

Annual Report 2012 - 2013

ESAAAR (INDIA) LIMITED

61ST ANNUAL REPORT
F.Y. 2012- 2013

*Regd Office: 23 - A, 12 Akash CHS, Talawad Nagar, Ashok Nagar,
Kandivali (West), Mumbai - 400101*

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BOARD OF DIRECTORS

Mr. Dheeraj Shah	-	Managing Director
Ms. Deepti Lalwani	-	Director
Mr. Avedhesh Pal	-	Additional Director
Mr. Sachin Talgaonkar	-	Additional Director

REGISTERED OFFICE

23-A, 12, Akash C.H.S. Talawad Nagar,
Ashok Nagar, Kandiwali (East),
Mumbai: 400101

AUDITORS:

M/s. Pravin Chandak & Associates,
403, New Swapanalok CHS Ltd,
Natakwala Lane, Borivali (W),
Mumbai-400092

BANK

Axis Bank	-	Andheri (West)
Yes Bank	-	Andheri (West)

REGISTAR & TRANSFER AGENT

Purva Shareregistry (India) PVT Ltd.
9, Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai – 400 011

CONTACT

Web Site: www.esaarindia.com
Email: esaarindialtd@gmail.com

NOTICE

Notice is hereby given that the 61st Annual General Meeting of the Members of ESAAR (INDIA) LTD will be held on 27th September, 2013 at 10:30 a.m at Companies Banker Office at Axis Bank, First Floor, Springfield, Lokhandwala, Andheri (West), Mumbai - 400053 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint Ms. Deepti Lalwani as Director of the company, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

“**Resolved that** Mr. Avedhesh Pannalal Pal, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“**Resolved that** Mr. Sachin Waman Talgaonkar, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

REGISTERED OFFICE

**23-A, 12- Akash C.H.S.
Talawad Nagar, Ashok Nagar,
Kandivali (East), Mumbai: 400101.
Dated : 27/08/2013**

BY ORDER OF THE BOARD

**Sd/-
Dheeraj Shah
(Chairman)**

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.

- 3) The Register of Members and the Transfer Book of the Company will remain closed from 26/09/2013 to 27/09/2013 (both days inclusive.)
- 4) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 5) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at Purva Shareregistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011
- 6) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2013 are enclosed herewith.
- 7) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 8) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES, 1956.

Item Nos. 4

Mr. Avedhesh Pannalal Pal have been appointed as Additional Directors of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 15/10/2012. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Avedhesh Pannalal Pal as Directors of the Company.

None of the Directors of the Company are interested in passing the resolution, except Mr. Avedhesh Pannalal Pal to the extent of their appointment as Directors of the Company.

Item Nos. 5

Mr. Sachin Waman Talgaonkar have been appointed as Additional Directors of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 15/10/2012. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Sachin Waman Talgaonkar as Directors of the Company.

None of the Directors of the Company are interested in passing the resolution, except Mr. Sachin Waman Talgaonkar to the extent of their appointment as Directors of the Company.

REGISTERED OFFICE

**23-A, 12 - Akash C.H.S.
Talawad Nagar, Ashok Nagar,
Kandiwali (East), Mumbai: 400101.
Dated : 27/08/2013**

BY ORDER OF THE BOARD

**Sd/-
Dheeraj Shah
(Chairman)**

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE
FORTHCOMING ANNUAL GENERAL MEETING
(In pursuance of Clause 49 (svi) (A) of the Listing Agreement)**

Director seeking re-appointment

Name of the Director	Deepti Lalwani
Date of Birth	22/04/1983
Date of Appointment.	28/08/2012
Expertise in any specific functional Area	Information Technology
Qualification	MSC
Directorships held in other Companies (excluding Foreign Companies)	Moryo Industries Limited
Committee position held in other Companies	Member of Audit, Shareholder Grievance and Remuneration Committee of Moryo Industries Limited

Director seeking appointment

Name of the Director	Avedhesh Pannalal Pal
Date of Birth	15/10/2012
Date of Appointment.	13/01/1983
Expertise in any specific functional Area	ADMIN
Qualification	H.SC
Directorships held in other Companies (excluding Foreign Companies)	1. Sumukh Dealcom Private Limited
Committee position held in other Companies	None

Director seeking appointment

Name of the Director	Sachin Waman Talgaonkar
Date of Birth	15/10/2012
Date of Appointment.	11/03/1981
Expertise in any specific functional Area	ADMIN
Qualification	S.SC
Directorships held in other Companies (excluding Foreign Companies)	1. Sumukh Dealcom Private Limited
Committee position held in other Companies	None

BOARD OF DIRECTORS' REPORT

To
The Members

Your Directors present their 61st Annual Report with Audited Statement of Accounts for the year ended on March 31, 2013.

FINANCIAL RESULTS

(Amt. In Lacs)

Particulars	Year Ended 31/03/2013	Year Ended 31/03/2012
Income	1365.82	305.81
Profit before Dep. & Int.	15.17	14.76
Depreciation	10.15	10.14
Interest	0.00	0.00
Profit after Depreciation & Interest	5.03	4.62
Provision for Taxation	4.46	4.26
Provison for Tax (deferred)	(2.78)	(2.71)
Tax Adjustment for earlier years	0.00	(0.32)
Profit after Tax	3.34	3.39
Net profit/ (Loss)	3.34	3.39
Amount Available for Appropriation	3.34	3.39
Balance carried to Balance Sheet	3.34	3.39

FINANCIAL HIGHLIGHTS

During the year Company's total sales including other income is Rs. 1365.82 Lacs as compared to Rs 305.81 lacs in the previous year and thereby registering an increase of 346.62% as compared to the previous year. The Net Profit after tax was Rs. 3.34 Lacs against Rs. 3.39 Lacs in the previous year, registering an decrease of 1.47% as compared to the previous year.

DIVIDEND

With a view to conserve the financial resources of the Company, your Directors do not recommend any dividend on equity shares for the year ended 31st March, 2012.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Ms. Deepti Lalwani retire by rotation at the ensuing Annual General Meeting, and being eligible offers herself for reappointment.

During the financial year 2012-13, the Board of Directors appointed Mr. Avedhesh Pannalal Pal & Mr.Sachin Waman Talgaonkar as Directors of the Company on 15/10/2012.

Mr. Vijay Poddar & Mr. Manoj Batra has resigned as the director from the Board of the Company with effect from 15/10/2012. During his tenure as Director, they have greatly contributed to the performance of the Company by heir vast knowledge and experience.

DEPOSITS

The Company has been registered as a NBFC since 1998 in terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Your company is categorised as a Non deposit taking Non Banking Financial Company. The Company has not accepted any deposits during the year from the public within the meaning of Section 58 A of The Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March 2012 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.
- (ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and 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 at the end of financial year and of the profit of the Company for that period.
- (iii) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a going concern basis.

AUDITORS

M/s. Pravin Chandak & Associates, Chartered Accountants statutory auditors of the Company retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received a certificates from them under Section 224(1-B) & 226(3) of the Companies Act, 1956.

AUDITORS REPORT

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

LISTING OF SHARES

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2013-2014.

FOREIGN EXCHANGE

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.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

PARTICULARS OF EMPLOYEE

There is no employee drawing remuneration for which information is required to be submitted under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

GREEN INITIATIVE IN CORPORATE GOVERNANCE'

The ministry of corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken 'Green initiative in corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialised form with their respective depository participants and in respect of shares held in physical form with RTA of Company.

CORPORATE GOVERNANCE COMPLIANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled "Corporate Governance Report" is attached to this Annual report. We have obtained a certificate from a Chartered Accountant on our compliances with clause 49 of the listing agreement with Stock Exchange

MANAGEMENT DISCUSSION AND ANALYSIS :

A report on Management Discussion and Analysis (MDA), forming part of this report, inter-alia, deals adequately with the operation as also current and future outlook of the company.

ACKNOWLEDGEMENT

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

FOR & ON BEHALF OF THE BOARD

**Place: Mumbai
Date: 27/08/2013**

**Sd/-
Dheeraj Shah
(Managing Director)**

CORPORATE GOVERNANCE REPORT

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good **CORPORATE GOVERNANCE** is a key to success of business. The Company's philosophy envisages an attainment of highest level of the transparency and accountability in its operations so that Company's goal of creation and maximization of wealth of the shareholders could be achieved. Clause 49 of the Listing Agreement entered with Stock Exchanges incorporate certain mandatory disclosure requirements With regard to Corporate Governance Rules, in this regard we are pleased to report the following:-

B) BOARD OF DIRECTORS

The Board of the Company is well structured with adequate blend of professional and Independent Directors. The present strength of the Board is of four Directors. Mr. Dheeraj Shah as Managing Director and Chairman Thus the post of Chairman and Managing Director are held by same person.

1. Since Mr. Dheeraj Shah belongs to the promoter category, at least one half of the Board should comprise of Independent Directors as per Corporate Governance Rules. The Company has structured its Board to comply the said requirement. Presently, three Directors among four Directors of Board are Independent Directors, namely, Ms. Deepti Lalwani, Mr. Sachin Waman Talgaonkar and Mr. Avedhesh Pannalal Pal. Accordingly, the Company has complied with the Corporate Governance Rules regarding composition of Board of Directors.
2. None of the directors is a member of more than 10 (ten) Board level committees or is a Chairman of more than 5 (five) such Board level committees as required under Clause 49 of the Listing Agreement. None of the Director of the Company is a Director in more than 15 Companies as prescribed by the Companies Act, 1956.
3. The composition of the Board of Directors and their attendance at the meetings during the period and at the last Annual General Meeting as also number of other directorships, membership of committees are as follows:

Name of Director	Status	No. of Board meetings Attended	Attendance at last AGM	No. of other Directorships	Committee Membership	
					Chairman	Member
Mr. Dheeraj Shah	M.D	9	Yes	1	-	-
Mr. Vijay Poddar@	I.N.E.D	5	Yes	2	2	2
Mr. Manoj Batra@	I.N.E.D	4	No	-	-	2
Mr. Sachin Waman Talgaonkar*	I.N.E.D	3	No	1	2	2
Mr. Avedhesh Pannalal Pal*	I.N.E.D	3	No	1	-	2
Ms. Deepti Lalwani	I.N.E.D	2	No	1	-	2

@Resigned w.e.f 15/10/2012

*Appointed w.e.f 15/10/2012

N.E.D Non Executive Director

W.T.D Whole Time Director

I.N.E.D Independent Non Executive Director

Notes:

During the period ended 31st March 2012, 9 Board Meetings were held on the following dates:

23/04/2012, 17/05/2012, 28/06/2012, 13/08/2012, 28/08/2012, 15/10/2012, 10/11/2012, 13/02/2012 and 30/03/2013.

As against the minimum requirement of 4 meetings. The maximum time gap between any two meetings was not more than four calendar months.

C) CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management staff of the Company. The Board members and senior management staff have affirmed compliance with the said code of conduct.

D) AUDIT COMMITTEE

The purpose of Audit Committee is to assist the Board of Directors (the “board”) in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls which the management and board have established, appointing, retaining and reviewing the performance of statutory auditors and overseeing the Company’s accounting and financial reporting processes and the audits of the Company’s financial statements.

Terms of Reference:

The Company has an audit committee as envisaged in the listing agreement. The terms of reference of audit Committees broadly are as under:

- (a) To hold periodic discussions with the statutory auditors and internal auditors of the Company concerning the financial reports of the Company, internal control systems, scope of audit and observations of the auditors/internal auditors;
- (b) Discussion with internal auditors on significant audit findings and follow up thereon;
- (c) To review compliance with internal control systems;
- (d) To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- (e) To make recommendations to the board on any matter relating to the financial management of the Company, including the audit report;
- (f) Recommending the appointment/reappointment of statutory auditors and fixation of their remuneration;
- (g) To review the annual plan and budget before submission to the board.

The scope of the audit committee includes amongst other matters which are set out in clause 49 of the listing Agreement with stock exchanges amended from time to time read with section 292A of the Companies Act, 1956.

Composition & Meetings:

The Audit Committee consist the following members. The details of which are provided below:

Name of Director	Designation	No. of Meetings Attended
Mr. Sachin Waman Talgaonkar*	Chairman	2
Mr. Avedhesh Pannalal Pal*	Member	2
Ms. Deepti Lalwani	Member	2
Mr. Vijay Poddar@	Member	2
Mr. Manoj Batra@	Member	2

* Appointed as a member w.e.f 10/11/2012
@ Ceased as a member w.e.f 15/10/2012

The Committee met four times during the period ended 31st March, 2013. The details of which are provided below:
17/05/2012, 13/08/2012, 10/11/2012 and 13/02/2013.

The terms of reference of the Committee are as per the regulations set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alia it briefly includes review of quarterly and Annual financial statements, the statutory Auditor's Report on the financial statements, Internal audit reports, internal controls, Accounting policies and to generally interact with the Internal Auditors and Statutory Auditors.

E) SHARE TRANSFER COMMITTEE

a) Terms of reference:

The Committee was constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend.

b) The composition of the Shareholders Grievance Committee is as follows:

Name of the Member	Position
Mr. Sachin Waman Talgaonkar*	Chairman
Mr. Avedhesh Pannalal Pal*	Member
Ms. Deepti Lalwani	Member
Mr. Vijay Poddar@	Member
Mr. Manoj Batra@	Member

* Appointed as a member w.e.f 10/11/2012
Ceased as a member w.e.f 15/10/2012

c) Name and Designation of Compliance Officer: Mr. Dheeraj Shah (Managing Director)

F) REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee with terms of reference to evaluate compensation/commission and benefits for Directors and to frame policies and procedures for Stock Option Plans as approved by the shareholders. This Committee also acts as Nomination Committee and Compensation Committee.

a) The composition of the Remuneration Committee is as follows:

Name of the Member	Position
Mr. Sachin Waman Talgaonkar*	Chairman
Mr. Avedhesh Pannalal Pal*	Member
Ms. Deepti Lalwani	Member
Mr. Vijay Poddar@	Member
Mr. Manoj Batra@	Member

* Appointed as a member w.e.f 10/11/2012
Ceased as a member w.e.f 15/10/2012

b) **Remuneration Policy:**

The Company while deciding the remuneration package of the directors and senior management personnel takes into consideration the following:

- (i) Employment scenario
- (ii) Remuneration package in the industry and
- (iii) Remuneration package of the managerial talent of other industries.

The Non-Executive Directors (NEDs) are eligible for commission not exceeding an aggregate of 1% of the net profits of the Company but till date company has not paid any Commission and will pay only after the approval of member in general meeting.

The Company might pay sitting fees of 20,000 per meeting to the NEDs for attending the meetings of the Board and other Committees. But till date company is not paying any sitting fees.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Chairman & Managing Director as approved by the shareholders of the Company. The Company pays remuneration by way of salary, perquisites and allowances to the Whole Time Director as approved by the Shareholders of the Company. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board as per Schedule XIII.

Remuneration paid to Directors during the period ended 31st March 2013

Name of the Director	Salary	Commission	Sitting Fees	Contribution to Various Funds	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Mr. Dheeraj Babulal Shah	1,20,000	-	-	-	1,20,000
Mr. Sachin Talgaonkar@	-	-	-	-	-
Mr. Avedhesh Pannalal Pal@	-	-	-	-	-
Ms. Deepti Lalwani	-	-	-	-	-
Mr. Vijay Poddar*	-	-	-	-	-
Mr. Manoj Batra*	-	-	-	-	-
Total	1,20,000	-	-	-	1,20,000

@Resigned w.e.f 15/10/2012

*Appointed w.e.f 15/10/2012

The above amounts do not include provisions for en cashable leave, gratuity and premium paid for Group Health Insurance as separate premium.

c) Shareholding of the Directors in the Company as on 31st March, 2013:

Name of Director	No. of Shares	% of Shareholding
Mr. Dheeraj Babulal Shah	4974300	6.08%

F) GENERAL BODY MEETINGS

- (a) The last three Annual General Meetings were held as under:-

Year/Period Ended	Date of Meeting	Time
31 st March, 2010	29/09/2010	01:00 P.M
31 st March, 2011	08/08/2011	03:30 P.M
31 st March, 2012	28/09/2012	11:30 A.M

(b) No Extra Ordinary General Meeting was held during the year.

(c) No Postal Ballot was conducted by during the year.

G) DISCLOSURES

1. During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.
2. There were no instances of non-compliance on any matter related to the Capital Markets during the last three years.
3. The Company continues to comply with the requirement of Stock Exchange, SEBI or any statutory authority on all matters related to capital market during the last three years. No penalty or strictures have been imposed on the Company by the said authorities relating to the above.
4. The Company does not have any Whistle Blower Policy as of now but no personnel are being denied to access the Audit Committee.
5. The Company complied with not only the mandatory requirements but has also complied with non –mandatory requirements in respect o f Remuneration Committee. The Company is yet to comply with the other non mandatory requirements of the Listing Agreement on Corporate Governance.

H) MEANS OF COMMUNICATION.

Quarterly, Half Yearly and Yearly financial results are sent to the Stock Exchanges immediately after they are approved by the Board.

I) GENERAL INFORMATION FOR MEMBERS

(i)	Annual General Meeting - The 61st Annual General Meeting of the Company will be held on 27/09/2013 at 10:30 a.m. in Mumbai.	
(ii)	Financial Calendar	Last AGM held on 28/09/2012
	First Quarter Results Declared	Second Week of August, 2012
	Second Quarter Results Declared	Second Week of November, 2012
	Third Quarter Results Declared	Second Week of February, 2013
	Fourth Quarter Results Declared	Forth Week of May, 2013
(iii)	Book Closure date	26/09/2013 to 27/09/2013
(iv)	Dividend payment date	Not applicable
(v)	Listing of Equity Shares	Bombay Stock Exchange (Application of Delisting of shares is in process before Calcutta Stock Exchange)
		Listing fees is duly paid to the BSE Limited as per

		listing Agreement for f.y. 2013-14
(vi)	Stock Code BSE Code	531502
	Demat ISIN Numbers in NSDL & CDSL	404L01021 for Equity Shares

Stock Market Data at BSE:

Month	High	Low	Close	No. of Shares
April, 2012	24.94	14.45	24.89	584234
May 2012	25.80	18.60	20.00	1180259
June, 2012	26.10	20.40	25.45	1081132
July, 2012	43.20	24.95	41.00	1893342
August, 2012	52.00	39.50	49.50	4750546
September, 2012	58.95	47.20	52.85	9456571
October, 2012	55.00	41.90	51.10	7992306
November, 2012	64.00	47.50	56.40	5038081
December, 2012	65.00	51.00	58.70	3281925
January, 2013	64.75	54.00	54.95	3615479
February, 2013	59.50	44.00	55.00	5087788
March, 2013	55.00	13.40	13.40	446523

(vii)	Regd. Office	23-A, 12, Akash C.H.S., Talawad Nagar, Ashok Nagar, Kandivali (East), Mumbai: 400101
(viii)	Registrar & Transfer Agents and Share Transfer System	All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & T Agents at its following address: Purva Shareregistry (India) Pvt Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011 Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.
(ix)	Investor Relation Officer	Dheeraj Babulal Shah
(x)	Share Transfer System as per listing Agreement and Companies Act, 1956.	

(xi) DISTRIBUTION OF SHAREHOLDING AS ON 31st March, 2013

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
1-5000	418	42.31	626866	0.77
5001-10000	69	6.98	585602	0.72
10001-20000	98	9.92	1628171	1.99

20001-30000	58	5.87	1545687	1.89
30001-40000	14	1.42	520213	0.64
40001-50000	86	8.7	4152720	5.08
50001-100000	111	11.23	9220485	11.28
100001- and above	134	13.56	63490256	77.64
Total	988	100.00	81770000	100.00

(xii) SHAREHOLDING PATTERN AS ON 31.03.2013

Category		No. of Shares held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	4974300	6.08
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub – Total	4974300	6.08
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	1786000	2.18
b)	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non Government Institutions)	-	-
C	FII's	-	-
	Sub – Total	1786000	8.24
4	Others	-	-
a)	Private Corporate Bodies	17112668	20.93
b)	Indian Public	57895784	70.80
c)	NRI's/OCB's - NRI'S	-	-
d)	Any Other (Please specify) - Clearing Members	1248	-
	Sub-Total	75009700	91.73
	GRAND TOTAL	81770000	100%

(xiii)	Dematerialization of shares	As on 31 st March, 2013, 92.24% of the Company's Shares representing 7,54,29,000 Share were held in dematerialized form and the balance 63,41,000 Shares were held in physical form.
(xiv)	Investor Correspondence	For transfer/ dematerialization of shares payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company. Purva Shareregistry (India) Pvt Ltd. 9, Shiv Shakti Industrial Estate,

		J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011
	Any other query	ESAAR (INDIA) LTD. At Regd. Office : 23-A, 12, Akash C.H.S. Talawad Nagar, Ashok Nagar, Kandivali (East), Mumbai: 400101
(xv)	Nomination facility	Individual shareholders holding physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name. For further details, shareholders may write to the Registrar and Share Transfer Agent or the Company in this regard.
(xvi)	Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity	The Company does not have any outstanding GDRs/ADRs/Warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.
(xvii)	Reconciliation of Share Capital Audit	The Securities and Exchange Board of India has directed vide Circular No. D&CC/FITTC/CIR-16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid up capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2013.

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.

OVERVIEW

The NBFC business segment is dominated by several very large companies. Our Company also being a small NBFC (Non Public Deposit Taking). Our Company mainly involved in share trading and in providing fund based financial services and funding solutions to the Indian Corporates, Institutions, SME's etc. The operations of the company are centred in Financial Service Business. Your Company, along with its associates, forms an integrated financial services group providing wide range of services to its clients. The organization structure is designed to be flexible and customer focused to ensure effective control, supervision and consistency in standards across the organization.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Non Banking Financial Companies (NBFCs) have emerged as substantial contributors to the Indian economic growth by providing financial services, enhancing competition and diversification of financial Sector. It is a heterogeneous group of institutions (other than commercial and co-operative banks) performing financial intermediation in a variety of ways like accepting deposits, making loans and advances, providing financial advisory, wealth management, leasing, hire purchase etc. With the growing importance assigned to financial inclusion, NBFCs have come to be regarded as important financial intermediaries particularly for small-scale and retail sectors. The NBFCs as a whole account for 12.3 per cent of assets of the total financial system.

In the recent years, NBFCs are getting edge over the banks and financial institutions due to their customer oriented services, simplified procedures, attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors etc. The Reserve Bank of India regulates the operations of NBFCs. For strengthening and developing the NBFC sector, the Reserve Bank of India has issued new guidelines during the year like introduction of Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), a new category of NBFCs for the purpose of extending loans to micro finance sector, allowing the NBFCs to sponsor Infrastructure Debt Funds as Mutual Funds. More stringent norms are introduced by Reserve Bank of India (RBI) for NBFCs' like Provisioning for standard assets, Capital Adequacy, Fair Practice Code, Monitoring and Prevention of Frauds, Submission of specified returns, Know Your Customer (KYC) guidelines/Anti money Laundering Standards etc to help better utilization of resources and better delivery of services.

Your Company is categorized as Systemically Important Non-deposit taking NBFCs (NBFCs-ND) and mainly doing investment activities with long term perspective as well as doing trading business and lending activities to avail the benefits of short term investment/financial opportunities in the present market conditions.

OPPORTUNITIES AND THEREATS:

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick finance and security process across the enterprise.
2. The company since involved in the Finance business for a very long time there are good prospects for expanding further activities in this direction.
3. The company is also facing severe competition from other financial companies.

Some of the key changes in the industry unfavourable to the company are:

1. Heightened competition
2. Increasing cost of Finance
3. Increasing Compliances

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The disclosure requirements of Accounting Standard 17, issued by the Institute of Chartered Accountants of India is not applicable as the main business activities of the Company falls under single segment namely 'Investment Activities'.

INITIATIVES BY THE COMPANY

The company has taken following initiatives'

1. Every effort is being made to locate new client base to boost its finance business by providing Finance quickly and easily.
2. The company is endeavoring to penetrate into newer Financial Activities and market.

FULFILLMENT OF RBI NORMS AND STANDARDS

The Company continues to fulfill all applicable norms and standards laid down by the Reserve Bank of India pertaining to prudential norms, income recognition, accounting standards, asset classification and provisioning of bad and doubtful debts as applicable to NBFC's (ND).

OUTLOOK

India's GDP growth is expected to consolidate at 6.9 per cent in financial year 2011-12 compared to 8.4 per cent in financial year 2010-11 on account of continued tightening by RBI to manage inflation. But medium term prospects remain positive due to robust expansion in private services, strong consumption in both rural and urban sectors. In the short term, outlook may turn cautious and growth may disappoint if interest rates and inflation remain sticky. Higher cost of financing might lower capital expenditure and delay expansion plans of companies. Consumer demand, that has remained robust till now, may also get impacted as interests on auto loans, personal loans, educational loans, housing loans will increase the company's approach would be to continue to grow by focusing of returns while balancing risk.

RISK AND CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates including economic cycle, market risks, competition risk, interest rate volatility, human resource risk and

execution risk, etc. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk practices. Being engaged in the business in a highly regulated industry; we are presented with risk containment measures in the very regulations. The company's business could potentially be affected by the following factors:-

1. Sharp movement in prevailing interest rates in the market.
2. Impact of markets on our revenues and investments, sustainability of the business across cycles
3. Risk that a client will fail to deliver as per the terms of a contract with us or another party at the time of settlement.
4. Risk due to uncertainty of a counter party's ability to meet its financial obligations to us.
5. Inability to conduct business and service clients in the event of a contingency such as a natural calamity breakdown of infrastructure, etc.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transaction are authorised, recorded and reported correctly. The Company has an extensive system of internal control which ensures:

1. Compliance of the company with applicable statutes, policies procedures, listing requirements and management regulations.
2. All transaction are being accurately recorded and verified.
3. Adherence to applicable accounting standards and polices.

HUMAN RESOURCES/INDUSTRY RELATIONS:

Your Company firmly believes that its employees are the key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development.

The basic objective has been to unlock the people potential and further developing their functional operational and behavioural competencies so as to build a team of dedicated employees who work with passion, zeal and a sense of belongingness and play a defining role in significantly accelerating the growth and transformation of the Company, thereby, consolidating its position in the market.

CAUTIONARY STATEMENT

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company dose not have any control.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
ESAAR (INDIA) LIMITED.

1. We have examined the compliance of Corporate Governance by M/s. Esaar (India) Ltd. for the period ended on 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.
2. 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Pravin Chandak & Associates
Chartered Accountants**

**Place: Mumbai
Date: 30/05/2013**

**Sd/-
Pravin Chandak
Partner
M. No. 049391**

AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Esaar (India) Limited ("The Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended March 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 March, 2013.
- (b) in the case Statement of Profit and Loss Account, of the profit for the year ended March, 2013 and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended March, 2013.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
 - a. 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;
 - b. 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
 - c. The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No. 116627W)**

**Sd/-
Pravin Chandak
Partner
Membership No. 049391**

**Place: Mumbai
Date: 30/05/2013**

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in point 1 of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of Esaar (India) Limited on the financial statements for the year ended 31st March, 2013)

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed of any part of fixed assets during the year and the going concern status of the Company is not affected.
2. As informed to us, the inventories held in dematerialized form, have been verified by the management with supportive evidence during the year. In our opinion the frequency of verification is reasonable. In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of our examination the records of inventory, we are of the opinion that Company is maintaining proper records of inventory. We are informed that no discrepancies were noticed on physical verification.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - (b) No loans have been given by the company hence clause 4 (iii) (b) is not applicable to the company.
 - (c) No loans have been given by the company hence clause 4 (iii) (c) is not applicable to the company.
 - (d) No loans have been given by the company hence clause 4(iii) (d) is not applicable to the company.
 - (e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - (f) No loans have been taken by the company hence clause 4 (iii) (f) is not applicable to the company.
 - (g) No loans have been taken by the company hence clause 4(iii) (g) is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory (shares), fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
5. According to the information and explanations given to us, we are of the opinion that the company has not entered into any contracts or arrangements referred to in section 301 of the Companies Act, 1956.
6. No deposits, within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under have been accepted by the Company.

7. In our opinion and according to information and explanation given to us, the company has adequate internal audit system commensurate with size of the Company and nature of its business.
8. According to the information and explanation given to us the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for any of the activities of the company.
9. (a) The Company is regular in depositing undisputed statutory dues including Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to the company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, cess which have not been deposited on account of any dispute.
10. There are no accumulated losses of the company as at 31st March, 2013. The company has not incurred any cash losses during the financial year covered by our audit and had not incurred any cash losses during the immediately preceding financial year.
11. According to the records made available to us and information and explanations given to us by the management, the company has not taken any financial assistance from any financial institutions or banks. Accordingly Clause 4(xi) of Companies (Auditor's Report) Order, 2003 is not applicable.
12. According to the information given 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.
13. In our opinion, the company is not a chit fund or a Nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. The Company has maintained proper records of the transactions and contracts for dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investment have been held by the company, in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
15. In our Opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. As per the information and records furnished to us, the Company has not accepted any term loans. Accordingly Clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. During the financial year, company had not issued any debenture. Accordingly Clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.

20. The Company has not raised any money by way of public issue during the year. Accordingly Clause 4(xx) of Companies (Auditor's Report) Order, 2003 is not applicable.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No. 116627W)**

**Sd/-
Pravin Chandak
Partner
Membership No. 049391**

**Place: Mumbai
Date: 30/05/2013**

“Non - Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2008”

To,
The Board of Directors
M/s Esaar (India) Limited
23-A, 12, Akash Co-operative Housing Society,
Talawad Nagar, Ashok Nagar,
Kandivli (East),
Mumbai - 400101.

As required by the Non Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2008 issued by Reserve Bank of India, on the matters specifies in Para 3 and 4 of the said directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit for the year ended 31st March 2012 we report that:

- 1) We hereby state that M/s Esaar (India) Limited is engaged in the business of Non Banking Financial Institution and it has obtained a Certificate of Registration from the Reserve Bank of India.
- 2) The company is entitled to hold such Certificate of Registration in terms of its assets/income pattern as on 31st March, 2013.
- 3) The Board of Directors has passed a resolution for non acceptance of any public deposits in its meeting held on 23rd April, 2013.
- 4) The company has not accepted any public deposits during the year ended 31st March, 2013.
- 5) The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No. 116627W)**

Sd/-
**Pravin Chandak
Partner
Membership No. 049391**

**Place: Mumbai
Date: 30/05/2013**

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

Particulars		Amount in Rs.
Liabilities side:		
1	Loans and advances availed by the Non-Banking Financial Company Inclusive of interest accrued thereon but not paid:	
	(a) Debentures : Secured : Unsecured (other than falling within the meaning of public deposits*)	NIL
	(b) Deferred Credits	NIL
	(c) Term Loans	NIL
	(d) Inter corporate loans and borrowing	NIL
	(e) Commercial Paper	NIL
	(f) Other Loans (Demand Loan)	NIL
Assets side:		
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
	(a) Secured	NIL
	(b) Unsecured	Rs. 24,94,19,392/-
3	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Finance lease	NIL
	(b) Operating lease	NIL
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	NIL
	(b) Repossessed Assets	NIL
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	NIL
	(b) Loans other than (a) above	NIL
4	Break-up of Investments	
	Current Investments:	
	1) Quoted:	NIL

	(i) Shares: (a) Equity (b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2) Unquoted:	
	(i) Shares: (a) Equity (b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	Long Term Investments:	
	1) Quoted:	NIL
	(i) Shares: (a) Equity (b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2) Unquoted:	
	(i) Shares: (a) Equity (b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
5	Borrower group-wise classification of assets financed as in (2) and (3) above:	
	1) Related Parties	
	(a) Subsidiaries	NIL

	(b) Companies in the same group	NIL
	(c) other related parties	NIL
	2) Other than related parties	Rs. 24,94,19,392/-
	Total	Rs. 24,94,19,392/-
6	Investor group-wise classification of all investments (current long term) in shares and securities (both quoted and unquoted):	
	1) Related Parties	
	(a) Subsidiaries	NIL
	(b) Companies in the Same Group	NIL
	(c) Other Related Parties	NIL
	2) Other than related parties	NIL
	Total	NIL
7	(i) Gross Non-Performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	(ii) Net Non-Performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	(iii) Assets acquired in satisfaction of debt	NIL

CEO / CFO CERTIFICATION

To,
The Board of Directors,
Esaar (India) Limited
23-A, 12, Akash C.H.S. Talawad Nagar,
Ashok Nagar, Kandivali (East),
Mumbai: 400101

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief;
 - i) These statements do not contain any materially untrue statement 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. No transaction is entered into by the company during the year which is fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of and the which we are aware steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we 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) Ltd.

**Sd/-
Dheeraj Shah
(M.D / CEO)**

**Place: Mumbai
Date: 27/08/2013**

COMPLIANCE CERTIFICATE

To
The Members of
ESAAR (INDIA) LTD.

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2013.

For Esaar (India) Ltd.

Registered Office:
23-A, 12, Akash C.H.S.
Talawad Nagar, Ashok Nagar,
Kandivali (East), Mumbai: 400101.

Date: 27/08/2013

Sd/-
Dheeraj Shah
(M.D / CEO)

ESAAR (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in Indian Rupees)

	NOTES	31ST MARCH, 2013	31ST MARCH, 2012
<u>EQUITY & LIABILITIES</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	2	81,770,000	81,770,000
Reserves and Surplus	3	140,967,134	140,632,778
<u>NON CURRENT LIABILITIES</u>			
Deferred Tax Liabilities		2,060,484	2,338,839
<u>CURRENT LIABILITIES</u>			
Trade Payables	4	131,474	45,940
Other Current Liabilities	5	169,456,304	233,545,137
Short Term Provisions	6	446,699	767,052
	TOTAL	394,832,095	459,099,746
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Fixed Assets			
Tangible Assets	7	7,311,287	8,326,059
<u>CURRENT ASSETS</u>			
Inventories	8	135,449,488	145,043,899
Cash and Cash Equivalents	9	237,845	10,227,405
Short Term Loans and Advances	10	251,833,475	295,502,383
	TOTAL	394,832,095	459,099,746
Notes Forming Part of Financial Statements	1-26		
For Pravin Chandak & Associates Chartered Accountants (Firm Registration No.116627W)		For and on behalf of the Board of Directors of Esaar (India) Limited	
Sd/- Pravin Chandak Partner Membership No. 049391 Place : Mumbai Date: 30th May, 2013	Sd/- Dheeraj Shah (Managing Director)	Sd/- Avdhesh Pal (Director)	

ESAAR (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Indian Rupees)

PARTICULARS	NOTES	31ST MARCH, 2013	31ST MARCH, 2012
<u>INCOME</u>			
Revenue from operations	12	136,582,577	30,581,349
Total Income (I)		136,582,577	30,581,349
<u>EXPENSES</u>			
Purchase of traded goods		122,615,355	167,206,181
(Increase)/decrease in inventories of traded goods		9,594,411	(141,786,534)
Employee Benefits expense	13	2,542,843	2,554,187
Depreciation	7	1,014,772	1,014,772
Auditors Remuneration	14	44,000	25,127
Other expenses	15	268,496	1,105,557
Total Expenses (II)		136,079,878	30,119,290
Profit for the year before Tax	(I - II)	502,700	462,059
Tax Expenses :			
Current Tax		446,699	426,835
Tax of earlier years		-	(32,820)
Deferred Tax		(278,355)	(271,628)
Profit/(Loss) for the period		334,356	339,672
Earning per equity share:			
Basic		0.004	0.0039
Diluted		0.004	0.0039
Notes Forming Part of Financial Statements	1-26		
For Pravin Chandak & Associates Chartered Accountants (Firm Registration No.116627W)		For and on behalf of the Board of Directors of Esaar (India) Limited	
Sd/- Pravin Chandak Partner Membership No. 049391 Place : Mumbai Date: 30th May, 2013		Sd/- Dheeraj Shah (Managing Director)	Sd/- Avdhes Pal (Director)

ESaar (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Indian Rupees)

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
Cash Flow from Operating Activities				
Profit Before Tax and Extraordinary items (As per Profit and Loss Account)		502,700		462,059
Adjustments for:				
Depreciation		1,014,772		1,014,772
Operating Profit before Working Capital Changes		1,517,472		1,476,831
Adjustments for:				
(Increase)/Decrease in Inventories	9,594,411		(141,786,532)	
(Increase)/Decrease in Sundry Debtors	-		11,876	
(Increase)/Decrease in Other Receivable	44,373,586		(200,806,263)	
Increase/(Decrease) in Current Liabilities	(64,003,299)	(10,035,302)	192,769,017	(149,811,902)
Cash Generated From Operations		(8,517,830)		(148,335,071)
Less: Income Tax Paid		1,471,730		(1,152,816)
Cash Inflow Before Prior Period Adjustments		(9,989,560)		(149,487,887)
Less : Prior Period Adjustment		-		-
Net Cash from / (Used in) Operating Activities A		(9,989,560)		(149,487,887)
Net Cash from / (Used in) Investing Activities B		-		-
Cash Flow from Financing Activities				
Proceeds from issue of Securities	-		31,770,000	
Proceeds from premium on issue of Securities	-		127,080,000	
Net Cash from Financial Activities C		-		158,850,000
Net Increase/ Decrease in Cash and Cash		(9,989,560)		9,362,112
Cash and Cash Equivalents-Opening Balance		10,227,405		865,293
Cash and Cash Equivalents-Closing Balance		237,845		10,227,405

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

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

Sd/-
Pravin Chandak
Partner
Membership No. 049391
Place: Mumbai
Date: 30th May, 2013

Sd/-
Dheeraj Shah
(Managing Director)

Sd/-
Avdhesh Pal
(Director)

ESAAR (INDIA) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2013

(Amount in Indian Rupees)

PARTICULARS	31ST MARCH, 2013	31ST MARCH, 2012
2 Share Capital		
Authorized		
15,50,00,000 Equity Shares of Rs. 1 each (Previous year 15,50,00,000 Equity Shares of Rs. 1	155,000,000	155,000,000
Total Authorized Share Capital	155,000,000	155,000,000
Issued, Subscribed and Paid up		
8,17,70,000 Equity Shares of Rs. 1 each (Previous year ,8,17,70,000 Equity Shares of Rs. 1 Each)	81,770,000	81,770,000
Total Issued, Subscribed And Fully Paid Up Share Capital	81,770,000	81,770,000

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	31st March, 2013		31st March, 2012	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the period	81,770,000	81,770,000	50,000,000	50,000,000
Issued during the period	-	-	31,770,000	31,770,000
Bought back during the period	-	-	-	-
Outstanding at the end of the period	81,770,000	81,770,000	81,770,000	81,770,000

b. Terms/rights attached to equity shares

The Company has only one class of Equity Shares having par value of Rs. 1. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Details of shareholders holding more than 5%

Equity shares of Rs. 1 each fully paid	31st March, 2013		31st March, 2012	
	Numbers	% holding in the class	Numbers	% holding in the class
Smita Nitin Chhatwal	-	-	6,000,000	7.34
Dheeraj Babulal Shah	4,974,300	6.08	4,974,300	6.08
Vishal Vijay Shah	5,642,831	6.90		
Total	10,617,131	12.98	10,974,300	13.42

3	<u>Reserve & Surplus</u>		
	Securities Premium reserve		
	Balance as per last financial statements	135,144,490	8,064,490
	Add: New Equity shares issued during the year at premium	-	127,080,000
	Closing balance	<u>135,144,490</u>	<u>135,144,490</u>
	Statutory Reserves		
	Balance as per last financial statements	1,984,920	-
	Add: Transferred from statement of Profit and Loss	66,871	1,984,920
	Closing balance	<u>2,051,791</u>	<u>1,984,920</u>
	Surplus/(Deficit) in the Statement of Profit and Loss		
	Balance as per last financial statements	3,503,368	5,148,617
	Profit/ (loss) for the year	334,355	339,671
	Less: Appropriations		
	Transferred to Statutory Reserve	66,871	1,984,920
	Closing balance	<u>3,770,853</u>	<u>3,503,368</u>
	Total Reserves and Surplus	<u>140,967,134</u>	<u>140,632,778</u>
4	<u>Trade Payables</u>		
	Trade payables	131,474	45,940
	Total Trade Payables	<u>131,474</u>	<u>45,940</u>
5	<u>Other Current Liabilities</u>		
	Advance Received	169,450,502	233,545,137
	Duties & Taxes Payable	5,802	-
	Total Other Current Liabilities	<u>169,456,304</u>	<u>233,545,137</u>
6	<u>Short Term Provisions</u>		
	Provision for Income Tax	446,699	767,052
	Total Of Short Term Provisions	<u>446,699</u>	<u>767,052</u>
8	<u>Inventories</u>		
	(As certified by management)		
	Stock-in-trade	135,449,488	145,043,899
	Total Inventories	<u>135,449,488</u>	<u>145,043,899</u>
9	<u>Cash and Cash Equivalents</u>		
	Cash on hand	24,542	123,649
	Balance with bank	213,303	10,103,756
	Total Cash And Cash Equivalents	<u>237,845</u>	<u>10,227,405</u>

10 Short Term Loans and Advances

Loan and advances unsecured considered good

Loans and advances to related parties

Loans and advances to others

Deposits

Balance with statutory/government authorities

-	-
249,421,187	293,909,568
84,679	84,679
2,327,608	1,508,136
<u>251,833,474</u>	<u>295,502,383</u>

Total Short Term Loans And Advances

ESAAR (INDIA) LIMITED**NOTE 7: FIXED ASSETS**

(Amount in Indian Rupees)

ASSETS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	ASON 01.04.2012	ADD/(DED) DURING THE YEAR	ASON 31.03.2013	ADD/(DED) DURING THE YEAR	UPIO 31.03.2012	UPIO 31.03.2013	ASON 31.03.2013	ASON 31.03.2012
Plant & Machinery	20,102,926	-	20,102,926	954,889	11,994,696	12,949,585	7,153,341	8,108,230
Vehicles	513,033	-	513,033	48,738	350,521	399,259	113,774	162,512
Office Equipments	578,004	-	578,004	11,145	522,687	533,832	44,172	55,317
TOTAL Rs.	21,193,963	-	21,193,963	1,014,772	12,867,904	13,882,676	7,311,287	8,326,059
Previous Year	21,193,963	-	21,193,963	1,014,772	11,853,132	12,867,904	8,326,059	9,340,831

ESAAAR (INDIA) LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENT
AS AT 31ST MARCH, 2013**

(Amount in Indian Rupees)

	PARTICULARS	31ST MARCH, 2013	31ST MARCH, 2012
12	<u>Revenue From Operations</u>		
	Sales	121,087,530	16,987,300
	Interest	15,495,048	13,594,049
	Total Revenue from Operations	136,582,577	30,581,349
13	<u>Employee Benefits Expense</u>		
	Directors Remuneration	120,000	103,000
	Salaries	2,412,047	2,438,521
	Staff Welfare expenses	10,796	12,666
	Total Employee Benefits Expense	2,542,843	2,554,187
14	<u>Auditors Remuneration</u>		
	As auditor		
	Audit fee	40,000	16,854
	For certification	4,000	8,273
	Total Auditors Remuneration	44,000	25,127
15	<u>Other Expenses</u>		
	Advertisement	21,531	69,873
	Bank Charges	562	221
	Computer Expenses	40,312	42,900
	Depository Charges	7,558	50,648
	Electricity	14,026	10,462
	Office Expenses	8,628	14,081
	Listing Fees	25,000	163,500
	Printing & Stationery	10,157	17,655
	Postage & Courier	20,470	17,695
	Professional Fees	18,000	104,187
	ROC Charges	7,600	503,000
	Share Transfer charges	54,095	75,365
	Service Tax	14,365	-
	Telephone Charges	13,871	16,730
	Travelling and Conveyance	12,322	19,240
	Total Other Expenses	268,496	1,105,556.54

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) in India under the historical cost convention, on accrual basis. GAAP comprises mandatory Accounting Standards issued by the Companies (Accounting Standards) Amendment Rules, 2008 and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of Estimates

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

c) Revenue recognition

1. Income from Operation is recognised upon transfer of significant risks and rewards of ownership to the buyer.
2. Other Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
3. Dividend is recognised when the shareholders’ right to receive payment is established at the balance sheet date.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

e) Depreciation

Depreciation is provided using the Straight Line Method at the rates and in the manner as prescribed under schedule XIV of the Companies Act, 1956. In case of Software, the same is amortized over a period of five years.

f) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value

at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) **Investments**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost or fair value determined on individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary decline in the value of the investments.

h) **Taxation**

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognised as an asset and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

i) **Foreign Currency Transactions**

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Current assets and Current liabilities in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet.

Any income or expenses on account of exchange difference either on settlement or on translation is recongised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

j) **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

k) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

l) Cash Flow Statement

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise unencumbered cash and bank balances.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16. EMPLOYEE BENEFITS

Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

17. CONTINGENT LIABILITY:

	<u>2012-2013</u> Amount in Rs.	<u>2011-2012</u> Amount in Rs.
Contingent Liabilities not provided for	NIL	NIL

18. EARNING PER SHARE:

Earnings per Share, as required by the Accounting Standard 20- "Earning Per Share" issued by the Institute of Chartered Accountants of India, is given below:

Particulars	2012-13 Amount in Rs.	2011-12 Amount in Rs.
Net profit for the period attributable to Equity Shareholders (Rs.)	3,34,356	3,39,672
Weighted Average No of Equity shares outstanding for Basic Earnings per share	8,17,70,000	8,71,66,827
Weighted Average No. of Equity shares outstanding for Diluted Earnings per share	8,17,70,000	8,71,66,827
Basic Earning Per Shares (face value of Rs. 1/-each) (Rs)	0.0041	0.0039
Diluted Earnings per share (face valued of Rs 1/-each) (Rs.)	0.0041	0.0039

19. RELATED PARTY TRANSACTION:

List of Related Parties:-

a) Key Management person

i) Dheeraj Shah

ii) Avedhesh Pal

<u>Related party</u>	<u>Nature of Transaction</u>	<u>2012-13</u> <u>Amount in Rs.</u>	<u>2011-12</u> <u>Amount in Rs</u>
Dheeraj Shah	Director's Remuneration	76,900	1,03,000
	Balance at year end	43,100	NIL

20. MAJOR COMPONENTS OF DEFERRED TAX LIABILITIES:

	<u>2012-2013</u> <u>Amount in Rs.</u>	<u>201-2011</u> <u>Amount in Rs.</u>
Deferred Tax Liability on carry forward losses	(20,60,484)	(23,38,839)
Deferred Tax Liability	(20,60,484)	(23,38,839)

21. Income in Foreign Currency NIL
22. Expenditure in Foreign Currency NIL
23. As per information available with the Company, none of the creditors has confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.
24. Trade payables, Trade receivables, Short Term Borrowings and Short term loans and advances balances are subject to confirmation and reconciliation.
25. Segment Information: The Company is engaged in single segment and there are no separate reportable segments as defined in AS-17.
26. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current's classification/ presentation.

AS PER OUR REPORT OF EVEN DATE

For Pravin Chandak & Associates.

(Chartered Accountants)

Firm Registration No. 116627W

For and on behalf of the Board

Sd/-
Pravin Chandak
(Partner)
M. No. 049391

Sd/-
Dheeraj Shah
(Managing Director)

Sd/
Avedhesh Pal
(Director)

Place: Mumbai
Date: 30/05/2013

ESAAR (INDIA) LIMITED

Registered Office: 23-A, 12, Akash C.H.S. Talawad Nagar, Ashok Nagar, Kandivali (East), Mumbai: 400101.

PROXY FORM

Reg. Folio No. _____

No. of Shares: _____

D.P. I. D* _____

Client ID* _____

I/we _____ of _____
_____ Being a shareholder / shareholders of Esaar (India) Ltd. Hereby appoint
_____ or failing him/her _____
_____ as my/ our proxy to attend and vote for me / us and on my/ our behalf at the 61st Annual General
meeting of the Company to be held on 27/09/2012 at 10:30 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2013

Signature of the shareholder _____



Note: The Proxy form duly completed and signed must be deposited at the registered office of the Company not less than 48 hours before the time for holding the Meeting

*Applicable for shares held in electronic form.

ESAAR (INDIA) LIMITED

Registered Office: 23-A, 12, Akash C.H.S. Talawad Nagar, Ashok Nagar, Kandivali (East), Mumbai: 400101.

**ATTENDANCE SLIP
61st Annual General Meeting**

Reg. Folio No. _____

No. of Shares: _____

D.P. I. D* _____

Client ID* _____

Name of the Attending Member _____

I/We hereby record my/our presence at the 61st Annual General Meeting of the company at Companies Banker Office at Axis Bank, First Floor, Springfield, Lokhandwala, Andheri (West), Mumbai – 400053.

Signature of the shareholder(s), / Proxy/ Representative _____

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

BOOK POST

If undelivered please return to:

REGISTERED OFFICE

23-A, 12, Akash C.H.S. Talawad Nagar,
Ashok Nagar, Kandiwali (East),
Mumbai: 400101

Web Site: www.esaarindia.com

Email: esaarindialtd@gmail.com

Form A

Format of covering letter of the annual Audit report to be filed with the Stock Exchange

1	Name of the Company	Esaar India Limited
2	Annual Financial Statements for the year ended	31st March 2013
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by – <ul style="list-style-type: none">• Dheeraj Shah (CEO/Managing Director) • Dheeraj Shah (CFO) • Pravin Chandak & Associates. Pravin Chandak (Auditor of the Company) • Sachin Waman Talgaonkar (Audit Committee Chairman)	<p><i>Dheeraj Shah</i></p> <hr/> <p><i>Dheeraj Shah</i></p> <hr/> <p><i>Pravin Chandak</i></p> <hr/> <p><i>Sachin Waman Talgaonkar</i></p> <hr/> 