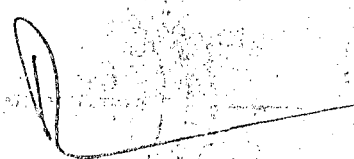
<u>Name of the Director</u>	<u>No. of other Pvt Ltd. Co.</u>	<u>Directorship Public Ltd. Co.</u>
Mr. H.D. Saxena	2	Nil
Mr. O.P. saxena	3	1
Mr. Samir Saxena	6	1
Mr. Raj Kumar Bhalotia	Nil	Nil
Mr. Bajrang Lal Sharda	Nil	Nil

4) AUDIT COMMITTEE

- i) An Audit Committee of the Board was constituted on 31st January, 2002 with the following terms of reference:-
- Overseeing of the Company's Financial reporting process and the disclosure of its Financial information to ensure that the Financial Statement is correct, sufficient and credible.
 - Re-commending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any services.
 - Reviewing with management the annual financial statements before submission to the Board, focussing primarily on:-
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise or judgement by management.
 - Qualification in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange (s) and legal requirements concerning financial statement.
 - Any related Compliance with Stock Exchange (s) and legal requirements concerning financial statement.
 - Transactions of the Company of material nature with promoters or the management, their subsidiaries or relatives or etc. that may have potential conflict with the interests of the company at large.
 - Reviewing with the management, external and internal auditors the adequacy of internal control system.
 - Discussion with external auditors before the audit commences, nature and scope of audit as well as having post-audit, discussion to ascertain any area of concern.
 - Reviewing the Company's financial and risk management policies.
 - To look in to the reasons for substantial defaults in the payment to the depositors, Shareholders (in case of non-payment of declared dividend) and creditors.
- ii) Composition, Name of Members and Chairman
During the year ended March, 2007, 5(Five) meetings of the Audit Committee were held, the dates being 27th April, 2006, 24th July 2006, 22nd October 2006, 20th December 2006, 23rd February, 2007.
- | <u>Members</u> | <u>Meeting attended</u> | |
|------------------------|-------------------------|---|
| Mr. Raj Kumar Bhalotia | - do - | 5 |
| Mr. Banrang Lal Sharda | - do - | 5 |
| Mr. H. D. Saxena | - do - | 5 |
- iii) CHAIRMAN
Mr. H D Saxena, Director is the Chairman of the Audit Committee.
- iv) Invitees entitled to attend as per relevant provisions,
a) The Statutory Auditors

5) BOARD PROCEDURE

In the year 2006-2007 Meetings of the Board were held. The intervening period between two Board meetings was well within the maximum time gap of three months prescribed in clause 49 of the Listing Agreement. The minimum information to be made available to the Board as per Annexure forming part of clause 49 are being complied with. Informations on Foreign Exchange exposures are not required at present, as company has no foreign exchange earning and has no Foreign Exchange outgo.



6) **MANAGEMENT**

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

7) **SHARE HOLDINGS INFORMATION**

A) **DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTOR**

Pursuant to the provisions of the companies Act, 1956 Mr. Hari Das Saxena & Mr. Raj Kumar Bhalotia retires at the Annual General Meeting and coming directors retiring by rotation as specified in the notice offer themselves for re-appointment.

B) **DISCLOSURES**

i) As per written explanation obtained from the management there are no transaction of material nature with Directors / Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

ii) As per the Written explanation obtained from the management there is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other Statutory authority on any matter related to Capital Markets during the last three years/periods. However, company has not fulfilled following listing requirements.

iii) No Quarterly Yearly "Limited Review" was conducted by the auditors during 2006-2007.

C) **PUBLICATION OF FINANCIAL RESULTS**

The Company gives coverage through leading financial news paper the quarterly, half yearly and Annual Financial Results.

D) **SHAREHOLDERS & INVESTORS GRIEVANCE COMMITTEE OF BOARD**

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

E) **SHARE TRANSFER COMMITTEE OF BOARD**

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

9) **GENERAL INFORMATION**

A) **GENERAL BODY MEETINGS**

<u>YEAR</u>	<u>DATE</u>	<u>TIME</u>	<u>VENUE</u>
2003-2004	30.09.2004	11.00 A.M	4A, Council House St. Kolkata-700001
2004-2005	30.09.2005	11.00 A.M	- do -
2005-2006	30.09.2006	11.00 A.M	- do -

B) **MEANS OF COMMUNICATION**

The Company publications unaudited quarterly, half yearly and annual Financial Results in the Financial Expenses & Kalantar at Kolkata.

C) **Registrar and Share Transfer Agent for Demat & Physical Shares**

S.K.COMPUTERS
34/1A, Sudhir Chatterjee Street,
Kolkata - 700 006
Tel. No.2219-6797/4815
Fax No.2219-4815

- D) **WHEN AND WHERE TO CONTACT FOR SHARE RELATED SERVICE FOR ROUTINE MATTERS**
ANY ASSISTANCE REGARDING Share Transfer and Transmission, change of Address, non-receipt of Dividend, Duplicate/Missing Share Certificates, Demat and other matters please write to or contact Registrars & Share Transfer Agent of the Company at the above address:

FOR REDRESSAL OF COMPLAINTS & GRIVANCES

Please write or contact:-

Mr. Adinath Banerjee

- E) **ANNUAL GENERAL MEETING**

DAY	Thursday
DATE	September 27, 2007
TIME	11.00 A.M.
VENUE	4A, Council House Street, Kolkata-700006

- F) **FINANCIAL YEAR**

April 1, 2006 to March 31, 2007

- G) **DATE OF BOOK CLOSURE**

September 22, 2007 to September 27, 2007, both days inclusive.

- H) **DIVIDEND PAYMENT DATES**

No Dividend was declared for the year.

- I) **LISTING ON STOCK EXCHANGES**

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

- 1) The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata - 700 001
- 2) The Stock Exchange, Mumbai
P.J. Towers, Dalal Street,
Mumbai 400 001

- J) **STOCK CODE**

Kolkata Stock Exchange : 15063

The Stock Exchange, Mumbai : 31502

- K) **DISTRIBUTION OF SHARES HOLDING AS ON 31ST MARCH, 2007**

i) According to category of Holding.

<u>Category</u>	<u>No of Shares</u>	<u>% of Shares</u>
Resident Promoters	400155	8.00
Indian Financial Institute	250000	5.00
Other Corporate Bodies	3090845	61.82
Nationalised Banks & Mutual Fund	185600	3.71
N.R.I.	502500	10.05
Public	570900	11.42
Total	<u>5000000</u>	<u>100.00</u>

ii) According to number of ordinary shares hold.

<u>No of Ordinary Shares held</u>	<u>No of Share Holders</u>	<u>% of Shareholders</u>
1-500	1294	86.67
501-1000	29	1.94
1001-2000	50	3.35
2001-3000	15	1.00
3001-4000	10	0.67
4001-5000	4	0.24
5001-10000	29	1.94
10001 & above	62	4.16
Total	<u>1493</u>	<u>100.00</u>

M) **COMPLIANCE CERTIFICATE**

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

10) **Non Mandatory Requirements**

a) Chairman of the Board

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

b) Remuneration committee

The Company has not appointed a Remuneration committee.

c) Shareholders Rights


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


d) Postal Ballot

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

DIRECTOR

Dated this 2nd day of August, 2007

For Esaar (India) Limited

Director

For Esaar (India) Limited

Director

ESAAR (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2007

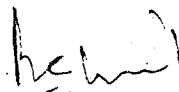
	Schedule	As at 31.3.2007 Rs.	As at 31.3.2006 Rs.
SOURCES OF FUNDS			
A Shareholders Funds			
Share Capital	1	50000000.00	50000000.00
Reserve & Surplus	2	12474420.26	11731314.00
		62474420.26	61731314.00
APPLICATION OF FUNDS			
A Fixed Assets	3		
Gross Block		20372221.00	20372221.00
Less : Depreciation		8903236.00	8539396.00
Net Block		11468985.00	11832825.00
B Current Assets, Loans and Advances			
Inventories	4	8486885.00	7374346.00
Sundry Debtors	5	6192807.43	5691939.00
Cash & Bank Balances	6	1851110.54	2342218.00
Loans and Advances	7	39624539.00	40773719.00
		56155341.97	56182222.00
Less:Current Liabilities & Provisions	8	3803459.71	4873585.00
Less : Deferred Tax Liability		1346447.00	1410148.00
Net Current Assets		51005435.26	49898489.00
TOTAL (A+B)		62474420.26	61731314.00

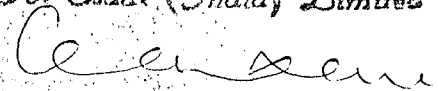
Notes to the Accounts

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In terms of our Report of even date

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


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

For Esaar (India) Limited

Director

12, Waterloo Street, Kolkata - 700 0659
Dated this 2nd day of August,2007

For Esaar (India) Limited

Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

	Schedule	For the Year ended 31.3.2007 Rs.	For the Year ended 31.3.2006 Rs.
INCOME :			
Sales	9	22915001.55	46750800.00
Interest (TDS Rs. 1,86,155/-, Previous Year Rs. 1,96,435/-)		1231375.00	1167767.00
Lease Rent & Hire Charges (TDS Rs.9,366/-, P.Y. Rs.Nil)		1027680.00	460450.00
Dividend		11675.50	9480.00
Other Income		27000.00	1200.00
Increase / (Decrease) in Inventories	10	1112539.00	1918556.00
		26325271.05	50308253.00
EXPENDITURE :			
Purchase	11	23412302.80	47335293.00
Cost of Construction	12	41869.00	19709.00
Administrative & Selling expenses	13	1043227.18	1084523.00
Depreciation		363840.00	388964.00
Interest		693861.00	648051.00
Loss on sale of share		9426.41	-
Security Transaction Tax		8650.40	5500.00
		25573176.79	49482040.00
PROFIT / (LOSS) BEFORE TAX		752094.26	826213.00
Less: Provision for Taxation		63289.00	69600.00
Less: Provision for FBT		9400.00	16200.00
Add : Deferred Tax (Current)		63701.00	53660.00
PROFIT / (LOSS) AFTER TAX		743106.26	794073.00
Add : Balance brought forward from Previous year		3666824.00	2872751.00
Balance carried to Balance Sheet		4409930.26	3666824.00

Notes to the Accounts

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In terms of our Report of even date

For AGARWAL GUPTA NOKARI &
RUSTAGI ASSOCIATES
Chartered Accountants

(B.C. KHAITAN)

Partner

Membership No.17387

For Esaar (India) Limited

[Signature]
Director

For Esaar (India) Limited

[Signature]
Director

12, Waterloo Street, Kolkata - 700 0659

Dated this 2nd day of August, 2007

ESAAR (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2007

SCHEDULE - 1
SHARE CAPITAL
Authorised

55,00,000 Equity Shares of Rs.10/- each

Issued, Subscribed & Paid up Capital

50,00,000 Equity shares of Rs.10/-
(50,00,000 equity Shares of Rs. 10/- each)
fully paid up in cash except
3,22,585 Equity Shares of Rs.10/- each
issued as Bonus Shares by capitalisation
of free reserves in 1995-96)

As on 31.03.2007 Rs.	As on 31.03.2006 Rs.
55000000.00	55000000.00
55000000.00	55000000.00
50000000.00	50000000.00
50000000.00	50000000.00

SCHEDULE - 2
RESERVE & SURPLUS :

Share Premium
As per Last account

Profit & Loss Account

8064490.00	8064490.00
4409930.26	3666824.00
12474420.26	11731314.00

For Esaar (India) Limited

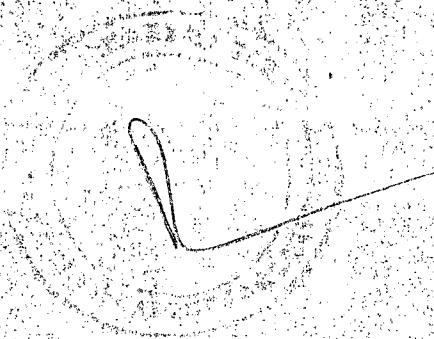
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Director

For Esaar (India) Limited

[Signature]

Director




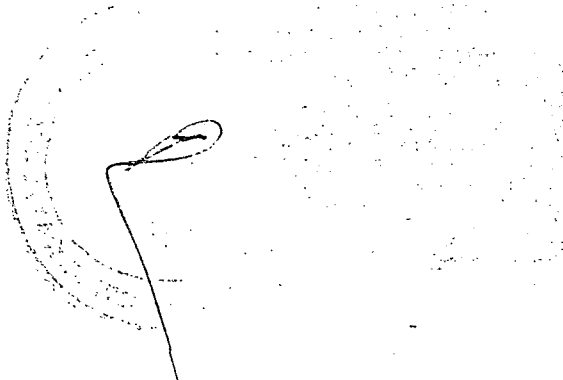
ESAAAR (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2007

SCHEDULE -3
FIXED ASSETS

PARTICULARS	COST				DEPRECIATION				NET BLOCK	
	As on 01.04.2006	Addition/ Sale	Deletion	TOTAL 31.03.2007	UPTO 31.03.2006	For the Year	Adjust- ment	TOTAL 31.03.2007	As ON 31.03.2007	As on 31.03.2006
	Rs.			Rs.	Rs.			Rs.	Rs.	Rs.
Furniture & Office Equipments	166062.00	-	-	166062.00	62477.00	8076.00	-	70553.00	95509.00	103585.00
Plant & Machinery	19502926.00	-	-	19502926.00	8216178.00	307484.00		8523662.00	10979264.00	11286748.00
Car	508233.00	-	-	508233.00	65741.00	48280.00		114021.00	394212.00	442492.00
Computer	195000.00	-	-	195000.00	195000.00					
Total	20372221.00	-	-	20372221.00	8539396	363840.00		8708236.00	11468985.00	11832826.00
PREVIOUS YEAR	22282509.00	33596.00		22316104.00	9875113.00	467090.00	236887.00	10105316.00	12210788.00	12407396.00

For Esaar (India) Limited For Esaar (India) Limited

 Director Director



ESAAR (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2007

SCHEDULE - 4

INVENTORIES

Construction Work in progress
Cotton Hank Yarn
Stock of Shares

As on 31.03.2007 Rs.	As on 31.03.2006 Rs.
----------------------------	----------------------------

2385700.00	2385700.00
2049600.00	2797847.00
4051585.00	2190799.00
8486885.00	7374346.00

SCHEDULE - 5

SUNDRY DEBTORS

(Unsecured Considered Goods)
More than six months
Less than six months

6192807.43	1860855.00
-	3831084.00
6192807.43	5691939.00

SCHEDULE - 6

CASH AND BANK BALANCES

Cash in hand
Balance with Scheduled Banks
in Current Account
Fixed Deposit with Schedule banks

226050.00	1120150.00
1625060.54	(9879017.00)
-	11101085.00
1851110.54	2342218.00

SCHEDULE - 7

LOANS AND ADVANCES

(Unsecured Considered Goods)

Loans

Advances

(Recoverable in cash or in kind or for
value to the received)
Income Tax for A.Y. 2002-03
Tax Deducted at Sources
Share Application Money

19933783.00	27842414.00
14945619.00	-
-	12428402.00
-	33000.00
445137.00	469903.00
4300000.00	-
39624539.00	40773719.00

SCHEDULE - 8

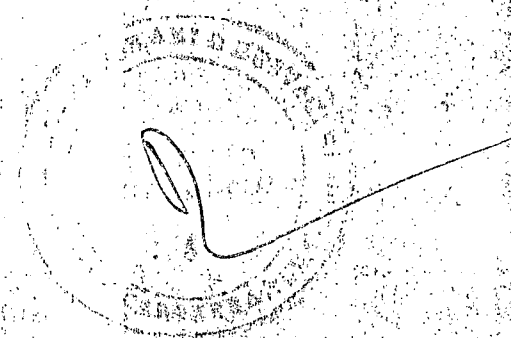
CURRENT LIABILITIES & PROVISIONS

Current Liabilities :
Sundry Creditors
Advance received against Sales of flats
Deferred Payments Credits
(ICICI Bank & HDFC Bank)
Unclaimed dividend

PROVISIONS

Provision for taxation
Provision for FBT

754001.60	2093480.00
1045000.00	755000.00
1596296.66	1689633.00
89428.45	89428.45
293133.00	229844.00
25600.00	16200.00
3803459.71	4873585.45



For Esaar (India) Limited

[Signature]

Director

For Esaar (India) Limited

[Signature]

Director

ESAAR (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2007

SCHEDULE - 9

SALES

Shares
Sea Food
Sheet
Real Estate
Cotton Hank Yarn

For the year ended 31.3.2007 Rs.	For the year ended 31.3.2006 Rs.
11452281.55	25091040.00
4153820.00	12305475.00
-	1904265.00
510000.00	425000.00
6798900.00	7025020.00
22915001.55	46750800.00

SCHEDULE 10

INCREASE / (DECREASE) IN INVENTORIES

A. REAL ESTATE

Opening Balance
Closing Balance
Increase / (Decrease)

2385700.00	2428700.00
2385700.00	2385700.00
-	(43000.00)

B. SHARES

Opening Balance
Closing Balance
Increase / (Decrease)

2190799.00	1486291.00
4051585.00	2190799.00
1860786.00	704508.00

C. COTTON HANK YARN

Opening Balance	
Closing Balance	
Increase / (Decrease)	

2797847.00	1540800.00
2049600.00	2797848.00
(748247.00)	1257048.00
1112539.00	1918556.00

Total (A+B+C) Increase / (Decrease)

SCHEDULE 11

PURCHASES

Shares
Sea Food
Sheet
Flat
Cotton Hank yarn

13023022.80	25217782.00
4032460.00	11773681.00
-	1847935.00
500000.00	350000.00
5856820.00	8145895.00
23412302.80	47335293.00

SCHEDULE 12

COST OF CONSTRUCTION

Expenses

41869.00	19709.00
41869.00	19709.00

For Essar (India) Limited

General
Director

To: Escaar (India) Limited

Handwritten signature
Director

ESAAR (INDIA) LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS ON 31ST MARCH, 2007

For the year ended 31.3.2007 Rs.	For the year ended 31.3.2006 Rs.
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SCHEDULE - 13

ADMINISTRATIVE & SELLING EXPENSES

Salaries	407384.00	450766.00
Staff Welfare Expenses	19036.00	27402.00
Rent paid	18000.00	23745.00
Miscellaneous Expenses	205915.40	246626.00
Listing & Filing Fees	2600.00	27000.00
Finance & Service Charges	9863.38	22016.00
Legal Expenses	36050.00	4000.00
Advertisement	4987.00	6925.00
<u>Auditor Remuneration :</u>		
Audit Fee	16000.00	6500.00
Tax Audit Fee	-	1500.00
Directors Fees	12500.00	17500.00
Insurance	7069.00	11302.00
Carriage Inward	-	69998.00
Interest on Housing Loan	149916.00	138384.00
Consultancy Charges	12754.40	20859.00
Income Tax for Appeal	-	10000.00
Interest paid on LC	43496.00	-
Postage Stamp & Telegram	6023.00	-
Service Charges on rent received	90458.00	-
Trade Licence	1175.00	-
	1043227.18	1084523.00

For: Esaar (India) Limited

C. a. S. S. S. S. S.
Director

For: (India) Ltd
S. S. S. S. S.
Director

ESAAR (INDIA) LIMITED

SCHEDULE - 15

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2007

1. ACCOUNTING POLICIES

A. FIXED ASSETS

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

B. INVESTMENTS

Investment is stated at cost.

C. CONSTRUCTION ACTIVITIES ON TRADING ACCOUNT

Total expenses incurred on construction work are accounted as work - in - progress until completion. Payment to the land owner is accounted on payment basis.

D. INVENTORIES

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

E. RECOGNITION OF INCOME AND EXPENDITURE

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

F. RETIREMENT BENEFITS

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

G. PUBLIC ISSUE EXPENDITURE

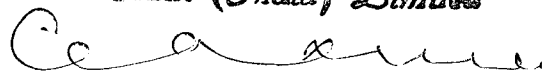
The total Expenditure incurred on the account shall be written off over a period of ten years. Consequently one - tenth of the total expenditure has been charged to the Revenue account during the year.

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

2. LICENSED & INSTALLED CAPACITY :

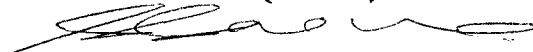
Licensed & Installed Capacities are not applicable.

For Esaar (India) Limited



Director

For Esaar (India) Limited



Director

3. QUANTITATIVE STATEMENT :

UNIT		31.03.2007	31.03.2007	31.03.2006	31.03.2006
		Quantity	Rs.	Quantity	Rs.
A. OPENING STOCK Shares Cotton Hank Yarn	Nos.	645,042	2,190,799	519,992	1,486,291
	Kgs.	25,484	2,797,848	13,075	1,540,800
			4,988,647		3,027,091
B. PURCHASES					
a) Shares	Nos.	360,815	13,067,398	1,644,625	24,410,082
b) Flat	Nos.	1	500,000	1	350,000
c) Cotton Hank Yarn	Kgs.	3,767,292.000	4,019,320	59,383.200	6,304,895
d) Shrimps	Kgs.			41,190.000	11,773,681
e) Hosiery Yarn					
f) Steel	Kgs.			67,015.000	1,847,935
			17,586,718		44,686,593
C. CONSUMPTION					
a) Others		-	19,709	-	37,380
			19,709		37,380
D. SALES					
a) Shares	Nos.	151,715	11,496,657	1,662,275	25,091,040
b) Flats & Garage	Nos.	1	510,000	1	425,000
c) Cotton Hank Yarn	Kgs.	469,981.000	4,908,900	63,378.400	7,025,020
d) Shrimps	Kgs.			41,190.000	12,305,475
e) Steel	Kgs.			67,015.000	1,904,265
			16,915,557		46,750,800
E. CLOSING STOCK					
Shares	Nos.	854,142	4,051,585	645,042	1,486,291
Cotton Hank Yarn	Kgs	3,322,795.000	2,049,600	9,079.800	1,540,800
			6,101,185		3,027,091

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

For Esat (India) Limited

C. S. Chatterjee
Director,

For Esaa: (India) Limited

Henry Dir. rate

ESAAR (INDIA) LIMITED

Segment Report for the year ended 31st March, 2007

Trading	Real Estate	NBFC	Total
---------	-------------	------	-------

1. SALES REVENUE

Sale of Flats	-	510000.00	-	510000.00
Cotton Hank Yarn	6798900.00	-	-	6798900.00
Sea Food	4153820.00	-	-	4153820.00
Traded Goods	-	-	-	-
Investment in Shares	-	-	11452281.55	11452281.55
Dividend	-	-	11675.50	11675.50
Hire Charges	-	-	1027680.00	1027680.00
Interest	-	-	1231375.00	1231375.00
Misc	-	-	27000.00	27000.00

10952720.00	510000.00	13750012.05	25212732.05
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2. Expenses

Opening Stock

Cotton Hank Yarn	2797847.00	-	-	2797847.00
Shares	-	-	2190799.00	2190799.00
Real Estate	-	2385700.00	-	2385700.00

Add: Purchases

Cotton Hank Yarn	5856820.00	-	-	5856820.00
Shares	-	-	13023022.80	13023022.80
Sea Food	4032460.00	-	-	4032460.00
Traded Goods	-	-	-	-
Real Estate	-	500000.00	-	500000.00

Less: Closing Stock

Cotton Hank Yarn	2049600.00	-	-	2049600.00
Shares	-	-	4051585.00	4051585.00
Real Estate	-	2385700.00	-	2385700.00

10637527.00	500000.00	11162236.80	22299763.80
-------------	-----------	-------------	-------------

DIRECT EXPENSES

Jessor Road Site	-	41869.00	41869.00
Finance Charges	-	8650.40	8650.40
Interest	-	693861.00	693861.00

TOTAL EXPENSES

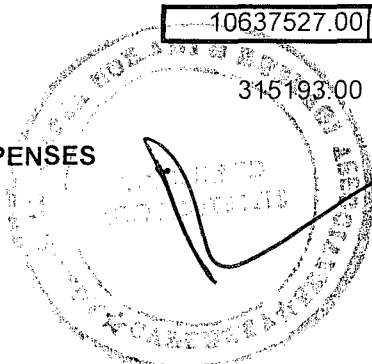
10637527.00	500000.00	11906617.20	23044144.20
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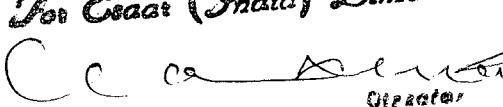

SEGMENT RESULT

345193.00	10000.00	1843394.85	2168587.85
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UNALLOCABLE EXPENSES

provision for taxation	-	-	1416493.59
provision for fbt	-	-	(316856.00)
deferred tax	-	-	(9400.00)
	-	-	63701.00
	-	-	489539.26



For Esaar (India) Limited *For Esaar (India) Limited*
 
 Director Director

SEGMENT ASSETS

Share Application Money	-	-	4300000.00	4300000.00
Stock	2049600.00	2385700	4051585.00	8486885.00
Sundry Debtors		-	6192807.00	6192807.00

LOANS

-	-	19933783.00	19933783.00
---	---	-------------	-------------

ADVANCES & DEPOSITS

6558557.54	131265.38	8255796.08	14945619.00
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FIXED ASSETS

-	1892381.00	5677145.00	7569526.00
---	------------	------------	------------

8608157.54	4409346.38	48411116.08	61428620.00
------------	------------	-------------	-------------

UNALLOCABLE ASSETS

Income Tax	-	-	-
Assets	-	-	3899459.00
Miscellaneous Expenditure	-	-	-
Cash & Bank Balances	-	-	1851110.57
TDS			445137.00
			6195706.57
			<u>67624326.57</u>

SEGMENTAL LIABILITY

Sundry Creditors	576267.00	177735.00	-	754002.00
Advance against flats	-	1045000.00	-	1045000.00

OTHER LIABILITY


		1596297.00	1596297.00
576267.00	1222735.00	1596297.00	3395299.00

UNALLOCABLE LIABILITY

Other Liability	-
Provision	572300.00
Unclaimed Dividend	89428.00
Deferred Tax Liability	1346447.00
	<u>2008175.00</u>

5403474.00

62220852.57

For Essar (India) Limited


Director
For Essar (India) Limited


Director

ESAAR (INDIA) LIMITED

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

I. REGISTRATION DETAILS

Registration No.	21-19930 of 1951-52
Balance Sheet Date	31st March 2007
State Code	21

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	NIL
Right Issue	NIL
Bonus issue	NIL
Private Placement	NIL

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total liability	62474.42
Total Assets	62474.42

Sources of Funds

Paid up Capital	50000.00
Reserve & Surplus	12474.42
Secured Loan	-
Unsecured Loans	-

Application of Funds

Net Fixed Assets	11468.99
Investment	-
Net Current Assets	51005.44
Misc. Expenditure	


IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousand)

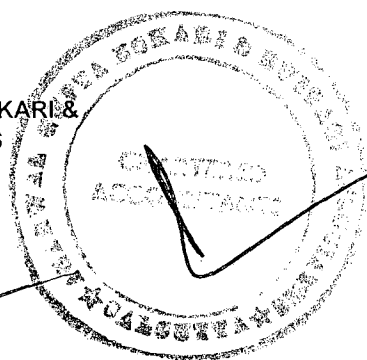
Income	25212.73
Total Expenditure	24460.64
Profit/(Loss) before Tax	752.09
Profit/(Loss) after tax	743.11
Earning per Share(in Rs.) - Basic	0.15
- Diluted	0.15
Dividend Rate %	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTION/SERVICES OF THE COMPANY

Item Code (ITC Code)	NIL
Product Description	SHARE DEALING
Item Code (ITC Code)	NIL
Product Description	REAL ESTATE
Item Code (ITC Code)	NIL
Product Description	TRADING

For AGARWAL GUPTA NOKARI &
RUSTAGI ASSOCIATES
Chartered Accountants


B.C. KHAITAN
(Partner)



For Esaar (India) Limited


Director

For Esaar (India) Limited


Director

12, Waterloo Street, Kolkata - 700 069
Dated this 2nd day of August, 2007

14. DETAILS OF STOCK OF SHARES AS ON 31ST MARCH, 2007

Name of Script	31.03.2007		31.03.2006	
	Nos.	Amount	Nos.	Amount
AUOPHRAMA	50	37,757.00	-	-
Bells Controls Ltd.	1,000	3,000.00	1,000	3,000.00
Bharat Forging	150	58,141.00	-	-
Canstar Capital Gain	600	-	600	-
Ceat-EQ	200	25,127.55	-	-
Centuryply EQ	75	28,181.25	-	-
Chambler	500	20,227.50	-	-
CRB Corporate Ltd.	500	-	500	-
CUB	100	17,091.00	-	-
Diplo mercantiles Pvt. Ltd.	65,000	163,662.85	65,000	163,662.85
Dunlop India Ltd.	2,000	17,000.00	2,000	17,000.00
Dyna Lamp & Glass Works Ltd.	1,000	1,500.00	1,000	1,500.00
Emami Paper Mills Ltd.	2,200	77,000.00	2,200	77,000.00
Fsl-EQ	200	16,754.00	-	-
GAIL	50	13,801.00	-	-
GESCOCORP	50	45,628.75	-	-
GITANJALI	250	60,713.21	-	-
Grapco Mining Ltd.	8,000	8,800.00	8,000	8,800.00
HCC-EQ	200	26,578.67	-	-
HINDALCO	50	8,341.50	-	-
HINDLEVER	75	17,242.44	-	-
HINDPETRO	50	15,080.00	-	-
HOTEL LEELA	100	6,854.00	-	-
INDIACEM_EQ	75	15,878.63	-	-
IPCL-EQ	100	28,540.94	-	-
IVRCLINFRA	60	19,610.68	-	-
JAYSREE TEA	100	12,850.50	-	-
Jspat Industries Ltd.	3,980	31,044.00	3,980	31,044.00
Jindal Vijaynagar Steel Ltd.	50,000	-	50,000	-
J. K. Synthetics Ltd.	500	1,750.00	500	1,750.00
Kesoram Industries Ltd.	302	15,402.00	302	15,402.00
Khaitan Industries Ltd.	100	700.00	100	700.00
M.B. Industries Pvt. Ltd.	5,000	2,500.00	5,000	2,500.00
MRPL	300	10,433.33	300	10,433.33
MTNL	100	15,227.00	-	-
Nagarconst EQ	100	20,040.00	-	-
Network 18 Finance	60	20,480.25	-	-
PLC-EQ	200	22,676.00	-	-
Phool Commercial	25,500	255,000.00	25,500	255,000.00
Platinum Finance Ltd.	9,000	42,300.00	9,000	42,300.00
Raghukul Prop.	50,000	550,000.00	-	-
Raj Vaniya Pvt	72,200	252,700.00	72,200	252,700
Ranbaxy	100	38,439.12	-	-
Reliance Petroleum Ltd. (Deb)	100	-	100	-
SAIL EQ	200	22,182.80	-	-
Shrachi Securities Ltd.	2,600	10,116.52	2,600	10,116.52
Silpi Resort Pvt Ltd	20,000	200,000.00	20,000	200,000.00
Speedage Export	155,000	364,250.00	-	-
STER-EQ	200	106,160.27	-	-
Shre Rajeshwaranand Paper Mills Ltd.	300	540.00	300	540.00
State Bank Of India	150	69,750.00	150	69,750.00
Stich Art Exports Pvt. Ltd.	10	-	10	-
Sundarban Acquatics Ltd.	15,000	19,500.00	15,000	19,500.00
Super Forgings & Steels Ltd.	333,000	899,100.00	333,000	899,100.00
Syndicate Bank	100	8,282.00	-	-
TAJGVK	100	24,131.67	-	-
TATACOFFEE	25	8,972.25	-	-
TCS	10	13,489.88	-	-
Tetron Merchandise	25,000	207,115.25	25,000	100,000.00
Triveni	50	2,650.50	-	-
TTNL	200	5,490.00	-	-
TV 18	70	45,327.01	-	-
Technical Associates Ltd.	200	-	200	-
VIJAYA BANK	100	5,210.00	-	-
Vegepro Foods & Feeds Ltd.	1,500	9,000.00	-	-
WWIL EQ	50	6,262.50	1,500	9,000.00
	854,142	4,051,584.82	645,042	2,190,798.70

Book Value of Quoted Investment
 Book Value of Unquoted Investment
 Market Value of Quoted Investment

For: Esaar (India) Limited

Director

For: Esaar (India) Limited

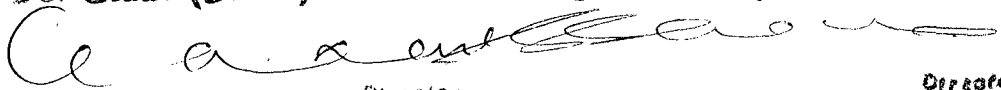
[Signature]
 Director

14. DETAILS OF STOCK OF SHARES AS ON 31ST MARCH, 2007

Name of Script	31.03.2007		Un Quoted	Quoted	Rate	Amount
	Nos.	Total Amount				
AUROPHRAMA	50	37,757.00	-	50	679.15	33,957.50
Bells Controls Ltd.	1,000	3,000.00	-	1,000	2.30	2,300.00
Bharat Forging	150	58,141.00	-	150	315.55	15,777.50
Canstar Capital Gain	600	-	600	-	-	-
Ceat-EQ	200	25,127.55	-	200	107.85	21,570.00
Centuryply EQ	75	28,181.25	-	75	293.25	21,993.75
Chambler	500	20,227.50	-	500	31.30	15,650.00
CRB Corporate Ltd.	500	-	500	-	-	-
CUB	100	17,091.00	100	-	-	-
Diplo mercantiles Pvt. Ltd.	65,000	163,662.85	65,000	-	-	-
Dunlop India Ltd.	2,000	17,000.00	-	2,000	6.60	13,200.00
Dyna Lamp & Glass Works Ltd.	1,000	1,500.00	-	1,000	0.55	550.00
Emami Paper Mills Ltd.	2,200	77,000.00	2,200.00	-	-	-
Fsl-EQ	200	16,754.00	200.00	-	-	-
GAIL	50	13,801.00	-	50	264.55	13,227.50
GESCOCORP	50	45,628.75	50.00	-	-	-
GITANJALI	250	60,713.21	250.00	-	-	-
Grapco Mining Ltd.	8,000	8,800.00	8,000.00	-	-	-
HCC-EQ	200	26,578.67	-	200	89.50	17,900.00
HINDALCO	50	8,341.50	-	50	130.30	6,515.00
HINDLEVER	75	17,242.44	-	75	205.20	15,390.00
HINDPETRO	50	15,080.00	-	50	247.80	12,390.00
HOTEL LEELA	100	6,854.00	-	100	55.85	5,585.00
INDIACEM_EQ	75	15,878.63	-	75	161.95	12,146.25
IPCL-EQ	100	28,540.94	-	100	270.80	27,080.00
IVRCLINFRA	60	19,610.68	-	60	292.50	17,550.00
JAYSREE TEA	100	12,850.50	-	100	119.20	11,920.00
Ispat Industries Ltd.	3,980	31,044.00	-	3,980	13.30	5,293.40
Jindal Vijaynagar Steel Ltd.	50,000	-	-	50,000	2377.45	11,887,250.00
J. K. Synthetics Ltd.	500	1,750.00	-	500	4.97	3,000.00
Kesoram Industries Ltd.	302	15,402.00	-	302	342.75	10,351.50
Khaitan Industries Ltd.	100	700.00	-	100	51.30	5,130.00
M.B. Industries Pvt. Ltd.	5,000	2,500.00	-	5,000	0.50	2,500.00
MRPL	300	10,433.33	-	300	33.85	10,155.00
MTNL	100	15,227.00	-	100	146.75	14,675.00
Nagarconst EQ	100	20,040.00	-	100	160.70	16,070.00
Network 18 Finance	60	20,480.25	-	60	341.30	20,478.00
PLC-EQ	200	22,676.00	200	-	-	-
Phool Commercial	25,500	255,000.00	25,500	-	-	-
Platinum Finance Ltd.	9,000	42,300.00	-	9,000	3.00	27,000.00
Raghukul Prop.	50,000	550,000.00	50,000	-	-	-
Raj Vaniya Pvt	72,200	252,700.00	72,200	-	-	-
Ranbaxy	100	38,439.12	-	100	351.90	35,190.00
Reliance Petroleum Ltd. (Deb)	100	-	-	100	71.50	7,150.00
SAIL EQ	200	22,182.80	-	200	114.30	22,860.00
Shrachi Securities Ltd.	2,600	10,116.52	-	2,600	59.05	15,353.00
Silpi Resort Pvt Ltd	20,000	200,000.00	20,000	-	-	-
Speedage Export	155,000	364,250.00	-	155,000	9.75	1,511,250.00
STER-EQ	200	106,160.27	-	200	468.20	93,640.00
Shre Rajeshwaranand Paper Mills Ltd.	300	540.00	-	300	3.82	1,146.00
State Bank Of India	150	69,750.00	-	150	992.90	14,893.50
Stich Art Exports Pvt. Ltd.	10	-	10	-	-	-
Sundarban Acquatics Ltd.	15,000	19,500.00	15,000	-	-	-
Super Forgings & Steels Ltd.	333,000	899,100.00	-	333,000	0.95	316,350.00
Syndicate Bank	100	8,282.00	-	100	63.90	6,390.00
TAJGVK	100	24,131.67	-	100	182.00	18,200.00
TATACOFFEE	25	8,972.25	-	25	239.00	5,975.00
TCS	10	13,489.88	-	10	1233.85	12,338.50
Tetron Merchandise	25,000	207,115.25	25,000	-	-	-
Triveni	50	2,650.50	-	50	53.90	2,695.00
TTNL	200	5,490.00	-	200	-	-
TV 18	70	45,327.01	-	70	609.10	42,637.00
Technical Associates Ltd.	200	-	200	-	-	-
VIJAYA BANK	100	5,210.00	-	100	42.55	4,255.00
Vegepro Foods & Feeds Ltd.	1,500	9,000.00	-	1,500	0.85	1,275.00
WWIL EQ	50	6,262.50	-	50	88.95	4,447.50
	854,142	4,051,584.82		569,132		12,178,091.90

For Esaar (India) Limited

For Esaar (India) Limited



Director

Director

ESSAR INDIA LTD.

Details of Account for the year ended 31st March, 2007

SUNDRY DEBTORS

Bagle & Co.	1837894.00
Hutchion Telecom East Ltd.	9000.00
Adarsh Trading Corporation	2208750.00
Phool Commercial Pvt. Ltd.	(659031.00)
Ortem Securities Ltd.	(76985.57)
Mahashakti Distributors Pvt.Ltd.	2873180.00
	6192807.43

LOANS

D. Kankani & Co.	1084498.00
Ashok Kumar Pandey	542000.00
Manoharlal Mahabirprasad	2222470.00
Shree Shyam Enterprises	3114921.00
The Hemalatha Textiles Limited	12617928.00
Bidhan Resources Pvt.Ltd.	900000.00
Machinetex Pvt. Ltd.	670000.00
Nanda Forgings Pvt. Ltd.	521887.00
Pramod Utensils & Rolling Mills P. Ltd.	1000000.00
Provision for Doubtful Loan	(3114921.00)
Rajshree Vanijya Pvt. Ltd.	375000.00
	19933783.00

ADVANCES

Advance against property	
Ars Minerals & Minings Pvt. Ltd.	350000.00
Chitransh Satellite	125000.00
Marygold Estates Pvt. Ltd.	1119000.00
Model Engineering Stores Pvt. Ltd.	700000.00
Mohanto Mondal	11000.00
Prop. At Sonarpur	(82800.00)
Satish Chandra Saxena	(250000.00)
S N Das	25000.00
Sujit Kumar Das	305000.00
Deposits	29200.00
Electricity & Maintainance Charges Receivable	72823.00
Gemex International Pvt. Ltd.	200000.00
Madan Kumar Ashok Kumar (HUF)	925000.00
Neelam Securities Pvt. Ltd.	284800.00
IDC Orissa Limited	10000000.00
Quicker Vinimay Private Limited	50000.00
Security Deposit (CESC)	84679.00
Sudhir Kumar Mehta	230000.00
Advance from Diamond Property	82692.00
Advance from Kaltech Pvt Ltd.	684225.00
	14945619.00

For Essar (India) Limited

Director

For Essar (India) Limited

Director

31.03.2007**Current Liabilities****Sundry Creditors & others**

Deposit (Flat Owners)	69618.00
Security Deposit	7481.00
Security Deposit from Srinivas Plates	57350.00
Vineet Industries	120000.00
Security Deposit - J. Road for others	282100.00
Share Application Money Refundable	182063.00
Corporation Tax	11400.00

Liabilities for Expenses

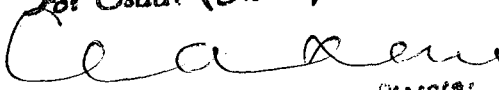
Audit Fees payable	16000.00
Mohan Ram Goenka	3500.00
S.K.Computers	4489.60


TOTAL**754001.60****DEFERRED PAYMENT CREDIT**

ICICI Home Finance	1349000.00
HDFC Bank - Car Loan	247296.66
	1596296.66

Advance Received against sale of flat

Badulipur Limited	125000.00
Kartik Traders & Exports Pvt. Ltd.	127000.00
Kishan Lal Bihani	35000.00
Piyush Chandak	290000.00
Plaza Tower Owners Association	288000.00
Sunita Mitra	10000.00
Tulsiyan Commercial Co.	170000.00
	1045000.00

For Esaar (India) Limited

Director

For Esaar (India) Limited

Director

D1 9 712 500,000.00

Sale of Flat as on 31st March, 2006

D1 9 712 510,000.00

ESAAR (INDIA) LIMITED

Details of Closing Stock of Flat at Jessore Road as on 31st March., 2007

	<u>Against Purchase</u>	Block	No.	Area	
1	Arcuttipore Tea Co. Ltd.	A	7	655	393,000.00
2	Shakalya Bajoria	A	22	655	350,000.00
					<hr/> 743,000.00

Flat	A	3	970
Flat	E	18	1050
Garage			1000
			<div style="border: 1px solid black; padding: 2px;">3020</div>

Rate Per Sq. ft. Rs. 490/- 1,479,800.00

Value of Closing Stock as on 31.03.2007

2,222,800.00

CONSTRUCTION WORK IN PROGRESS
AS ON 31.03.2007 AS PER BALANCE SHEET

JESSORE ROAD -as per abovemention details 2,222,800.00

BROAD STREET PROPERTY 75,000.00

T. C. ROAD 87,900.00

TOTAL

2,385,700.00

For Esaar (India) Limited

Director

For Esaar (India) Limited

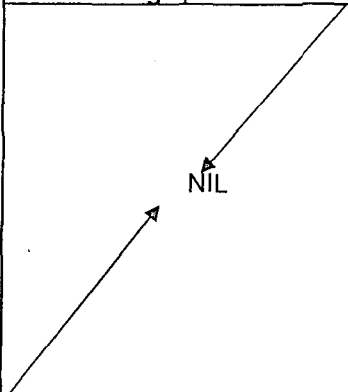
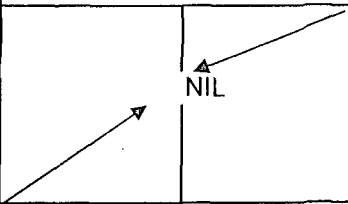
Director

SCHEDULES TO THE ACCOUNTS

18

Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms)

		Rs. In lakhs	
Particulars			
1	Liabilities Side	Amount outstanding	Amount overdue
	Loans and advances availed by nthe NBFCs inclusive of interest accrued thereon but not paid:		
	a) Debentures : Secured Unsecured (Other than falling within the meaning of Public Deposit)		
	b) Deferred Credits		
	c) Term Loan		
	d) Inter Corporate loans & borrowing		
	e) Commercial Paper		
	f) Public Deposits		
	g) Other Loans (Specify nature)		
	Total (1)		
2	Break-up of (1)(f) above (outstanding Public Deposits inclusive of		
	a) In the form of Unsecured debentures		
	b) In the Form of partly secured debentures i.e. debentures where there is a shortfall in the value of Security.		
	c) Other Public deposits		
	Total (2)		
3	Assets Side		
	Break-up of Loans & Advances including bills receivable (other than those included in (4) below):-		
	a) Secured	Nil	
	b) Unsecured	458.17	

For Esaar (India) Limited

C. a. xere
Director

For Esaar (India) Limited

[Signature]
Director

6	Borrower group-wise classification of all assets, stock hire		
	Amount net of Provisions		
	Category		
		Secured	Unsecured
	1. Related Parties		
	a) Subsidiaries	Nil	Nil
	b) Companies in the same group		
	c) Other related parties		
	2. Other than related parties	Nil	458.17
	Total	Nil	458.17
7	Investors group-wise classification of all investments		
	Category	Market value / Break up or fair value or NAV	Book Value (Net of Provision)
	1) Related parties	Nil	Nil
	a) Subsidiaries		
	b) Companies in the same group		
	c) Other related parties		
	2. Other than related parties	1217.80	40.51
	Total	1217.80	40.51
8	Other Information		Amount(Rs.)
	<u>Particulars</u>		
	i) <u>Gross Non-Performing Assets</u>		
	a) Related Parties		Nil
	b) Other than Related Parties		Nil
	ii) <u>Net Non-Performing Assets</u>		
	a) Related Parties		Nil
	b) Other than Related Parties		Nil
	iii) Assets acquired in satisfaction of debts		Nil

Signature to schedule "1" to "18"

As per our Report Annexed:

**For AGARWAL GUPTA NOKARI &
RUSTAGI ASSOCIATES**

Chartered Accountants

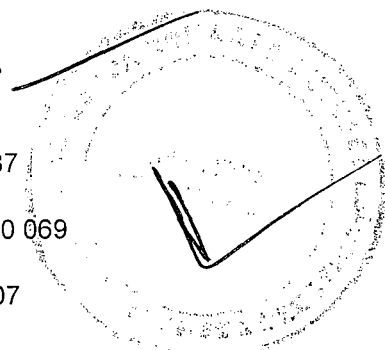
(B.C.KHAITAN)

Partner

Membership No.17387

12, Waterloo Street, Kolkata - 700 069

Dated this 2nd day of August,2007



DIRECTORS

For Esaar (India) Limited

[Signature]
Director

For Esaar (India) Limited

[Signature]
Director