

Annual Report 2020-21 69th Annual General Meeting



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CORPORATE INFORMATION

BOARD OF DIRECTORS KEY

Mr. Raghvendra Kumar
Executive Whole Time Director

Mrs. Dipti Yelve
Non- Executive, Independent Director

Mrs. Narmada Patel
Non- Executive, Independent Director

Mr. Mehul Kadiya
Non- Executive, Independent Director

Mr. Mehul Shah
Non- Executive, Non-Independent Director

Mr. Vaibhav Shastri
Non- Executive, Independent Director

MANAGERIAL PERSONNEL (KMP)

Mrs. Shruti Joshi
Chief Financial Officer

Mrs. Disha Shah
Company Secretary & Compliance Officer

AUDITORS:

Statutory Auditor

M/s. Harish Arora & Associates
Chartered Accountants

Internal Auditor

M/s. Rohit S.K.Jain & Co.
Chartered Accountants

Secretarial Auditor

M/s. Mamta Devpura &
Practising Company Secretaries

REGISTERED OFFICE:

204 B-Wing, New Prabhat SRA CHS LTD, Chikuwadi, Plot-115,
Next to Bisleri Factory, W. E, Highway, Andheri East Mumbai - 99
Tel No.: 02240676000
Email Id: cs@essaar.in
Website: www.essar.in

CORPORATE OFFICE:

Unit No. 101, Western Edge I, Kanakia Spaces,
Western Express Highway, Borivali (East) Mumbai -66
Email Id: cs@essaar.in
Tel No. 02240676000

REGISTRAR & SHARE TRANSFER AGENTS:

M/s. Purva Sharegistry India Private Limited

9 Shiv Shakti Industrial Estates, J R Boricha Marg.
Opp. Lodha Excelus, Lower Parel (East), Mumbai – 400011
Tel: 022-23012518
Email: support@purvashare.com
Website: www.purvashare.com

Forward Looking Statement

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

Notice

NOTICE is hereby given that the 69th Annual General Meeting of the Members of M/s. Esaar India Limited will be held on Monday, September 27, 2021 at 12.00 noon IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- 1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.**

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 including Balance Sheet as at March 31, 2021, Statement of Profit and Loss Account as at March 31, 2021 and Cash Flow Statement for the year ended as on that date together with Notes forming part of Accounts as audited and reported by the Auditors of the Company and the Directors' Report, as circulated to the Members and laid before meeting, be and are hereby considered, approved and adopted."

- 2. Re-appointment of Mr. Raghvendra Kumar, Director (DIN: 08126531), who retires from office by rotation and being eligible, offers himself for reappointment:**

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

"RESOLVED THAT Mr. Raghvendra Kumar (DIN: 08126531), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

SPECIAL BUSINESS:

- 1. To appoint Mr. Vaibhav Shastri (DIN: 02136309) as a Non-Executive, Independent Director of the Company and to consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT Mr. Vaibhav Shastri (DIN: 02136309), who was appointed as an Additional Director of the Company with effect from April 29, 2021 by the Board of Directors, pursuant to the provisions Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company and holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company. The Company has received notice proposing his candidatureship from member as required by section 160 of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and Regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, the appointment of Mr. Vaibhav Shastri (DIN: 02136309) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed there under, and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from April 29, 2021 up to April 28, 2026, be and is hereby approved."

2. To take a note on the Special Resolution passed through Postal Ballot on November 21, 2020 for the Reduction of Equity Share Capital of the Company along with observation letter received from BSE Ltd.

“RESOLVED THAT members be and is hereby take note of resolution passed through postal ballot on November 21, 2020 for reduction of equity share capital.”

RESOLVED FURTHER THAT members also take note of observation letter received from BSE Ltd (Stock Exchange) seeking clarification from company for the resolution passed through postal ballot prior to pre-approval from Stock exchange and National Company Law Tribunal (NCLT) and company's response on the same.”

3. Issuance of equity shares, and/or equity linked securities and/or securities convertible into equity shares and/or conversion of debt into equity shares through Private Placement/Qualified Institutional Placement (QIP) or preferential allotment.

“RESOLVED THAT pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendments thereto or re-enactment thereof for the time being in force), the Companies (Prospectus and Allotment of Securities) Rules, 2014, all other applicable rules under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “SEBI Regulations”), Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations 2004, as amended from time to time, and the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the stock exchanges where equity shares of face value INR 10 each of the Company are listed, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (“SEBI”), Government of India (“GOI”), Reserve Bank of India (“RBI”), Foreign Investment Promotion Board (“FIPB”), Department of Industrial Policy & Promotion (“DIPP”) and all other appropriate and / or competent authorities or bodies and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as “Board” which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to offer, create, issue, convert and allot in one or more tranches, to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers (“QIB”), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, trusts, stabilizing agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of Equity Shares and / or equity linked securities and/or securities convertible into equity shares and/or conversion of debt into equity shares, through Qualified Institutional Placement (QIP) or preferential allotment (referred to as “Securities”), for up to an aggregate amount of INR 500 Crores equivalent thereof in one or more foreign currency, inclusive of premium that may be fixed on such Securities under the provisions of SEBI (ICDR) Regulations at such price, being not less than the price determined in accordance with the pricing formula specified under the SEBI Regulations (or such other formula as may be prescribed by SEBI) or such lower price as may be permissible under the SEBI Regulations or notifications, considering the prevailing market conditions and other relevant factors and where necessary in consultation with the Lead Managers, Merchant Bankers, Underwriters, Guarantors, Financial and / or Legal Advisors, Depositories, Registrars and other agencies and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed, so as to enable to list on any stock

exchanges in India and / or on any of the overseas stock exchanges, wherever required and as may be permissible.”

“RESOLVED FURTHER THAT such issue/conversion shall be fully paid up and the allotment of such Securities shall be completed within 12 months from the date of the shareholders resolution approving the proposed Conversion of debt in to equity, preferential allotment, private placement and qualified institutional placement of Equity Shares or such other time as may be allowed by the SEBI Regulations from time to time.”

“RESOLVED FURTHER THAT the Equity Shares so issued shall in all respects rank pari passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company’s existing equity shares are listed.”

“RESOLVED FURTHER THAT the Securities to be created, issued allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, conversion or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalisation and approval of the offer documents(s), private placement offer letter, Conversion scheme, preferential allotment offer letter determining the form, proportion and manner of the issue/conversion, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India or abroad, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognised stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities, is authorised to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalisation of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilisation of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board

in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any officer of the Company.”

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

**Sd/-
Disha Shah
Company Secretary & Compliance Officer**

**Place: Mumbai
Date: August 20, 2021**

**ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Resolution Number - 1:

Mr. Vaibhav Shastri (DIN: 02136309) was appointed by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company as an Additional Non-Executive Non-Independent Director on April 29, 2021. He holds Office until the ensuing annual general meeting under section 161 (1) of the Companies Act, 2013. As per the current provisions of company law and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Vaibhav Shastri (DIN: 02136309) be appointed as an Non-Executive, Independent Director of the company pursuant to section 149, Schedule IV and other applicable provision, if any, of the Companies Act, 2013.

The proposed appointment is recommended by the board. In respect of his proposed appointment, the company has, as required by section 160 of the Companies Act, 2013, received a notice in writing regarding her candidature for the office of the director. Mr. Vaibhav Shastri has submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that he meets the criteria of independence as provided in sub section. Further he is not disqualified from being appointed as director in terms of section 164 of the Act.

In the Opinion of the Board the proposed appointment of Mr. Vaibhav Shastri as an independent director fulfils the conditions specified in the Act and the rules made there under and that her proposed appointment is independent of the management.

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

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

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

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed resolution.

Resolution Number – 2:

The Company was in receipt of observation from BSE (Stock Exchange) stating about approval taken from members prior to receipt of NOC from exchange and prior to any instruction from National Company Law Tribunal (NCLT). As response to the letter from BSE company has stated that since the Companies Act, 2013 and Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 are silent on the part of member approval, company has opted for prior approval of shareholder.

Company have filed petition with NCLT, however the same is pending before the NCLT. Meanwhile In view of aforesaid letter company is taking note of the same at this annual general meeting.

Further, observation letter is annexed to the notice which forms part of Annual Report.

Resolution Number – 3:

The Company has good opportunities for its growth and business expansion. This require sufficient resources including funds available and to be allocated, from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of its growth and business expansion, capital expenditure, long term working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals.

The consent of the members is sought for issuing Securities as stated in the resolution which shall result in issuance of further shares of the Company in accordance with the terms and nature of Securities to be issued by the Company. The members of the Company to authorise the Board of Directors or any Committee of the Board to raise funds through to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers ("QIB"), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, trusts, stabilizing agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of Equity Shares and / or equity linked securities and/or securities convertible into equity shares through Qualified Institutional Placement (QIP) or preferential allotment at a price to be determined as per the SEBI(Issue of Capital and Disclosure Requirement)Regulations or as per other applicable rules and regulations, to the extent of INR 500 Crores (Rupees Two Hundred Crores only) in Indian Rupees and / or an equivalent amount in any foreign currency under section 62 read with section 179 of the Act and other applicable laws. While no specific instruments of Securities have been identified at this stage, the Board may opt for one or more appropriate instrument(s) in the best interest of the Company. Such issue shall be subject to the provisions of the Act and Rules made thereunder, Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement) Regulations and other applicable laws. To meet the requirements for the above purposes and for other general corporate purpose, as may be decided by the board of directors (hereinafter called the "Board" which expression shall include any committee of directors constituted / to be constituted by the Board) from time to time, it is proposed to seek authorisation of the members of the Company in favour of the Board, without the need for any further approval from the members, to undertake the Private Placement, Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIBs") and/or Preferential allotment / Conversion of debt into equity in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI Regulations") and Section 42, 62 and 71 of the Act, as amended, The requirement of funds is proposed to be met both from equity issuance of appropriate securities as defined in the resolutions and from both domestic and international markets. Prudence would require the funding to be structured with equity to meet with the objective of optimisation of the cost. Section 62(1)(c) of the Act provides that, inter-alia, such further Equity Shares may be offered to any persons, whether or not such persons are existing holders of equity shares of the company as on the date of offer, by way of a Special Resolution passed to that effect by the members of the Company. Accordingly, consent of the members is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 to issue and allot Securities as stated in the Special Resolution.

Pursuant to the provisions of section 42, 62 and 71 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe aforesaid Equity Shares is required to obtain prior approval of the shareholders by way of a Special Resolution. If approved by the shareholders, QIP, preferential allotment, conversion of debt into equity shall be completed within Twelve Month from the date of passing of Special Resolution.

In view of the above, it is proposed to seek approval from the shareholders of the Company by way of Special Resolution to offer, create, issue and allot Equity Shares, in one or more tranches, to investors inter alia through QIP, Preferential allotment, conversion of debt into equity by way of private placement and to authorise the Board of Directors including any Committee thereof authorised for the purpose to do all such acts, deeds and things in the matter.