



**Essar Securities Limited**  
Essar House,  
11, K. K. Marg,  
Mahalaxmi,  
Mumbai- 400 034  
CIN:L65990TN2005PLC071791

T +91 22 6660 1100  
F +91 22 2354 4789

E:eslinvestors@essar.com  
[www.essar.com](http://www.essar.com)

**November 23, 2020**

To  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

**Sub: Annual Report of the Company for the financial year ended March 31, 2020**

**Ref: Scrip Code 533149**

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find attached herewith Annual Report of the Company for the financial year 2019-20.

Request you to kindly take the same on your record.

Thanking you,

Yours faithfully,

**For Essar Securities Limited**

  
  
**Rachana H Trivedi**  
**Company Secretary & Compliance Officer**



# Annual Report

## 2019-20

**Essar Securities Limited**



**Board of Directors**

Mr. Somashekhar B. Malagi  
Ms. Priyanka Oka  
Mr. Srikanth R. Venkatadriagaram

**Company Secretary**

Ms. Laxmi Joshi (up to July 27, 2020)  
Ms. Rachana H Trivedi (w.e.f. September 14, 2020)

**Auditors**

M/s. D K S K & Company  
Chartered Accountants  
D 44, Vijay Nagar Colony,  
Vikrampur,  
Secunderabad 500009

**Bankers**

Kotak Mahindra Bank Limited  
Axis Bank Limited

**Registered Office**

New No. 77/56,  
C. P. Ramaswamy Road,  
Abhiramapuram,  
Chennai – 600 018, Tamil Nadu  
Tel: +91 44 24995340

**Corporate Office**

Essar House,  
11, K. K. Marg,  
Mahalaxmi,  
Mumbai – 400 034  
Tel: +91 22 6660 1100  
Fax: +91 22 2354 4789  
Visit us at [www.essar.com](http://www.essar.com)

**Registrar and Transfer Agent**

Data Software Research Company Private Limited  
No.19, Pycrofts Garden Road,  
Off. Haddows Road, Nungambakkam  
Chennai - 600 006, Tamil Nadu  
Tel.: +91-44-2821 3738 and +91-44-2821 4487  
Fax.:+91-44-2821 4636  
Email : [essar.securities@dsrc-cid.in](mailto:essar.securities@dsrc-cid.in)

<b>INDEX</b>	
	<b>Page No.</b>
Notice	2
Directors' Report	7
Independent Auditors' Report	33
Balance Sheet	38
Statement of Profit and Loss	39
Cash Flow Statement	40
Significant Accounting Policies and Notes to Account	42
Proxy Form	53
Attendance Slip	55
E-mail registration form	57

## NOTICE OF 15<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15<sup>th</sup> Annual General Meeting of the members of Essar Securities Limited will be held on Friday, December 18, 2020 at 11.30 a.m. at **Utsava, New No.38, 2nd Main Road, R.A.Puram, Chennai – 600 028, Tamil Nadu** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Ms. Priyanka Oka (DIN: 08066379), who retires by rotation, and being eligible, offers herself for re-appointment.

By order of the Board of Directors  
For Essar Securities Limited

November 11, 2020  
Mumbai

**Rachana H Trivedi**  
Company Secretary

### Registered office

56, New No. 77,  
C. P. Ramaswamy Road,  
Abhiramapuram,  
Chennai – 600 018  
Tamil Nadu

### NOTES

1. Considering the practical difficulties being faced by Companies in conducting AGM on or before the due date of September 30, 2020 on account of the Covid-19 pandemic and after taking cognizance of the gravity of the public health situation; MCA, with a view to provide necessary relief to such companies, vide its General Circular No 28/2020 dated August 17, 2020 and Order dated September 8, 2020, extended the time within which Companies are mandated to hold the AGM by a period not exceeding three months i.e. till December 31, 2020.
2. A member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies to attend and vote instead of himself/herself and such proxy/proxies need not be a member of the company.
3. The instrument of proxy in order to be effective must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Annual General Meeting ("AGM").
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten (10%) percent of the total share capital of the Company. A Member holding more than ten (10%) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, December 12, 2020 to Friday, December 18, 2020 (both days inclusive) for the purpose of the AGM of the Company.
6. Members/Proxies/Representatives should bring the duly filled attendance slip along with their copy of Annual Report at the AGM.
7. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
8. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the AGM.
10. Members are requested to:
  - a) intimate to the Company's Registrar and Share Transfer Agent - Data Software Research Company Private Limited ("DSRC"), changes, if any, in their registered addresses, in case of shares held in physical form;
  - b) intimate to their Depository Participant with whom they are maintaining their demat accounts, changes, if any, in their registered addresses/email ID, in case of shares held in dematerialized form.
  - c) quote their Folio Numbers/Client ID/DP ID in all correspondence; and
  - d) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc., from the Company electronically.

12. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 9,85,302/- being the unpaid and unclaimed dividend amount pertaining to Financial Year 2010-11 to the IEPF. Details of the unpaid / unclaimed dividend are also uploaded as per the requirements on the Company's website [www.essar.com](http://www.essar.com).
13. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF Authority. The Company had transferred 5,25,016 equity shares of ₹ 10/- each to the IEPF Authority on which the dividends remained unpaid or unclaimed for seven consecutive years after following the prescribed procedure.
- The Members whose dividend / shares has been transferred to the IEPF Authority can claim their dividend / shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.
14. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or DSRC.
15. In terms of Listing Regulations, the securities of the listed companies can only be transferred in dematerialized form with effect from April 01, 2019. In view of the same, Members are advised to dematerialize shares held by them in physical form.
16. Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose email addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by the permitted mode. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website of the Company [www.essar.com](http://www.essar.com) for their download.
17. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the AGM. This would enable the Company to compile the information and provide replies in the AGM.
18. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays, up to and including the date of the AGM.
19. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
20. Members holding shares in single name and physical form are advised to make nomination in respect of shareholding in the Company. Members can avail of the Nomination facility by filing Form SH-13 with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in Demat form, the nomination has to be lodged with their Depository Participants.
21. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to DSRC in case the shares are held in physical form.
22. At the 12<sup>th</sup> AGM held on September 29, 2017 the Members approved appointment of M/s. D K S K & Company, Chartered Accountants (Firm Registration No. 017224S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 17<sup>th</sup> AGM, subject to ratification of their appointment by Members at every AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the 15<sup>th</sup> AGM.

23. Members are hereby advised to contact Data Software Research Company Private Limited, Registrar and Share Transfer Agent of the Company, at the following address for any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change of address, non-receipt of annual report, dividend payments and other query / grievance relating to the shares of the Company:

**Add:** No.19, Pycrofts Garden Road,  
Off. Haddows Road, Nungambakkam,  
Chennai - 600 006, Tamil Nadu  
**Tel.:** +91-44-2821 3738 and +91-44-2821 4487  
**Fax:** +91-44-2821 4636  
**Email ID:** [essar.securities@dsrc-cid.in](mailto:essar.securities@dsrc-cid.in)

24. Route Map showing directions to reach to the venue is attached to this report.

25. **General instructions for voting**

- (a) In compliance with the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions at the AGM by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ('remote e-voting').
- (b) The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as agency to provide e-voting facility.
- (c) The facility for voting through ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot papers.
- (d) The Members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
- (e) The remote e-voting shall commence on December 15, 2020 (9.00 a.m.) and ends on December 17, 2020 (5.00 p.m.). During this period, shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. December 11, 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the

shareholder, the shareholder shall not be allowed to change it subsequently.

- (f) A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- (g) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. December 11, 2020.
- (h) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of remote e-voting and voting at AGM through ballot paper.
- (i) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (j) Mr. K. Sridhar (Membership No. FCS 9939) of M/s. IBH & Co., Practicing Company Secretaries, has been appointed as Scrutinizer to scrutinize the voting through ballot paper and remote e-voting process in a fair and transparent manner.
- (k) The Scrutinizer, after scrutinizing the votes cast at the AGM through ballot paper and through remote e-voting, will, not later than 48 hours of conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company viz. [www.essar.com](http://www.essar.com) and on the website of the CDSL viz. [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to the stock exchange.
- (l) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. December 18, 2020.

**The process and manner for remote e-voting are as under**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders/Members.
- (iii) Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,



- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will

then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'P ASSWORD CREATION' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Essar Securities Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow



the instructions as prompted by the mobile app while voting on your mobile.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be

able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## DIRECTORS' REPORT

To,

The members of Essar Securities Limited ("the Company")

The Directors present the 15<sup>th</sup> Annual Report of the Company together with its Audited Financial Statements for the financial year ended March 31, 2020.

### 1. FINANCIAL SUMMARY

The financial highlights for the year under review are given below:

(₹ In Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from Operations	-	-
Other Income	0.32	100.54
<b>Total Income</b>	<b>0.32</b>	<b>100.54</b>
<b>Less: Total Expense</b>	<b>17.35</b>	<b>28.98</b>
<b>Profit/(Loss) before tax</b>	<b>(17.03)</b>	<b>71.56</b>
Less: Tax Adjustments of Earlier year	(1.58)	-
<b>Profit/(Loss) after tax</b>	<b>(18.61)</b>	<b>71.56</b>
Total Comprehensive Income for the year	(18.61)	71.56

### 2. FINANCIAL PERFORMANCE & STATE OF COMPANY'S AFFAIRS

During the year under review, the total income of the Company was ₹0.32 lakhs as against ₹100.54 lakhs in the previous financial year. The Company has incurred net loss of ₹18.61 lakhs as against net profit of ₹71.56 lakhs in the previous financial year.

The Company's performance and outlook for the year under review has been discussed in detail in Management Discussion and Analysis which forms a part of this Report.

### 3. AMOUNT TRANSFERRED TO RESERVES

The Directors do not propose to transfer any amount to reserves for the financial year ended March 31, 2020.

### 4. SHARE CAPITAL

There was no change in the capital structure of the Company during the financial year under review. The paid up share capital as on March 31, 2020 was ₹14,28,77,540/- comprising of 1,42,87,754 Equity

Shares of ₹10/- each.

### 5. DIVIDEND

The Directors do not recommend any dividend for the financial year ended March 31, 2020.

### 6. INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124(5) of Companies Act, 2013, the Company has transferred unpaid/unclaimed dividend amount aggregating to ₹9,85,302/- pertaining to the financial year 2010-11 to the Investor Education and Protection Fund (IEPF) during the financial year under review.

Pursuant to Section 124(6) of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred 5,25,016 shares in respect of which the dividend mentioned aforesaid has remained unpaid or unclaimed for a period of seven consecutive years to IEPF demat account during the financial year under review.

The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Mr. Somashekhar B. Malagi (DIN:07626139) and Mr. Srikanth R. V enkatadiagram (DIN:07923382) are continues to be Independent Directors of the Company.

#### Retirement by Rotation

Ms. Priyanka Oka retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking members' approval for her re-appointment forms part of the Notice.

#### Key Managerial Personnel (KMP)

Ms. Rachana H Trivedi has been appointed as a Company Secretary and Compliance Officer w.e.f. September 14, 2020.

Ms. Laxmi Joshi, Secretary of the Company had resigned w.e.f. July 22, 2020. The Board places on record its appreciation for the valuable contribution made by her during his tenure as a Secretary of the company.

### 8. DECLARATION FROM INDEPENDENT DIRECTORS

All the Independent Directors have given their respective Declaration of Independence, as required under Section 149(7) of the Companies Act, 2013,

stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

#### 9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met 4 (Four) times during the year under review. The details of Board meetings held and attendance of the Directors are provided in the Corporate Governance Report forming part of this Report.

#### 10. AUDIT COMMITTEE

The Board has constituted an Audit Committee comprising of Mr. Somashekhar B. Malagi as Chairman, Ms. Priyanka Oka and Mr. Srikanth Rajamani Venkatadriagaram as its members.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

#### 11. NOMINATION AND REMUNERATION COMMITTEE

The information pertaining to Nomination and Remuneration Committee is furnished in the Corporate Governance Report, which forms part of this Report.

#### 12. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has adopted Nomination and Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Policy provides criteria for fixing remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee. The Remuneration Policy is appended to this report as **Annexure A**.

#### 13. MANAGERIAL REMUNERATION AND OTHER DETAILS

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 is furnished in the **Annexure B** to this report.

#### 14. EVALUATION OF THE PERFORMANCE OF THE BOARD

In terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation of the performance of the Board, its Committees and of individual Directors was carried out with a structured questionnaire covering various aspects of the Board functioning such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on factors such as level of participation, independence of judgement, interpersonal relationship, etc. On the basis of evaluation exercise, the Board is of the view that the Board and its Committees operate effectively.

#### 15. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Policy is available on the website of the Company at [www.essar.com](http://www.essar.com).

#### 16. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge state that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and 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 the financial year March 31, 2020 and of the profit of the Company for that period;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the accounts for the financial year ended March 31, 2020 on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- 17. CHANGE IN NATURE OF BUSINESS, IF ANY**  
There was no change in the nature of business of the Company during the financial year ended March 31, 2020.
- 18. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**  
There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and on the date of this Report.
- 19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**  
Considering the nature of business of the Company, the information required under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption is not applicable. There were no foreign exchange earnings or outgo during the period under review.
- 20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**  
There are no women employees in the Company. Accordingly, the said provisions are not applicable to the Company.
- 21. CORPORATE SOCIAL RESPONSIBILITY**  
The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.
- 22. LOANS, GUARANTEES, SECURITIES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**  
The Company has not provided any loans, guarantees, securities or made investments covered under Section 186 of the Companies Act, 2013.
- 23. RELATED PARTIES TRANSACTIONS**  
In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Policy on Related Party Transactions which is available on Company's website at www.essar.com.  
  
There were no material related party transactions entered into by the Company during the financial year under review. The Company has not entered into any transactions with related parties which were not in its ordinary course of business or not on an arm's length basis. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company.
- 24. DEPOSITS**  
During the year under review, the Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.
- 25. AUDITORS**  
**Statutory Auditors**  
M/s. D K S K & Company, Chartered Accountants (Firm Registration No. 017224S), were appointed as the Statutory Auditors of the Company at the 12<sup>th</sup> Annual General Meeting (AGM) of the Company held on September 29, 2017 to hold office from the conclusion of the 12<sup>th</sup> AGM till the conclusion of the 17<sup>th</sup> AGM to be held in the year 2022 subject to ratification of their appointment by the members every year.  
  
The Ministry of Corporate Affairs vide its Notification dated 7<sup>th</sup> May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the members every year. Accordingly, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.
- Statutory Auditors' Report**  
The Auditors' Report for the financial year ended March 31 2020, do not contain any qualification or reservation or adverse remark.  
  
There were no frauds reported by the Auditors under the provisions of Section 143(12) of the Companies Act, 2013.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Uma Lodha (Membership No. FCS 5363), Prop. M/s. Uma Lodha & Co. Associates, Practising Company Secretaries, were appointed as the Secretarial Auditors to carry out the secretarial audit of the Company for the financial year 2019-20.

### Secretarial Audit Report

A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **Annexure C**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report. However, there are few observations made by Secretarial Auditors. The below are the replies to the observations made by Secretarial Auditors:

#### Reply to observation 1:

The Company is in process of appointing another KMPs as required under the provisions of Section 203 (1) of the Companies Act, 2013.

#### Reply to observations 2:

The Company did not have any business operations during the year under review. Accordingly, there is no Executive Director on the Board of the Company.

#### Reply to observations 3, 4 & 5:

The Company has put in place adequate internal controls to ensure utmost compliance pertaining to Stock Exchange, SEBI, Company Law, etc.

### 26. RISK MANAGEMENT POLICY

The Company has framed Risk Management Policy to identify, evaluate, monitor and minimize identifiable risks such as strategic, financial, operational, compliance, legal and regulatory, etc. and to manage and control risks on a continuous basis.

In terms of Regulation 21(5) of Listing Regulations, the Risk Management Committee is not applicable to the Company.

### 27. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate system of internal controls that are commensurate with its size and nature of business to safeguard and protect the Company from losses, unauthorised use or disposition of its assets. All the transactions are properly authorised, recorded and reported to the management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and ensuring timely

reporting of financial statements.

### 28. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary company or joint venture during the financial year under review.

### 29. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure D** and is attached to this Report.

### 30. CORPORATE GOVERNANCE REPORT

In compliance with the provisions of Regulation 34 read with Schedule V of the Listing Regulations, the Corporate Governance Report of the Company for the financial year ended March 31, 2020 and a Certificate from M/s. D K S K & Company, Chartered Accountants, the Auditors, on compliance with the provisions of Corporate Governance requirements as prescribed under the said Regulations are annexed and forms part of this Annual Report. A Certificate of the CEO and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is also annexed.

### 31. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### 32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There have been no significant and material orders passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

### 33. ACKNOWLEDGEMENT

The Directors of the Company express their appreciation for the continuous support and co-operation received from all the stakeholders during the year.

For and on behalf of the Board of Directors of  
Essar Securities Limited

November 11, 2020  
Mumbai

**Somashekhar B. Malagi**  
Director DIN: 07626139

Priyanka Oka  
Director  
DIN: 08066379



## ANNEXURE A TO THE DIRECTORS' REPORT

### NOMINATION AND REMUNERATION POLICY

Essar Securities Limited recognizes the need to have a fair, transparent and reasonable process for determining the appropriate remuneration at all levels of the Company. Company also believes that board is responsible to its shareholders to ensure that interests of the directors, key managerial personnel and other employees are aligned with the interests of the shareholders.

#### 1. OBJECTIVE

The Nomination & Remuneration Committee comprises of three Directors and the Key objectives of the Committee would be: -

- 0.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 0.2 To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 0.3 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 0.4 To identify persons to be recruited in the Key Managerial Personnel of the Company.
- 0.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

#### 2. DEFINITIONS

- 1.1 "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 1.2 "Board" means Board of Directors of the Company.
- 1.3 "Key Managerial Personnel" means Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other officer as may be prescribed.
- 1.4 "Senior Management" mean personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### 3. ROLE OF COMMITTEE

- 2.1 Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to

the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- 2.2 Formulation of criteria for evaluation of Independent Directors and the Board.
- 2.3 Devising a policy on Board diversity.
- 2.4 Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 2.5 Policy for appointment and removal of Director, KMP and Senior Management.
- 2.6 To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- 2.7 To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### 4. APPOINTMENT CRITERIA AND QUALIFICATIONS

- 3.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 3.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- 3.3 The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 3.4 A whole-time KMP of the Company shall not hold office in more than one Company except

in its Subsidiary Company at the same time. However they can be appointed as Director in any Company with the permission of the Board of Directors of the Company.

## 5. TERM / TENURE

### 5.1 Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### 5.2 Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

## 6. EVALUATION

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

## 7. REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

## 8. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## 9. POLICY RELATING TO THE REMUNERATION FOR THE MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

8.1 The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

8.2 The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 1,00,000 (Rupees One Lakh only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

8.3 An Independent Director shall not be entitled to any stock option of the Company.

## 10. POLICY REVIEW

This policy is framed based on the provisions of the Companies Act, 2013 read with rules made there under and the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Earlier Clause 49 of the Listing Agreement). This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors.



## ANNEXURE B TO THE DIRECTORS' REPORT

### **A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20:**

The Directors of the Company are not paid any remuneration or sitting fees. There are no employees on the payroll of the Company. Hence, the aforesaid ratio is not applicable.

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2019-20:**

Not Applicable.

- (iii) **The percentage increase in the median remuneration of employees in the financial year 2019-20:**

Not Applicable.

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

Nil.

- (v) **Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Not Applicable.

### **B. STATEMENT SHOWING PARTICULARS OF EMPLOYEES AS PER THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

There are no employees on the payroll of the Company. Hence, the aforesaid provision is not applicable to the Company.

**For and on behalf of the Board of Directors of Essar Securities Limited**

August 11, 2020  
Mumbai

**Somashekhar B. Malagi**  
Director  
DIN : 07626139

## Form MR-3

## SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2020

To  
The Members of  
**ESSAR SECURITIES LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. ESSAR SECURITIES LIMITED (CIN: L65990TN2005PLC071791) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records provided by the Management of M/s. ESSAR SECURITIES LIMITED for the financial year ended 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder along with the Notifications and Circulars issued by Ministry of Corporate Affairs from time to time;
- (ii) The Securities Contracts (regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As informed and certified by the management, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

As per the representation given by the Company, all the existing related party transactions of the Company with its related parties are in the ordinary course of business and on arm's length basis or as per the contracts existing on the commencement of the Act, 2013 and have been approved by the Audit Committee.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *During the year under review, the office of Whole time Key Managerial Personnel i.e., Mr. Girish Sathe, Chief Executive Officer and Mr. Kapil Purohit, Chief Financial Officer of the Company was vacated on 13<sup>th</sup> August, 2019 and the resulting vacancy was not filled within 6 months from the date of vacancy resulting to Non- Compliance of Section 203(4) of the Companies Act, 2013, Consequently, resulting in non-compliance of Section 134 of the Companies Act, 2013 along with Regulation 33 of SEBI (Listing Obligations and*

- Disclosure Requirements) Regulations, 2015 with respect to Signing of Financial Results for the quarter 30<sup>th</sup> September, 2019, 31<sup>st</sup> December, 2019 and year ended 31<sup>st</sup> March, 2020.*
2. *During the year under Review, there is no Executive Director, due to which there was no optimum combination of Board as required under 17(1) (a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
  3. *During the year under review, In case of Re-appointment of Priyanka Oka, Non-Executive Director who retires by Rotation, information as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not provided in Annual Report .*
  4. *During the year under Review, the Chairman of the Audit Committee, Stakeholder Relationship Committee and Nomination & Remuneration Committee, Mr. Somashekhar Basavaraj Malagi was not present at the Annual General Meeting held on 27<sup>th</sup> September 2019, resulting into Non-compliance of Regulation 18(1)(d) and 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
  5. *During the year under review, the Limited Review or Audit Reports submitted to the stock exchange(s) on a Quarterly or Annual basis were given by the M/s. D K S K & Company, Chartered Accountant of the Company who does not hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, resulting in Non-compliance of Regulation 33(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

I further report that there were no events/actions in pursuance of:

- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009;

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999;

#### **We further report that**

The Board of Directors of the Company consists of only Non-Executive Directors and Independent Directors and Woman Director. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, Regulations, and guidelines.

**We further report that** during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Uma Lodha & Co.

**Uma Lodha**  
 Proprietor

FCS No.: 5363

C.P. No.2593

UDIN No.: F00536313001206167

Place: Mumbai  
 Date: 11.11.2020

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE B(i)' and forms an integral part of this report.

**ANNEXURE B(i)'**

To,

The Members,

**ESSAR SECURITIES LIMITED**

Our report of even date is to be read along with this letter .

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the basis of the information provided by the Management. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- Due to restricted movement amid COVID-19 pandemic, my basis of examination for issuing Secretarial Audit Report for the financial year 2019-20 was only restricted to the information/documents/ Confirmations/Records provided by the Company in the electronic mode and could not be verified from the original records. The management has confirmed that the records submitted to me are the true and correct.

For Uma Lodha & Co.

**Uma Lodha**  
*Proprietor*

FCS No.: 5363

C.P. No.2593

UDIN No.: F00536313001206167

Place: Mumbai

Date: 11.11.2020

## ANNEXURE - D TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

(as on the financial year ended on March 31, 2020)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L65990TN2005PLC071791
2.	Registration Date	16/12/2005
3.	Name of the Company	Essar Securities Limited
4.	Category/Sub-Category of the Company	Company limited by shares/Non-Govt Company
5.	Address of the Registered office and contact details	New No. 77/56, C. P. Ramaswamy Road, Abhiramapuram, Chennai – 600018, Tamil Nadu. Phone : 044 2499 5340
6.	Whether listed Company (Yes/No):-	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Data Software Research Company Private Limited Unit: Essar Securities Limited No. 19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai 600006, Tamil Nadu, India Tel.: +91-44-2821 3738 and +91-44-2821 4487 Fax: +91 44 2821 4636 Email ID: essar.securities@dsrc-cid.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
-	-	-	-

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
-	-	-	-	-	-

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## I. Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
(1)	<b>Indian</b>									
(a)	Bodies Corporate	3231844	0	3231844	22.62	3209343	0	3209343	22.46	-0.16
	<b>Sub-Total (A)(1)</b>	<b>3231844</b>	<b>0</b>	<b>3231844</b>	<b>22.62</b>	<b>3209343</b>	<b>0</b>	<b>3209343</b>	<b>22.46</b>	<b>-0.16</b>
(2)	<b>Foreign</b>									
(a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Promoter Shareholding = (A)(1)+(A)(2)</b>	<b>3231844</b>	<b>0</b>	<b>3231844</b>	<b>22.62</b>	<b>3209343</b>	<b>0</b>	<b>3209343</b>	<b>22.46</b>	<b>-0.16</b>
<b>B.</b>	<b>Public Shareholding</b>									
(1)	<b>Institutions</b>									
(a)	Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions/ Banks	80	2236	2316	0.02	80	2236	2316	0.02	0.00
(c)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor									
(i)	Any other (Specify)									
(ii)	Foreign Bank	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(1)</b>	<b>80</b>	<b>2236</b>	<b>2316</b>	<b>0.02</b>	<b>80</b>	<b>2236</b>	<b>2316</b>	<b>0.02</b>	<b>0.00</b>
(2)	<b>Non-Institutions</b>									0.00
(a)	Bodies Corporate	817892	58306	876198	6.13	728507	58306	786813	5.51	-0.63
(i)	Indian									
(b)	<b>Individuals</b>									
(i)	Individual Shareholders holding Nominal Share Capital upto ₹ 1 lakh	2017383	393983	2411366	16.88	2066901	390848	2457749	17.20	0.32
(ii)	Individual Shareholders holding Nominal Share Capital in excess of ₹ 1 lakh	7419918	0	7419918	51.93	7509026	0	7509026	52.56	0.62
(c)	<b>Others</b>									
(i)	Qualified Foreign Investor									
-	Non Resident Individuals	300591	45521	346112	2.42	277324	45183	322507	2.26	-0.17
-	Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(2)</b>	<b>10555784</b>	<b>497810</b>	<b>11053594</b>	<b>77.36</b>	<b>10581758</b>	<b>494337</b>	<b>11076095</b>	<b>77.52</b>	<b>0.16</b>
	<b>Total Public Shareholding (B)=(B)(1)+B(2)</b>	<b>10555864</b>	<b>500046</b>	<b>11055910</b>	<b>77.38</b>	<b>10581838</b>	<b>496573</b>	<b>11078411</b>	<b>77.54</b>	<b>0.16</b>
	<b>TOTAL (A) + (B)</b>	<b>13787708</b>	<b>500046</b>	<b>14287754</b>	<b>100.00</b>	<b>13791181</b>	<b>496573</b>	<b>14287754</b>	<b>100.00</b>	<b>0.00</b>

Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C	Shares held by Custodians and against which Depository Receipts have been issued									
<b>Grand Total (A+B+C)</b>		<b>13787708</b>	<b>500046</b>	<b>14287754</b>	<b>100.00</b>	<b>13791181</b>	<b>496573</b>	<b>14287754</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters and Promoters group

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 2019			Shareholding at the end of the year 2020			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Essar capital Limited	2917637	20.42	0.00	2917637	20.42	0.00	0.00
2	Vajresh Consultants Limited (formerly known as Essar Capital Limited)	314207	2.20	0.00	291706	2.04	0.00	-0.16
<b>Total</b>		<b>3231844</b>	<b>22.62</b>	<b>0.00</b>	<b>3209343</b>	<b>22.46</b>	<b>0.00</b>	<b>-0.16</b>

## iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2019		Date	Increase / decrease in Shareholding	Reason	Cumulative Shareholding during the year (1.4.2019-31.03.2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Essar capital Limited	2917637	20.42				2917637	20.42
2	Vajresh Consultants Limited	314207	2.20	20.12.2019	-12689	Sold		
				27.12.2019	-4812	Sold		
				31.12.2019	-5000	Sold	291706	2.04
<b>Total</b>		<b>3231844</b>	<b>22.62</b>				<b>3209343</b>	<b>22.46</b>

## iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2019		Date	Increase/ decrease in Shareholding	Reason	Cumulative Shareholding during the year (1.4.2019-31.03.2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	VIPUL JAYANTILAL MODI	1402800	9.82				1402800	9.82
2	HARSHA HITESH JAVERI	1130000	7.91				1130000	7.91
3	HITESH RAMJI JAVERI	1000000	7.00				1000000	7.00
4	JAISHREE PRAKASH SHAH	594000	4.16				594000	4.16
5	HEMANT RATILAL SHAH	538200	3.77	12.04.2019	-19500	Sold		
				19.04.2019	-18700	Sold		
				31.05.2019	3200	Bought	503200	3.52
6	AKHIL CHANDRA DEKA	226414	1.58				226414	1.58



Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2019		Date	Increase/ decrease in Shareholding	Reason	Cumulative Shareholding during the year (1.4.2019-31.03.2020)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
7	KRISHNA KUMAR DHARAMSHI SOMAIYA	170111	1.19				170111	1.19
8	MANOJ AGARWAL	144900	1.01				144900	1.01
9	SHUBHRA SHAH	128635	0.90				128635	0.90
10	KRISHHEY SAMEER THACKER	104148	0.73				104148	0.73

**v. Shareholding of Directors and Key Managerial Personnel: NIL**

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment relating to Secured Loans, Unsecured Loans and / or Deposits for the financial year 2019 -20: **NIL**

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- (a) Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL  
 (b) Remuneration to other directors: NIL  
 (c) Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD: NIL

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief description	Details of penalty / punishment / Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>B. DIRECTORS</b>			Nil		
Penalty					
Punishment					
Compounding					
<b>C. OFFICERS IN DEFAULT</b>					
Penalty			Nil		
Punishment					
Compounding					

For and on behalf of the Board of Directors of Essar Securities Limited

November 11, 2020  
 Mumbai

Somashekhar B. Malagi  
 Director  
 DIN : 07626139

## CORPORATE GOVERNANCE REPORT

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company believes that adhering to global standards of Corporate Governance is essential to enhance shareholders value and achieve long term corporate goals. The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability and protection of shareholders' interests. The Board continuously monitors the performance and ensures compliance of regulatory requirements including Listing Regulations.

### 2. BOARD OF DIRECTORS

#### a) Composition and category of Directors

The Board consists of experienced professionals with expertise in varied field. As at 31<sup>st</sup> March, 2020, the composition of the Board of Directors of the Company was as follows:

Sr. No.	Name	Category
1.	Mr. Somashekhar B. Malagi	Non-Executive & Independent Director
2.	Mr. Srikanth R. Venkatadriagaram	Non-Executive & Independent Director
3.	Ms. Priyanka Oka	Non-Executive & Non-Independent Director

#### b) Attendance of each Director at the Board Meeting and the last Annual General Meeting (AGM)

During the financial year 2019-20, the Board met Four (4) times. The gap between two Board Meetings did not exceed 120 days. The details of the attendance of the Directors at these Meetings are as follows:

Name of Director	Attendance of Directors in Board Meeting held in Financial Year 2019-20				Attendance at last AGM on 27/09/19	
	28/05/19	13/08/19	12/11/19	13/02/20		
Mr. Somashekhar B. Malagi	Yes	Yes	Yes	Yes	No	
Ms. Priyanka Oka	Yes	Yes	Yes	Yes	No	
Mr. Srikanth R. Venkatadriagaram	Yes	Yes	Yes	Yes	Yes	

#### c) Number of other Board of Directors or committees in which a director is a member or chairperson as on 31<sup>st</sup> March, 2020

The Directorship/Committee positions of the

Directors in other companies are as follows:

Name of the Directors	No. of other Directorship*	Other Committee Position** (including Essar Securities Limited)	
		Chairman	Member
Mr. Somashekhar B. Malagi	-	2	2
Ms. Priyanka Oka	-	Nil	2
Mr. Srikanth R. Venkatadriagaram	-	Nil	2

\*Includes only of listed companies in terms of Regulation 25(1) of the Listing Regulations.

\*\*Includes only Audit Committee and Stakeholders Relationship Committees as per Regulation 26(1)(b) of the Listing Regulations.

#### d) Number of meetings of the Board of Directors held and dates on which held

During the year under review, the Board met 4 (Four) times on May 28, 2019, August 13, 2019, November 12, 2019, February 13, 2020.

#### e) Disclosure of relationships between directors inter-se

There is no relationship between the Directors inter se.

#### f) Number of shares and convertible instruments held by non-executive directors

None of the Non-Executive Directors hold any share in the Company.

#### g) Familiarization programmes for independent directors

The Company familiarizes its Independent Directors with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The familiarization programme for Independent Directors is disclosed on the Company's website [www.essar.com](http://www.essar.com).

#### h) Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the

Company's business and that the said skills are available with the Board:

- Knowledge of the industry in which the Company operates
- Technical skills - Accounting and Finance, Information Technology, Compliance and Risk, Legal
- Management skills – Planning, Leadership, Decision Making
- Behavioral skills - Integrity and ethical standards, Interpersonal relations, Mentoring abilities

i) We hereby confirm that, in the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management.

**j) Resignation(s) of Independent Director:**

During the Financial Year (F.Y.) 2019-20, none of the Independent Directors have resigned from the Board.

**k) Separate meeting of the Independent Directors:**

During the year under review, the Independent Directors met on November 12, 2019, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the Meeting.

**l) Code of Conduct**

The Company has adopted a code of conduct for all Board members and designated senior management of the Company. The duties of Independent Directors as laid down in the Companies Act, 2013 are incorporated in the code of conduct. The code of conduct is available on the website of the Company [www.essar.com](http://www.essar.com). All Board members and senior management personnel have affirmed with the code of conduct.

**3. COMMITTEES OF THE BOARD**

The Board Committees focus on specific areas and make informed decisions within the authority delegated. Each such Committee is guided by its Charter, which defines the composition, scope and powers. The Committees also make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for its approval.

The Company has three Board-level Committees, namely:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders Relationship Committee

**I. AUDIT COMMITTEE**

**a) Terms of reference**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013, as applicable. It may be clarified that the power, role and review of the Audit Committee includes matters specified under Part C of Schedule II of Listing Regulations besides other terms as referred by the Board of Directors.

**Role of Audit Committee**

The role of Audit Committee includes the following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) To recommend to the Board, the appointment, remuneration and terms of appointment of auditors of the Company.
- 3) To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) To review with the management, the annual financial statements auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

- ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions.
  - vii. Modified (s) Opinions in the draft audit report.
- 5) To review with the management, the quarterly financial statements before submission to the board for approval.
  - 6) To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - 7) To review and monitor the auditor's independence and performance, and effectiveness of audit process.
  - 8) To approve or any subsequent modification of transactions of the Company with related parties.
  - 9) Scrutiny of inter-corporate loans and investments.
  - 10) Valuation of undertakings or assets of the Company, wherever it is necessary.
  - 11) Evaluation of internal financial controls and risk management systems.
  - 12) To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 13) To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 14) To discuss with internal auditors any significant findings and follow up there on.
  - 15) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - 16) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  - 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - 18) To review the functioning of the Whistle Blower Mechanism.
  - 19) To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
  - 20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  - 21) To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Review of information by Audit Committee:**
- The Audit Committee mandatorily reviews the following information:
- 1) Management discussion and analysis of financial condition and results of operations;
  - 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - 3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - 4) Internal audit reports relating to internal control weaknesses; and
  - 5) Statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s)

in terms of Regulation 32(1).

- ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### b) Composition

The Audit Committee comprises of three qualified Directors, majority of them are Independent Directors. The members of the Committee have relevant experience in the field of finance and accounting. The composition of the Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations as given below:

Name of Director	Designation	Category
Mr. Somashekhar B. Malagi	Chairman	Non-executive & Independent Director
Ms. Priyanka Oka	Member	Non-executive & Non-Independent Director
Mr. Srikanth R. Venkatadriagaram	Member	Non-executive & Independent Director

#### c) Meetings and attendance during the year

During the financial year under review, the Committee met 4 (Four) times. The details of meeting attended by the members of the Audit Committee during the year are as given below:

Name of Director	Attendance of Directors in Audit Committee Meeting held in Financial Year 2019-20			
	28/05/19	13/08/19	12/11/19	13/02/20
Mr. Somashekhar B. Malagi	Yes	Yes	Yes	Yes
Ms. Priyanka Oka	Yes	Yes	Yes	No
Mr. Srikanth R. Venkatadriagaram	Yes	Yes	Yes	Yes

## II. NOMINATION & REMUNERATION COMMITTEE

#### a) Terms of reference

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3) Devising a policy on diversity of board of directors;

- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 6) recommend to the board, all remuneration, in whatever form, payable to senior management.

#### b) Composition

The Nomination and Remuneration Committee comprises of three non-executive directors out of which two are Independent Directors. The composition of the Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations as given below:

Name of Director	Designation	Category
Mr. Somashekhar B. Malagi	Chairman	Non-executive & Independent Director
Ms. Priyanka Oka	Member	Non-executive & Non-Independent Director
Mr. Srikanth Rajamani Venkatadriagaram	Member	Non-executive & Independent Director

#### c) Meeting and attendance during the year

During the year under review, the Committee met 3 (three) times on the following dates viz. May 28, 2019, August 13, 2019 and November 12, 2019. The details of meeting attended by the members of the Nomination and Remuneration Committee during the year are as given below:

Name of Director	Attendance of Directors in Nomination and Remuneration Committee held in Financial Year 2019-20		
	28/05/19	13/08/19	12/11/19
Mr. Somashekhar B. Malagi	Yes	Yes	Yes
Ms. Priyanka Oka	Yes	Yes	Yes
Mr. Srikanth Rajamani Venkatadriagaram	Yes	Yes	Yes

#### d) Performance evaluation

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence to the Listing Regulations.

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE

#### a) Terms of reference

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### b) Composition

The composition of the Committee is as given below:

Name of Director	Designation	Category
Mr. Somashekhar B. Malagi	Chairman	Non-executive & Independent Director
Ms. Priyanka Oka	Member	Non-executive & Non-Independent Director
Mr. Srikanth Rajamani Venkatadriagaram	Member	Non-executive & Independent Director

#### c) Name and designation of compliance officer

Ms. Rachana H Trivedi, Company Secretary, is the Compliance Officer of the Company.

#### d) Number of shareholders' complaints received so far

During the year ended March 31, 2020 the Company had received 12 complaints. All the complaints were resolved and no complaints were outstanding as on March 31, 2020.

#### e) Number not solved to the satisfaction of shareholders

None

#### f) Number of pending complaints

Nil

### 4. REMUNERATION OF DIRECTORS

#### a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity

None.

#### b) Criteria of making payments to Non-Executive Directors

The Company has adopted a Nomination and Remuneration Policy for Directors and Key Managerial Personnel; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company.

#### c) Disclosures with respect to remuneration

Non-executive directors are not paid any sitting fees, salary, bonus, stock options, pension, etc.

### 5. GENERAL BODY MEETINGS

#### a) Annual General Meeting

The date, time and venue of the last three Annual General Meetings are given below:

Financial year	Date	Location	Time
2018-19	September 27, 2019	Chennai House, 5th Floor, 7, Esplanade, Chennai - 600 108, Tamil Nadu	11.00 a.m.
2017-18	September 28, 2018	Chennai House, 5th Floor, 7, Esplanade, Chennai - 600 108, Tamil Nadu	1.00 p.m.
2016-17	September 29, 2017	Essar House, 5 <sup>th</sup> Floor, 7, Esplanade, Chennai 600 108, Tamil Nadu	11.00 a.m.

#### b) Details of special resolutions passed in the previous three Annual General Meetings

Date of AGM	Details of Special Resolution passed
September 29, 2017	i. Re-Appointment of Mr. S. V. Venkatesan (DIN: 00004010) as an Independent Director of the Company
	ii. Re-Appointment of Mr. Sujay Sheth (DIN: 03329107) as an Independent Director of the Company

#### c) Special resolution passed last year through postal ballot

There were no resolutions required to be passed through postal ballot.

#### d) Special resolution proposed to be conducted through postal ballot

None of the business proposed to be transacted in the ensuing Annual General Meeting require passing special resolution through postal ballot.



## 6. MEANS OF COMMUNICATIONS

The quarterly, half yearly and annual results are communicated to the Stock Exchange with whom the Company is listed i.e. Bombay Stock Exchange, as soon as they are approved and taken on record by the Board of Directors/Committee of the Company.

Further, the results of the Company are published in widely circulated newspapers namely Business Standard, Financial Express (English daily) and Makkal Kural (Chennai daily).

The results of the Company are also available on the website of the Company at [www.essar.com](http://www.essar.com).

## 7. GENERAL SHAREHOLDER INFORMATION

### a) Annual General Meeting

**Date:** Friday, December 18, 2020

**Time:** 11.30 a.m.

**Venue:** Utsava, New No.38, 2nd Main Road, R.A.Puram, Chennai – 600 028.

### b) Financial year of the Company

April 1 to March 31 each year

### c) Book Closure: December 12, 2020 to December 18, 2020 (both days inclusive)

### d) Dividend Payment Date

Not Applicable

### e) Listing on Stock Exchanges

BSE Limited (BSE Limited),  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001

The annual listing fee for the financial year 2020-21 has been paid by the Company to the Bombay Stock Exchange Limited.

### f) Stock Code: 533149

**ISIN:** INE143K01019

### g) Market price data - high, low during each month in last Financial Year

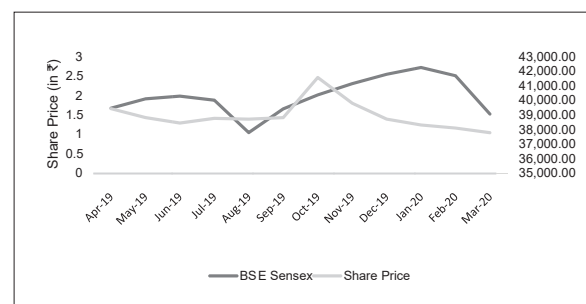
The monthly high and low quotation and the volume of shares traded on BSE Limited during financial year 2019-20 are as under:

Month	High Price	Low Price	No.of Shares
Apr-19	1.9	1.38	99938
May-19	1.71	1.41	35521
Jun-19	1.5	1.27	77253
Jul-19	1.48	1.2	20690

Month	High Price	Low Price	No.of Shares
Aug-19	1.56	1.38	10588
Sep-19	1.51	1.21	70114
Oct-19	2.47	1.31	10387
Nov-19	2.98	1.81	33793
Dec-19	1.96	1.22	50309
Jan-20	1.58	1.21	93800
Feb-20	1.29	1.07	60648
Mar-20	1.33	1	9082

### h) Performance in comparison to BSE Sensex

Following chart shows the performance of the Company's share prices compared with BSE Sensex –



### i) Registrar to an issue and share transfer agents (RTA)

Data Software Research Company Private Limited

No. 19, Pycrofts Garden Road,  
Off. Haddows Road, Nungambakkam,  
Chennai 600006, Tamil Nadu, India

Tel.: +91-44-2821 3738 and +91-44-2821 4487

Fax: +91 44 2821 4636

Email ID: [essar.securities@dsrc-cid.in](mailto:essar.securities@dsrc-cid.in)

### j) Share Transfer System

Applications for transfer of shares in physical form are processed by the Company's Registrar & Transfer Agent viz. Data Software Research Company Private Limited. The transfers of shares in physical form as and when received are normally processed within 15 days from the date of receipt of documents complete in all respects. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective Depositories i.e. NSDL and CDSL within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.



However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in the dematerialised form with the depositories. In view of the same, members are advised to dematerialize shares held by them in physical form.

Half yearly Transfer Audit in terms of the Listing Agreement and Quarterly Reconciliation of Share Capital Audit in accordance with Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, issued by the Securities and Exchange Board of India is regularly carried out by an Independent Practicing Company Secretary.

**k) Distribution of shareholding as on March 31, 2020**

No. of shares	Total No. of shareholders	% of shareholders	Total No. of shares	% of Total shares
1-501	16444	94.29	1096823	7.68
501-1000	384	2.20	307690	2.15
1000-2000	217	1.24	338499	2.37
2001-3000	91	0.52	237195	1.66
3001-4000	65	0.37	232036	1.62
4001-5000	51	0.29	243843	1.71
5001-10000	88	0.50	661501	4.63
10001-20000	55	0.32	801777	5.61
20001-30000	16	0.09	389075	2.72
30001-40000	2	0.01	69852	0.49
40001-50000	7	0.04	330336	2.31
50001-100000	8	0.05	585460	4.10
100000 & Above	12	0.07	8993667	62.95
<b>TOTAL</b>	<b>17440</b>	<b>100.00</b>	<b>14287754</b>	<b>100.00</b>

**l) Distribution of Equity Shareholding according to categories of Shareholders as at March 31, 2020**

Category	No. of Shares	%
Promoters	3209343	22.46
Institution / Mutual funds / Banks	2316	0.02
Other Companies	786813	5.51
Non Domestic Companies	0	0.00
Foreign Institutional Investors / Non Resident Individuals	0	0.00
Public	322507	2.26
<b>TOTAL</b>	<b>14287754</b>	<b>100.00</b>

**m) Status of Dematerialization of Shares as on March 31, 2020**

Mode	No. of Shares	%
DEMAT	13791181	96.52
PHYSICAL	496573	3.48
<b>TOTAL</b>	<b>14287754</b>	<b>100.00</b>

**n) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

As on March 31, 2020, there are no GDRs/ADRs/warrants or any convertible instruments, conversion of which is likely to have an impact on the equity of the Company.

**o) Address for Correspondence:**

Essar House, 11, K. K. Marg,  
Mahalaxmi, Mumbai – 400 034  
Tel: +91 22 6660 1100  
Fax: +91 22 2354 4789  
Email ID: [eslinvestors@essar.com](mailto:eslinvestors@essar.com)  
Website: [www.essar.com](http://www.essar.com)

**Registrar and Transfer Agents**

Data Software Research Company Private Limited

No. 19, Pycrofts Garden Road,  
Off. Haddows Road, Nungambakkam,  
Chennai 600006, Tamil Nadu, India

Tel.: +91-44-2821 3738 and +91-44-2821 4487

Fax: +91 44 2821 4636

Email ID: [essar.securities@dsrc-cid.in](mailto:essar.securities@dsrc-cid.in)

For any assistance, shareholders may also write to the Company at the following email id: [eslinvestors@essar.com](mailto:eslinvestors@essar.com).

**Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

In view of the aforesaid provisions, the Company has during the year under review, transferred to IEPF unpaid/unclaimed dividend amount aggregating to ₹9,85,302/- pertaining to the financial year 2010-11. Further, 5,25,016

shares of the Company, in respect of which dividend mentioned aforesaid has remained unpaid or unclaimed for a period of seven consecutive years, have also been transferred to the demat account of IEPF Authority.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

## 8. OTHER DISCLOSURES

- a) Materially significant related party transactions that may have potential conflict with the interests of listed entity at large

The Company does not have any material related party transactions which may have potential conflict with the interest of the Company at large during the financial year 2018-19. The transactions with related parties are disclosed in the notes on accounts in the financial statements as at March 31, 2020.

- b) **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities and no penalties or strictures imposed on the Company by Stock Exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

- c) **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee**

The Company has adopted a vigil mechanism which enables Directors and employees to report their genuine concerns. The mechanism provides for adequate safeguards against the victimization of persons who use this mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. No person

was denied access to the Chairman of the Audit Committee for any grievance.

- d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Quarterly / Yearly Reports on compliance of Corporate Governance in the prescribed format have been submitted to the Stock Exchanges where the Shares of the Company are listed within the stipulated time and the same are also uploaded on the Company's website at [www.essar.com](http://www.essar.com). The Company has complied with all mandatory requirements to the extent applicable to the Company.

- e) **Related Party Transactions**

The Board of Directors of the Company has adopted a Related Party Transactions Policy pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transactions Policy has been uploaded on the website of the Company at [www.essar.com](http://www.essar.com).

The Disclosure on Related Party Transactions forms integral part of the Notes to Financial Statements of the Company for the financial year ended March 31, 2020 as included in this Annual Report.

- f) **Discretionary Corporate Governance Requirements - Part E of Schedule II**

• **Shareholders' right**

The Company published quarterly results and performance in newspapers. The same results are made available to the shareholders on Company's website i.e. [www.essar.com](http://www.essar.com). No separate financials are sent to shareholders of the Company.

• **Audit Qualifications**

There are no audit qualifications in the Auditors Report on the financial statements addressed to the shareholders of the Company.

• **Separate posts of Chairman and CEO**

The Company has no separate post of Chairman and CEO.

• **Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee.

- g) The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- h) A certificate has been received from Uma Lodha (Membership No. FCS 5363), Prop. M/s. Uma Lodha & Co. Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
- i) During the financial year 2019-20, the Board has accepted all the recommendations of its Committees.
- j) Prevention of Insider Trading**  
As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has devised the Code of Conduct to regulate, monitor and report trading in Securities of the Company. During the year, there has been due compliance with the Code by the Company and all Insiders.
- k) Details relating to total fees for all services paid by the Company to the Statutory Auditor is given in Notes to the Financial Statements.
- l) Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.
- m) During the financial year 2019-20, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- n) The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2019-20.

**o) CEO & CFO Certification**

The CEO & CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2020.

**p) Declaration on adherence to the Code of Conduct**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2020.

**q) Compliance certificate from the auditors regarding compliance of conditions of corporate governance**

The Company has duly complied with the requirements laid down in the provisions of the Listing Regulations for the purpose of ensuring Corporate Governance. A certificate from M/s. D K S K & Company, Chartered Accountants (Firm Registration No. 017224S), Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance forms an integral part of the Annual Report.

MM

**For and on behalf of the Board of  
Directors of Essar Securities Limited**

November 11, 2020  
Mumbai

**Somashekhar B Malagi**  
**Director**  
**DIN: 07626139**

## CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance by M/s. Essar Securities Limited (“the Company”), with the requirements under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) relating to corporate governance requirements for the year ended on 31 March 2020.

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

In our opinion and to the best of our information and according to the explanations given to us by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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 **D K S K & Company**  
*Chartered Accountants*  
Firm Registration No: 017224S

**K. Suresh Kumandan**  
*Partner*

Membership No: 203211  
UDIN: 20203211AAAABM3108

Place: Hyderabad

Date: Nov 05, 2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
 The Members of  
**ESSAR SECURITIES LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from Directors of ESSAR SECURITIES LIMITED having CIN No. L65990TN2005PLC071791 and having registered office at New No. 77/56, C. P. Ramaswamy Road Abhiramapuram, Chennai-600018 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN THE COMPANY
1	Somashekhar Malagi	07626139	04/11/2016
2	Srikanth Venkatadriagaram	07923382	13/11/2018
3	Priyanka Oka	08066379	12/02/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Uma Lodha & Co.  
 Practicing Company Secretaries

**Uma Lodha**  
*Proprietor*  
 C.P. No. 2593  
 Membership No.5363  
 UDIN: F00536313001153884

Place: Mumbai  
 Date: 04.11.2020

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development and Opportunities, Threats, Risks and Concerns

The Company did not have any business operations during the year under review. This year also adverse business conditions resulted in difficulties for company in exploring new business. Further recent outbreak of Covid-19 has posed further challenges before the Company from exploring new business opportunities in the current financial year.

However silver lining to the dark cloud is Company has been able to revive its consultancy operation albeit on a lower scale and has reported income in the recent quarter ended September 30, 2020.

### Segment

The Company did not carry any business operations during the year under review. Hence, segment wise performance is not applicable.

### Future Outlook

As the future outlook still remains uncertain, management is intending to expand consultancy operation only which will enable the company to meet operational costs.

### Internal Control Systems and their adequacy

The Company has adequate Internal Control Systems commensurate with its size and nature of business. Internal Audits are periodically conducted by a firm of Chartered Accountants who monitor and evaluate the efficiency and adequacy of internal control systems in the Company.

### Significant Changes in Financial Ratios

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Financial Ratio	F.Y 2019-20	F.Y 2018-19	Reason for change
Current Ratio :[Current Assets / Current Liabilities]	17.94	36.29	Current assets increased due to sale of investments
Trade Receivable Turnover Ratio		-	No business operations during the year
Operation Profit Margin Ratio		-	No business operations during the year
Net Profit Margin Ratio		-	No business operations during the year
Return on Net Worth: [Net Profit / Net worth ]	(.24)	0.74	No business operations during the year

### Cautionary Statement

Some statements in this discussion pertaining to projections, estimates, expectations or outlook may be forward looking. Actual results may however differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments and interest rate movements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only of the expectations as on the date.

For and on behalf of the Board of Directors of  
Essar Securities Limited

November 11, 2020  
Mumbai

Somashekhar B Malagi  
Director  
DIN: 07626139



## INDEPENDENT AUDITORS' REPORT

To  
 The Members of  
 Essar Securities Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Essar Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the

information included in the Annual Report comprising Directors Report and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

#### Responsibility of Management for the Standalone Financial Statements

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

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



realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our

examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule

11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For D K S K & Company  
*Chartered Accountants*  
Firm's Registration No. 017224S

**Kottakota Suresh Kumandan**  
*Partner*

Place: Hyderabad  
Date: June 29, 2020

Membership No. 203211  
UDIN: 20203211AAAAAW5938

## ANNEXURE REFERRED TO IN PARAGRAPH 1 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT TO THE MEMBERS OF ESSAR SECURITIES LIMITED OF EVEN DATE FOR THE YEAR ENDED MARCH 31, 2020

- (i) Since the company does not have fixed assets Clauses (i) (a), (i) (b) and (i) (c) are not applicable.
- (ii) Since the company does not have inventory Clause (ii) is not applicable.
- (iii) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, since during the year there are no transactions of loans, investments, guarantees, and security, compliance of the provisions of section 185 and 186 of the Companies Act, 2013 do not arise.
- (v) In our opinion and according to the information and explanations given to us, during the year the company has not accepted any deposits from the public within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) As informed to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the records of the company, there were delays in depositing undisputed statutory dues of deposit of income-tax with the appropriate authorities and service tax is unpaid. According to the records of the company, the company does not have undisputed statutory dues of provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise, value added tax and cess. The arrears of statutory dues of service tax of ₹ 7,294 as at March 31, 2020 were outstanding for a period of more than six months from the date they became payable.
- (b) According to the records of the company, the dues of income tax of ₹ 1,127,049 under Income Tax Act, 1961 for the financial year ended March 31, 2017 (AY 2017-18) pending in appeal with CIT Appeals, Mumbai, have not been deposited on account of dispute.
- (viii) As the company has not borrowed any amount from Bank or Financial Institution or debenture holders, the reporting under this clause do not arise.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and during the year the company has not raised any term loan.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) Since the company has not paid / provided managerial remuneration Clause (xi) is not applicable.
- (xii) Since the company is a not Nidhi Company, Clause (xii) is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) According to the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the records of the company and in our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, compliance with the provisions of Section 192 of Companies Act, 2013 does not arise.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D K S K & Company  
 Chartered Accountants  
 Firm's Registration No. 017224S

**Kottakota Suresh Kumandan**  
 Partner

Place: Hyderabad  
 Date: June 29, 2020

Membership No. 203211  
 UDIN: 20203211AAAAAW5938

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ESSAR SECURITIES LIMITED

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

We have audited the internal financial controls over financial reporting of Essar Securities Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D K S K & Company  
 Chartered Accountants  
 Firm's Registration No. 017224S

**Kottakota Suresh Kumandan**  
 Partner

Place: Hyderabad  
 Date: June 29, 2020

Membership No. 203211  
 UDIN: 20203211AAAAW5938

**BALANCE SHEET AS AT MARCH 31, 2020**

	Note No.	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
<b>ASSETS</b>			
<b>1) Non Current Assets</b>			
(b) Other non current assets	3	6.00	7.26
<b>2) Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	4	80.07	80.07
(ii) Cash and Cash Equivalents	5	2.74	7.52
(b) Other Current assets	6	5.70	4.94
		<b>88.51</b>	<b>92.53</b>
<b>TOTAL ASSETS</b>		<b>94.51</b>	<b>99.79</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	7	1,428.78	1,428.78
(b) Other Equity	8	(1,350.15)	(1,331.54)
		<b>78.63</b>	<b>97.24</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
Trade Payables	9		
Total outstanding dues of micro enterprises and small enterprises			-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3.93	2.45
(b) Other Current Liabilities	10	11.95	0.10
		<b>15.88</b>	<b>2.55</b>
<b>TOTAL LIABILITIES</b>		<b>94.51</b>	<b>99.79</b>
Significant Accounting Policies (Notes forms integral part of Accounts)	2		

As per our report of even date

 For **D K S K & Company**  
 Chartered Accountants

**Kottakota Suresh Kumandan**  
 Partner
**Secretary**
 Place: Hyderabad  
 Date: June 29, 2020

For and on behalf of the Board

**Somashekhar B. Malagi**  
 Director  
 DIN : 07626139

**Girish Sathe**  
 Chief Executive Officer

**Laxmi Joshi**  
 Company

 Place: Hyderabad  
 Date: June 29, 2020

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

	Note No.	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Other Income	11	0.32	100.54
<b>Total Income</b>		<b>0.32</b>	<b>100.54</b>
<b>Expenses:</b>			
Other Expenses	12	17.35	28.98
<b>Total Expenses</b>		<b>17.35</b>	<b>28.98</b>
<b>Profit/(Loss) from ordinary activities before tax</b>		<b>(17.03)</b>	<b>71.56</b>
<b>Tax expense:</b>			
Tax Adjustments of Earlier years		(1.58)	-
<b>Profit/(Loss) after tax</b>		<b>(18.61)</b>	<b>71.56</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income (comprising loss and other comprehensive income)</b>		<b>(18.61)</b>	<b>71.56</b>
<b>Earning per share:</b>	13		
Basic & Diluted Earnings per Share of ₹ 10 each		(0.13)	0.50
Significant Accounting Policies	1		
(Notes forms integral part of Accounts)			

As per our report of even date

**For D K S K & Company**  
Chartered Accountants

**Kottakota Suresh Kumandan**  
Partner
**Secretary**Place: Hyderabad  
Date: June 29, 2020**For and on behalf of the Board**
**Somashekhar B. Malagi**  
Director  
DIN : 07626139

**Girish Sathe**  
Chief Executive Officer
Place: Hyderabad  
Date: June 29, 2020
**Laxmi Joshi**  
**Company**



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020**

	Year ended March 31, 2020 ₹ in lakhs	Year ended March 31, 2019 ₹ in lakhs
<b>Cash Flow From Operating Activities</b>		
Profit before taxation	(17.03)	71.56
Adjustment for:		
Balances written back	-	(0.03)
Profit on sale of Investments	-	(100.51)
<b>Operating Cash Flow before working capital changes</b>	<b>(17.03)</b>	<b>(28.98)</b>
Adjustment for:		
(Increase)/Decrease in Receivables	(0.76)	(4.84)
Increase / (Decrease) in Liabilities & Provisions	13.33	(6.12)
<b>Cash generated from operations</b>	<b>(4.46)</b>	<b>(39.94)</b>
Less: Taxes on Income (Paid) / Refund (Net)	(0.32)	-
<b>Net Cash generated from / (used in) Operating Activities</b>	<b>(4.78)</b>	<b>(39.94)</b>
<b>Cash Flow From Investing Activities</b>		
Proceeds from Sale of Investments	-	21.70
<b>Net Cash generated from Investing Activities</b>	<b>-</b>	<b>21.70</b>
<b>Cash Flow From Financing Activities</b>		
Unclaimed Dividend paid / transferred	-	(10.17)
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>(10.17)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(4.78)</b>	<b>(28.41)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7.52</b>	<b>35.93</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2.74</b>	<b>7.52</b>

**Note:** The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 on Statement on Cash Flows.

As per our report of even date

For **D K S K & Company**  
Chartered Accountants

**Kottakota Suresh Kumandan**  
Partner

**Secretary**

Place: Hyderabad  
Date: June 29, 2020

For and on behalf of the Board

**Somashekhar B. Malagi**  
Director  
DIN : 07626139

**Girish Sathe**  
Chief Executive Officer

Place: Hyderabad  
Date: June 29, 2020

**Laxmi Joshi**  
**Company**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020**

<b>A. EQUITY SHARE CAPITAL</b>		₹ in lakhs			
<b>Balance as at April 1, 2018</b>					<b>1,428.78</b>
Changes in share capital during the year					-
<b>Balance as at March 31, 2019</b>					<b>1,428.78</b>
Changes in share capital during the year					-
<b>Balance as at March 31, 2020</b>					<b>1,428.78</b>

<b>B. OTHER EQUITY</b>	Reserves and Surplus (₹ in lakhs)			
	Securities Premium	General Reserve	Statutory Reserve	Retained Earnings
<b>As at April 1, 2018</b>	<b>960.00</b>	<b>131.00</b>	<b>100.00</b>	<b>(2,594.10)</b>
Profit/(loss) for the year	-	-	-	71.56
Other Comprehensive Income	-	-	-	-
<b>As at March 31, 2019</b>	<b>960.00</b>	<b>131.00</b>	<b>100.00</b>	<b>(2,522.54)</b>
Profit/(loss) for the year	-	-	-	(18.61)
Other Comprehensive Income	-	-	-	-
<b>As at March 31, 2020</b>	<b>960.00</b>	<b>131.00</b>	<b>100.00</b>	<b>(2,541.15)</b>

As per our report of even date

For **D K S K & Company**  
Chartered Accountants

**Kottakota Suresh Kumandan**  
Partner

**Secretary**

Place: Hyderabad  
Date: June 29, 2020

For and on behalf of the Board

**Somashekhar B. Malagi**  
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DIN : 07626139

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Chief Executive Officer

**Laxmi Joshi**  
**Company**

Place: Hyderabad  
Date: June 29, 2020

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 CORPORATE INFORMATION

Essar Securities Limited (“the Company”) is a listed public limited company incorporated on December 12, 2005. The company is engaged in rendering of consultancy services and holding of strategic investments.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

##### Compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

#### 2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company prepared its financial statements based on assumptions and estimates on parameters available at that time. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for sharebased payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs for the asset or liability.

#### 2.3 Foreign currency transactions

##### (i) Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

##### (ii) Transaction and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in

foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## 2.4 Revenue recognition

Consultancy / Service charges income is recognised on accrual basis as per the terms of agreements.

## 2.5 Employee Benefit

### Defined benefit plans

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by counting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

### Termination benefits

Termination benefits are recognised as an expense at the earlier of the date when the Company can no longer withdraw the offer of those benefits and when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

### Short-term and Other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and casual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

### Defined contribution plans

The Company's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions.

## 2.6 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charges is calculated on the basis of the tax laws enacted at the end of the reporting period in India. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## 2.7 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources, that can reliably be estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are not recognised but disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured reliably. Contingent assets are not recognised, but are disclosed where an inflow of economic benefits is probable.

## 2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Company classifies its debt instruments;

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest (SPPI) are measured at amortised cost. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual

cash flows and for selling the assets, where the assets' cash flows represent solely payment of principal and interest (SPPI), are measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gain and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit and loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Debt instruments included within the FVPL category are measured at fair value with all changes recognized in the statement in profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVPL. For all other equity instruments, the Company may classify the same either as at FVTOCI or FVPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments which are classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the profit or loss.

#### **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognise impairment loss allowance based on lifetime Expected Credit Losses (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit or loss. This amount is reflected in a separate line in the profit or loss as an impairment gain or loss.



**(ii) Financial liabilities**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and trade and payables, net of directly attributable transaction costs. The measurement of financial liabilities depends on their classification, as described below:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. For liabilities designated as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

**Financial liabilities at amortized cost**

Financial liabilities classified and measured at amortised such as loans and borrowings, trade and other payable are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**2.9 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits with banks with original maturity of less than three months and short-term highly liquid investments, that are readily convertible into cash and which are subject to insignificant risk of changes in the principal amount. Bank overdrafts, which are repayable on demand and form an integral part of the operations are included in cash and cash equivalents.

**2.10 Earnings per share**

Basic earnings per share are computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share are the profit / (loss) for the year after deducting preference dividends and attributable taxes attributable to equity shareholders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit / (loss) for the year are adjusted for the effects of changes in income, expenses, tax and dividends that would have occurred had the dilutive potential equity shares been converted into equity shares. Such adjustments after taking account of tax include preference dividends or other items related to convertible preference shares, interest on convertible debt and any other changes in income or expense that would result from the conversion of dilutive potential ordinary shares. The weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**3. OTHER NON CURRENT ASSETS**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(Unsecured, Considered Good)		
Advance Tax / Tax Deducted at Source (Net of Provision for taxes)	6.00	7.26
<b>TOTAL</b>	<b>6.00</b>	<b>7.26</b>

**4. TRADE RECEIVABLES**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	80.07	1.26
Other debts	-	78.81
<b>TOTAL</b>	<b>80.07</b>	<b>80.07</b>

**5. CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Balances with Bank in Current Accounts	2.74	7.52
Balances with Bank in Current Accounts (Unclaimed Dividend)	-	-
<b>TOTAL</b>	<b>2.74</b>	<b>7.52</b>

**6. OTHER CURRENT ASSETS**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
(Unsecured, considered good)		
Input credit receivable	4.55	2.62
Balance with Government Authorities	-	0.24
Advance to a Related party	0.81	1.75
Advances to vendors / others	0.34	0.33
Prepaid expenses	-	-
<b>TOTAL</b>	<b>5.70</b>	<b>4.94</b>

**7. EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
<b>Authorized Capital</b>		
15,000,000 (P.Y. 15,000,000) Equity Shares of ₹ 10 each	1,500.00	1,500.00
<b>Issued, Subscribed &amp; Fully Paid up Capital</b>	<b>1,500.00</b>	<b>1,500.00</b>
14,287,754 (P.Y. 14,287,754) Equity Shares of ₹ 10 each	1,428.78	1,428.78
<b>TOTAL</b>	<b>1,428.78</b>	<b>1,428.78</b>

**NOTES:**

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2020		March 31, 2019	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
<b>Equity Shares</b>				
Balance at the beginning of the year	14,287,754	1,428.78	14,287,754	1,428.78
Issued during the year	-	-	-	-
Balance at the end of the year	14,287,754	1,428.78	14,287,754	1,428.78

b. Details of shareholders holding more than 5% shares in the company :

	March 31, 2020		March 31, 2019	
	Numbers	%	Numbers	%
Vajresh Consultants Limited	3,209,343	22.46%	3,231,844	22.62%
Vipul Jayantilal Modi	1,402,800	9.82%	1,402,800	9.82%
Harsha Hitesh Javeri	1,130,000	7.91%	1,130,000	7.91%
Hitesh Ramji Javeri	1,000,000	7.00%	1,000,000	7.00%

c. Rights, preferences and restrictions attached to shares: The company has one class of equity shares of face value of ₹ 10 each. Every shareholder is entitled to one vote for every shares held. In the event of liquidation the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion of their holdings.

d. In preceding five years the company has not allotted any shares without payment being received in cash and it has not issued bonus shares or bought back any shares.

**8. OTHER EQUITY**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
<b>Securities Premium</b>		
Balance as per last balance sheet	960.00	960.00
<b>General Reserve</b>		
Balance as per last balance sheet	131.00	131.00
<b>Statutory Reserve</b>		
Balance as per last balance sheet	100.00	100.00
<b>Retained Earnings</b>		
Balance at the beginning of the year	(2,522.54)	(2,594.10)
Add: Profit/(loss) for the year	(18.61)	71.56
Balance at the end of the year	(2,541.15)	(2,522.54)
<b>TOTAL</b>	<b>(1,350.15)</b>	<b>(1,331.54)</b>

**9. TRADE PAYABLES**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
<u>Trade payables</u>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.93	2.45
<b>TOTAL</b>	<b>3.93</b>	<b>2.45</b>

**10 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Statutory liabilities	0.26	0.10
Advances from others	11.69	-
<b>TOTAL</b>	<b>11.95</b>	<b>0.10</b>

**11 OTHER INCOME**

Particulars	As at March 31, 2020 ₹ in lakhs	As at March 31, 2019 ₹ in lakhs
Profit on sale of Investments	-	100.51
Interest on Income Tax Refund	0.32	-
Balances no longer payable written back	-	0.03
<b>TOTAL</b>	<b>0.32</b>	<b>100.54</b>

**12 OTHER EXPENSES**

Particulars	For the year ended March 31, 2020 ₹ in lakhs	For the year ended March 31, 2019 ₹ in lakhs
Advertisement Expenses	2.04	2.04
AGM expenses (prior period Nil PY ₹ 0.63 Lakhs)	0.74	1.32
Bank Charges	0.03	0.04
Listing and Custodial Fees	3.00	2.98
Miscellaneous expenses	-	0.01
Payment to Auditors		
Audit fees	0.71	1.00
Penalty, fines, Interest on delayed payment of taxes	0.27	0.26
Postage, Printing and Stationary	2.49	15.84
Professional Fees (prior period ₹ 1.64 Lakhs PY Nil)	7.37	4.40
Rates and Taxes, filing Fees	0.26	0.38
Travelling and Conveyance Expenses	0.44	0.71
<b>TOTAL</b>	<b>17.35</b>	<b>28.98</b>

### 13 EARNINGS PER SHARE

There are no potential equity shares and hence the basic and diluted earnings per share are same. The calculation of the basic and diluted earnings per share is based on following data.

	March 31, 2020	March 31, 2019
Earnings [Profit/(Loss) after tax] (₹ in lakhs)	(18.61)	71.56
Weighted average number of equity shares for the purpose of calculating earnings per share	14,287,754	14,287,754
Basic & Diluted Earnings per share of face value of ₹ 10 each (₹)	(0.13)	0.50

14. The contingent liability in respect of income tax demand pending in appeal ₹ 11.15 Lakhs (P.Y. Nil).

### 15. Related Party Disclosures:

a) Other related parties, where there have been transactions:

Associates

Vajresh Consultants Limited

c) Transactions with related parties are summarised as under:

Particulars	Associates	Total
	₹ in lakhs	March 31, 2020 ₹ in lakhs
<b><u>Advances given</u></b>	-	-
Vajresh Consultants Limited	(1.41)	(1.41)
	(1.41)	
<b><u>Refund of Advances given</u></b>	0.60	0.60
Vajresh Consultants Limited	(-)	(-)
	0.60	
	(-)	
d) Balances outstanding at the end of the year:		
<b><u>Debit balances</u></b>	0.81	0.81
	(1.41)	(1.41)

#### Notes:

i) Figures in brackets relates to the previous year.

ii) The names of the related parties are disclosed under each nature of transaction where the transaction with single party is 10% or more of relevant nature of transactions.

16 The company is having two business segments viz. Consultancy & Advisory Services and Investment Activities. Segment wise data for the year is as under:

Particulars	Consultancy / Service Activities	Investment Activities	Total
	₹ in lakhs	₹ in lakhs	March 31, 2020 ₹ in lakhs
<b>Segment Revenue</b>		-	-
		(100.51)	(100.51)
<b>Segment Results [Segment Profit / (Loss)]</b>		-	-
	-	(100.51)	(100.51)
Unallocable income			
Unallocable expenses			
<b>Net Profit / (Loss) before tax</b>			

Particulars	Consultancy / Service Activities	Investment Activities	Total March 31, 2020
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Provision for taxation (including earlier year adjustments)			
<b>Net Profit / (Loss) after tax</b>			
<b>Segment assets</b>	<b>7.26</b>	<b>78.81</b>	<b>86.07</b>
	(8.52)	(78.81)	(87.33)
Unallocable assets			8.44
			(12.46)
<b>Total Assets</b>			<b>94.51</b>
			(99.79)
<b>Segment liabilities</b>	-	-	-
			(-)
Unallocable liabilities			15.88
			(2.55)
<b>Total Liabilities</b>			<b>15.88</b>
			<b>(2.55)</b>

**Note:** Figures for the previous year / loss for the year are stated in brackets under the relevant items.

## 17 FINANCIAL INSTRUMENTS :

### 1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is not subject to any externally imposed capital requirements. The Company's board of directors reviews the capital structure on an annual basis. The financial tie up for the company are long term in nature as it is in infrastructure business. Therefore all new capital requirements are duly discussed by the board of directors. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes borrowings less cash and cash equivalents and other bank balances.

### 2 Categories of financial instruments

₹ in lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair values	Carrying amount	Fair values
<b>Financial assets</b>				
<b>a) Measured at amortised cost</b>				
Trade Receivables	80.07	80.07	80.07	80.07
Cash and Cash Equivalents	2.74	2.74	7.52	7.52
<b>Total financial assets carried at amortised cost</b>	<b>82.81</b>	<b>82.81</b>	<b>87.59</b>	<b>87.59</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Trade Payables	3.93	3.93	2.45	2.45
<b>Financial liabilities measured at amortised cost</b>	<b>3.93</b>	<b>3.93</b>	<b>2.45</b>	<b>2.45</b>



### 3 Financial risk management objectives

The Company's Corporate finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

### 4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

#### Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivable and, where appropriate, credit guarantee insurance cover is purchased. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

#### Cash and bank balances

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-rating assigned by international credit-rating agencies.

### 5 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	As at March 31, 2020				As at March 31, 2019			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
	₹ in lakhs							
<b>Financial assets</b>								
Trade Receivables	80.07	-	-	80.07	80.07	-	-	80.07
Cash and Cash Equivalents	2.74	-	-	2.74	7.52	-	-	7.52
<b>Total financial assets</b>	<b>82.81</b>	<b>-</b>	<b>-</b>	<b>82.81</b>	<b>87.59</b>	<b>-</b>	<b>-</b>	<b>87.59</b>
<b>Financial liabilities</b>								
Trade Payables	2.45	-	-	2.45	2.45	-	-	2.45
<b>Total financial liabilities</b>	<b>2.45</b>	<b>-</b>	<b>-</b>	<b>2.45</b>	<b>2.45</b>	<b>-</b>	<b>-</b>	<b>2.45</b>

As per our report of even date

For **D K S K & Company**  
Chartered Accountants

**Kottakota Suresh Kumandan**  
Partner

Place : Mumbai  
Date: June 29, 2020

For and on behalf of the Board

**Somashekhar B. Malagi**  
Director  
DIN : 07626139

**Girish Sathe**  
Chief Executive Officer

Place : Mumbai  
Date: June 29, 2020

**Priyanka Oka**  
Director  
DIN : 08066379

**Kapil Purohit**  
Chief Financial Officer

**Laxmi Joshi**  
Company Secretary

## ESSAR SECURITIES LIMITED

Corporate Identity No. (CIN) - L65990TN2005PLC071791

**Regd. Office:** New No. 77/56, C. P. Ramaswamy Road, Abhiramapuram, Chennai 600 018, Tamil Nadu

Tel: +91 44 24995340 | Website: www.essar.com

### FORM NO. MGT-11 – PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

#### 15<sup>th</sup>Annual General Meeting – Friday, December 18, 2020

Name of the Member(s):	
Registered Address:	
E-mail ID	
Folio No./ Client ID	DP ID:

I/We being the member(s) held \_\_\_\_\_ Shares of Essar Securities Limited, hereby appoint:

1)	Name		Signature
	Address		
	E-mail ID		
or failing him / her			
2)	Name		Signature
	Address		
	E-mail ID		
or failing him / her			
3)	Name		Signature
	Address		
	E-mail ID		
or failing him / her			

as my/our Proxy to attend and vote (on poll) for me/us on my/our behalf at the 15th Annual General Meeting of the Company to be held on Friday, December 18, 2020 at 11.30 a.m. at Utsava, New No.38, 2nd Main Road, R.A.Puram, Chennai – 600 028 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Ms. Priyanka Oka (DIN:08066379), who retires by rotation, and being eligible, offers herself for re-appointment.		

Signed this ..... day of ..... 2020

Signature of Shareholder .....

AFFIX REVENUE STAMP
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**Note:** This form in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 Hours before the commencement of the Meeting.

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## ESSAR SECURITIES LIMITED

Corporate Identity No. (CIN) - L65990TN2005PLC071791

**Regd. Office:** New No. 77/56, C. P. Ramaswamy Road, Abhiramapuram, Chennai 600 018, Tamil Nadu

Tel: +91 44 24995340 | Website: www.essar.com

**15<sup>th</sup> Annual General Meeting – Friday, December 18, 2020**

### ATTENDANCE SLIP

<b>Folio Number / DP ID / Client ID</b>	
<b>Name and Address of the Shareholder(s) / Proxy</b>	
<b>Joint Holder 1</b>	
<b>Joint Holder 2</b>	
<b>Number of Shares</b>	

I/we certify that I/we am/are registered shareholder / proxy / representative for the registered shareholder of the Company.

I/we hereby record my/our presence at the 15th Annual General Meeting of the Company held on Friday , December 18, 2020 at 11.30 a.m. at Utsava, New No.38, 2nd Main Road, R.A.Puram, Chennai – 600 028.

<b>Name of the Shareholder (IN BLOCK CAPITALS)</b>	<b>Signature of the Shareholder/Proxy</b>

**Note:**

Please fill and sign the Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF MEETING HALL.

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## ESSAR SECURITIES LIMITED

Corporate Identity No. (CIN) - L65990TN2005PLC071791

**Regd. Office:** New No. 77/56, C. P. Ramaswamy Road, Abhiramapuram, Chennai 600 018, Tamil Nadu

Tel: +91 44 24995340 | Website: www.essar.com

### E - MAIL REGISTRATION

To

**M/s Data Software Research Company Private Limited**

#19 Pycroft Garden Road,  
Off Haddows Road,  
Nungambakkam,  
Chennai 600006, Tamil Nadu

Dear Sir/s,

#### **Re: Registration of e mail ID for receiving communication in electronic form**

I am a shareholder of the Company. I want to receive all communication from the Company including Annual General Meeting and other General Meeting notices and explanatory statement(s) thereto, Balance Sheet, Director 's Report, and Auditor's Report, etc. through e mail. Please register my e mail ID, set out below, in your records for sending communication through e mail:

**Folio No.\*** :

**Name of 1<sup>st</sup> Registered Holders\*** :

**Name of Joint Holder(s)** :

**Address** :

**Pin Code** :

**E-mail ID (to be registered)\*** :

**Contact Tel Nos.** : **Mobile**

**Landline**

**Date** **Signature of first holder\***

#### **Important Notes:**

1. Field marked\* are mandatory for registration of the e-mail ID.
2. On registration, all the communications will be sent to the e-mail ID registered in the folio
3. Any change in email ID, from time to time, may please be registered in the records of the Company.

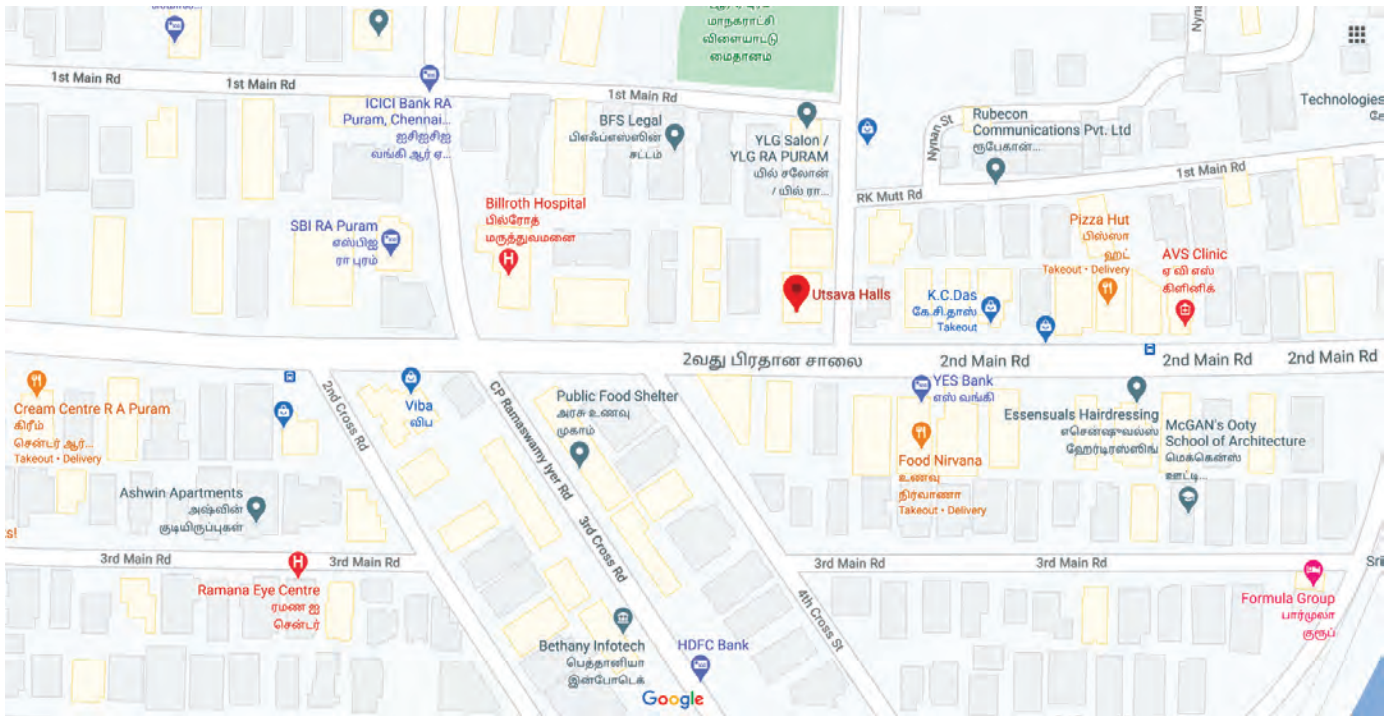


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**ROUTE MAP TO 15<sup>TH</sup> ANNUAL GENERAL MEETING**







Route map to AGM Venue

## REGISTERED POST/COURIER

If undelivered, please return to:

**Data Software Research Company Private Limited**

(Unit: Essar Securities Limited)

19, Pycrofts Garden Road, Off Haddows Road

Nungambakkam, Chennai - 600 006

Tel: (044) 2821 3738, 2821 4487, Fax: (044) 2821 4636