



**ESCORP**  
ASSET MANGEMENT

Escorp Asset Mangement Limited  
Corporate Office :  
718-A, P. J. Towers, Daial Street, Fort, Mumbai - 400 001.  
Tel. : 022-2272 1104 / 2272 1105  
Email : info@escorpamc.co.in  
Website : www.escorpamc.co.in  
CIN : L1712MH2011PLC213451  
GSTIN : 27AACCE6271A1ZZ

**August 02, 2022**

To  
**Listing Department,**  
BSE Limited,  
PJ Towers, Dalai Street,  
Fort, Mumbai - 400 001

**Scrip Code: 540455**

Dear Sir/Madam,

**Sub: Notice of 11<sup>th</sup> Annual General Meeting (AGM) to be held on Friday, August 26, 2022**

Please find attached herewith the Notice of 11<sup>th</sup> Annual General Meeting along with the annexure, to be held on Friday, August 26, 2022 at 02:00 P.M. at 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001.

You are requested to kindly update above information on your record.

Thanking You,

**FOR ESCORP ASSET MANAGEMENT LIMITED**

CHAITALI  
PANSARI

Digitally signed by CHAITALI PANSARI  
DN: cn=CHAITALI PANSARI, o=Escorp Asset Management Limited, email=chaitali.pansari@escorpamc.co.in, c=IN

**CHAITALI PANSARI**  
**(Company Secretary & Compliance Officer)**



**ESCORP  
ASSET MANAGEMENT LIMITED**

**11<sup>TH</sup>  
ANNUAL REPORT  
2021-22**

## CORPORATE INFORMATION

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**CIN: L17121MH2011PLC213451**

**BOARD OF DIRECTORS:**

**EXECUTIVE DIRECTORS:**

- ☞ Mr. Shripal Shah
- ☞ Mr. Shreyas Shah

**INDEPENDENT DIRECTORS:**

- ☞ Mr. Darshit Parikh
- ☞ Mr. Haresh Sanghvi
- ☞ Ms. Supriya Tatkar

**KEY MANAGERIAL PERSON:**

- ☞ Mr. Shripal Shah (Chief Financial Officer)
- ☞ Ms. Chaitali Pansari (Company Secretary)

**STATUTORY AUDITOR:**

**M/s V. N. Purohit & Co.,**  
Chartered Accountants,  
(Firm Registration No. 304040E)  
214, New Delhi House. 2nd Floor  
27, Barakhamba Road  
New Delhi- 110001

**REGISTERED OFFICE:**

60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg,  
Fort, Mumbai – 400 001

**COMMITTEES:**

**AUDIT COMMITTEE:**

- ☞ Mr. Darshit Parikh (Chairman)
- ☞ Mr. Shripal Shah (Member)
- ☞ Ms. Supriya Tatkar (Member)

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

- ☞ Mr. Darshit Parikh (Chairman)
- ☞ Mr. Haresh Sanghvi (Member)
- ☞ Mr. Shripal Shah (Member)

**NOMINATION REMUNERATION COMMITTEE:**

- ☞ Ms. Supriya Tatkar (Chairperson)
- ☞ Mr. Darshit Parikh (Member)
- ☞ Mr. Haresh Sanghvi (Member)

**REGISTRAR AND SHARE TRANSFER AGENT:**

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis,  
Makwana Road,  
Marol, Andheri (East),  
Mumbai-400059

**CORPORATE OFFICE:**

718-A, P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

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***In case of any Queries relating Annual Report, Contact:***

**Ms. Chaitali Pansari (Company Secretary)**

60, Khatau Building, Ground. Floor,  
Alkesh Dinesh Modi Marg,  
Fort, Mumbai – 400 001

**Tel:** 022 – 6216 6999

**Fax:** 022 – 2263 0434

### **NOTICE**

**NOTICE** is hereby given that the **Eleventh Annual General Meeting** of the Members of **Escorp Asset Management Limited** will be held on **Friday, August 26, 2022** at **02:00 P.M.** at Registered Office of the Company at 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 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, 2022 and the Reports of the Board of Directors and Auditors thereon.
- 2) To re-appoint Mr. Shreyas Shah, (DIN:01835575) who retires by rotation and being eligible, offers himself for re-appointment.
- 3) **Re-Appointment of Statutory Auditors of the Company:**

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

**“RESOLVED THAT** pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. V. N. Purohit & Co., Chartered Accountants (Firm Registration No. 304040E), be and are hereby re-appointed as the Statutory Auditors of the Company for 2<sup>nd</sup> term of five consecutive years, who shall hold office from the conclusion of this 11<sup>th</sup> Annual General Meeting till the conclusion of the 16<sup>th</sup> Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

#### **SPECIAL BUSINESS:**

- 4) Rectification of Issue of Bonus Shares:

To consider and, if thought fit, to pass this resolution to supersede the previous Postal Ballot resolution dated 14<sup>th</sup> July, 2022 with or without modification as Special Resolution:

**“RESOLVED THAT** in supersession with resolution passed earlier by shareholders through postal ballot as on 14<sup>th</sup> July, 2022 with respect to issue of Bonus Shares, with reference to recommendation of Audit Committee and pursuant to the provisions of section 63 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI regulations and pursuant to the Articles of Associations, the consent of members be and is hereby accorded for capitalization of upto Rs. 4,44,66,670 (Rupees Four Crores Forty four Lakhs Sixty Six Thousand Six Hundred Seventy Only) from the existing securities premium account and free reserves of the Company, the Board of directors of the Company be and is hereby authorized to issue upto 44,46,667 equity shares of Rs. 10/- each as BONUS SHARES to the existing equity share holders in the ratio of 2:3\* i.e. 2 (two) fully paid-up equity shares for every 3 (three) existing fully paid-up equity share held by the Members of the Company by capitalizing upto Rs. 4,44,66,670 (Rupees Four Crores Forty four Lakhs Sixty Six Thousand Six Hundred Seventy Only) from the existing securities premium account and free reserves of the Company.

**(\*Equity Shares being fractional shares will be ignored and no allotment will be made for the fractional Equity Shares)**

**RESOLVED FURTHER THAT** the Bonus Equity Shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date and shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the issue and allotment of the Bonus equity shares to Non-Resident Members, Foreign Institutional Investors (FIIs) and other Foreign Investors be subject to the approval of RBI or any other regulatory authority, as may be necessary.

**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board be and is hereby authorized to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, by rounding off any resulting fractions of a share to the nearest integer.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Company Secretary of the Company be and are hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchange where the securities of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient or desirable and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S CORPORATE OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE BLANK PROXY FORM IS ENCLOSED.**
2. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. In Compliance with the MCA Circulars and SEBI Circular, Notice of AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company or the Depository. Members may note that the Notice and Annual Report will also be available on the Company's website [www.escorpamc.co.in](http://www.escorpamc.co.in) and website of the stock exchange i.e. Bombay Stock Exchange Limited at <https://www.bseindia.com> and AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
4. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

6. Details of Directors retiring by rotation/seeking appointment/ re-appointment at the ensuing Meeting are provided in the explanatory statement annexed to the Notice pursuant to the provisions of (i) Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India, forms integral part of the notice as ‘Annexure – A’.
7. Members/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s), enclosed herewith duly completed and signed and copy(ies) of their Annual Report.
8. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote
9. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements maintained under Section 170 & 189 respectively of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, August 20, 2022** to **Friday, August 26, 2022** (both days inclusive).
11. Member holding shares in physical form are requested to intimate/ indicating their respective folio no., the change of their addresses and change of bank accounts etc. To Bigshare Services Private Limited, RTA of the Company, while members holding shares in electronic form may write to the respective depository participant for immediate updation.
12. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant. Alternatively, member may send signed copy of the request letter providing the email address, mobile number and self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to [info@escorpamc.co.in](mailto:info@escorpamc.co.in) for obtaining the Annual Report and Notice of AGM.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, and requested to submit their PAN to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form and submit their PAN to the Company/ RTA viz. Bigshare Services Private Limited.
14. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.
15. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail Ids by sending written request to our RTA M/s Bigshare Services Pvt. Ltd. in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in Demat form to enable the Company to serve them documents I all communications including Annual Reports, Notices, circulars etc. in electronic form
16. Mr. Jigarkumar Gandhi, Practicing Company Secretary (Membership No. F7569) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
17. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote evoting or by ballot form shall be able to exercise their right at the meeting.
18. Route map & landmark of venue of AGM is enclosed with Notice.
19. **Voting through electronic means:**

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on **Monday, August 22, 2022 (11:00 A.M.)** and ends on **Thursday, August 25, 2022 (5:00 P.M.)**. During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, August 19, 2022** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Friday, August 19, 2022** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Friday, August 19, 2022**.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice electronically and holding shares as of the cut-off date i.e. **Friday, August 19, 2022**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with	1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the

NSDL.

“Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.





<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period..
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly

authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jjgar.gandhi@jngandco.in](mailto:jjgar.gandhi@jngandco.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@escorpamc.co.in](mailto:info@escorpamc.co.in)
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@escorpamc.co.in](mailto:info@escorpamc.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
20. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800- 222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
21. 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 as well as voting at the AGM through ballot paper.
22. 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.
23. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
24. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.escorpamc.co.in](http://www.escorpamc.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

25. As per regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except for transmission or transposition of securities. In view of this and to eliminate all risks associated with the physical shares members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact Company or Company's Registrar and Transfer Agents of the Company for any support in this regard.

26. **All queries relating to Share Transfer and allied subjects should be addressed to:**

**Bigshare Services Private Limited**  
**1st Floor, Bharat Tin Works Building,**  
**Opp. Vasant Oasis,**  
**Makwana Road,**  
**Marol, Andheri (East),**  
**Mumbai-400059**

**Registered Office:**

60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg,  
Fort, Mumbai – 400 001

**Tel :** 022 – 6216 6999

**Fax:** 022 – 2263 0434

**CIN:** L17121MH2011PLC213451

**Website:** [www.escorpamc.co.in](http://www.escorpamc.co.in)

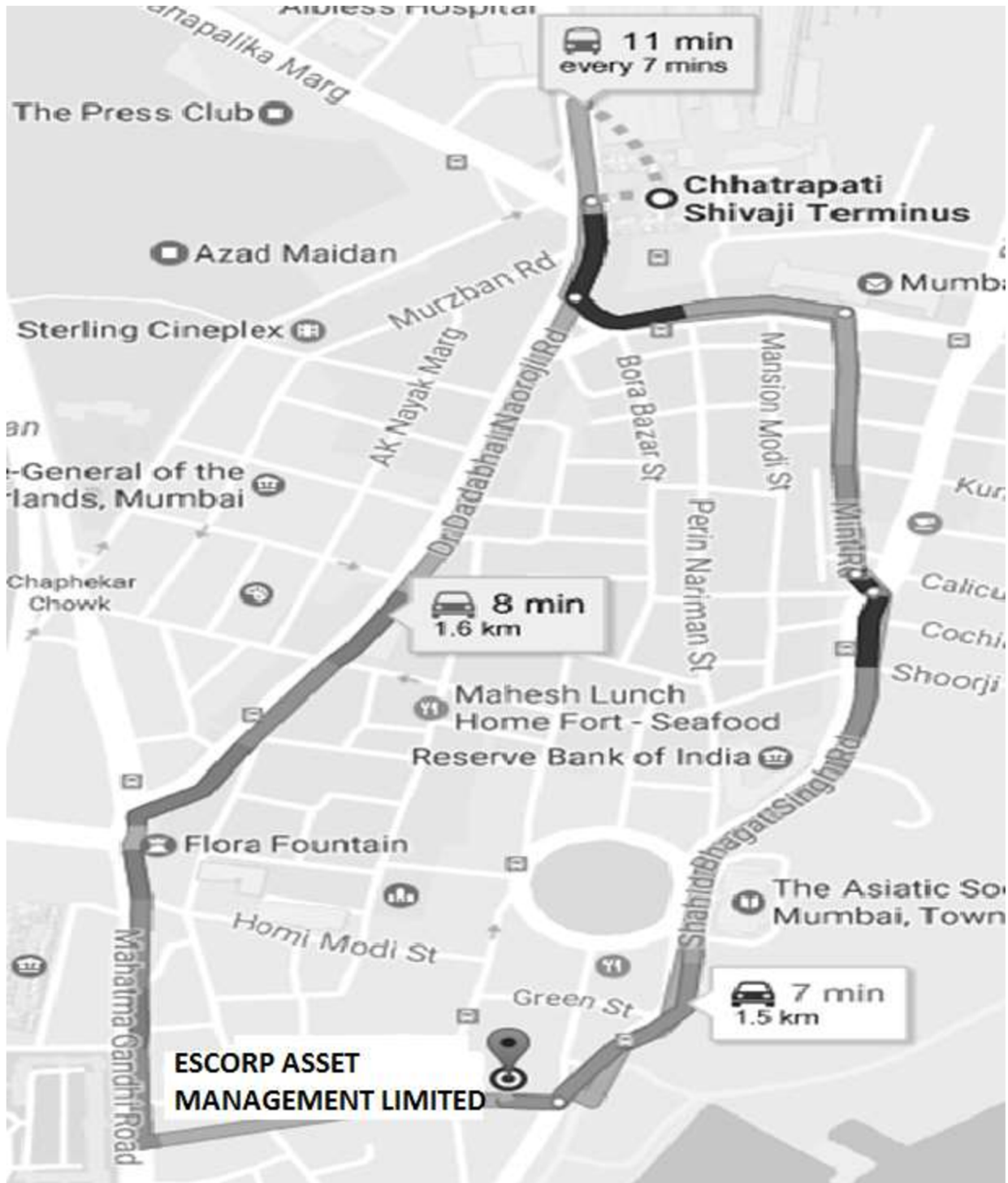
**Email:** [info@escorpamc.co.in](mailto:info@escorpamc.co.in)

By Order Of The Board Of Directors  
**FOR ESCORP ASSET MANAGEMENT LIMITED**

Sd/-  
**Chaitali Pansari**  
(Company Secretary)  
Mumbai, Tuesday, August 02, 2022.

**ROUTE MAP TO THE 11<sup>th</sup> AGM VENUE**

**Venue Address:** 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS.**

**Item No. 4**

With a view of expansion and growth in the operations of our company and to capitalize the securities premium account and free reserves, the Directors have considered it desirable to issue upto 44,46,667 equity shares of Rs. 10/- as BONUS SHARES to the existing equity shareholders of the Company in proportion of 2:3\* i.e. 2 new fully paid Equity Shares for every 3 existing Equity Share and for this purpose it is proposed to draw a sum of upto Rs. 4,44,66,670 (Rupees Four Crores Forty four Lakhs Sixty Six Thousand Six Hundred Seventy Only) out of securities premium account and free reserves of the Company.

**(\*Equity Shares being fractional shares will be ignored and no allotment will be made for the fractional Equity Shares)**

The proposed issue of bonus shares will be made in line with the provision of Section 63 of the Companies Act, 2013 and guidelines issued by Securities & Exchange Board of India (SEBI) and subject to such approvals, if required, from the statutory authorities or Government.

The new equity shares of the Company will rank pari-passu in all respect with the existing equity shares and will be entitled to participate in full in any dividend to be declared for the financial year in which the Bonus shares are allotted.

The Board of Directors recommends the passing of this resolution as set out at Item No. 4 of the notice by an ordinary resolution. None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

**Annexure - A**

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under :

<b>PARTICULARS</b>	<b>MR. SHREYAS SHAH</b>
<b>Current Position</b>	Executive Director (Liable to retire by rotation)
<b>Age:</b>	34 years
<b>Qualification:</b>	B.M.S and L.L.B
<b>Experience:</b>	More than 10 Years in the field of investments and finance
<b>Expertise in Specific functional areas</b>	His functional responsibility in handling the business development of the Company
<b>Date of first Appointment:</b>	July 27, 2016
<b>Terms and Conditions of Appointment:</b>	As per item No. 2 of the Notice convening this meeting read with explanatory statement thereto re-appointment
<b>Number of Board Meetings attended during the year:</b>	Attended all the 6 (six) Meetings held till date in F.Y 2021-22
<b>Shareholding in the Company:</b>	5,04,000 Shares
<b>Relationship with Other Directors:</b>	Brother of Mr. Shripal Shah
<b>Other Directorships:</b>	1) Aryaman Financial Services Ltd 2) Aryaman Capital Markets Ltd 3) Roopshri Resorts Ltd 4) Mahshri Enterprises Pvt Ltd 5) Overskud Multi Asset Management Private Limited
<b>Memberships / Chairmanship of Committees:</b>	N.A.



## BOARD'S REPORT

To  
The Members,

Your Directors take pleasure in presenting their Eleventh Annual Report on the Business and Operations of the Company and the Accounts for the Financial Year ended 31<sup>st</sup> March, 2022 (period under review).

### **1. FINANCIAL PERFORMANCE OF THE COMPANY:**

The summary of the financial performance for the financial year ended March 31, 2022 and the previous financial year ended March 31, 2021 is given below:

(₹ in lakhs)

Particulars	31-Mar-22	31-Mar-21
<b>Total Income</b>	632.86	17.43
Less: Expenditure	15.61	15.60
<b>Profit before Depreciation</b>	<b>617.25</b>	<b>(1.79)</b>
Less: Depreciation	-	0.04
<b>Profit before Tax</b>	<b>617.25</b>	<b>1.83</b>
Provision for Taxation	31.65	1.55
<b>Profit after Tax</b>	<b>585.60</b>	<b>0.27</b>
<b>Other Comprehensive Income</b>	<b>359.76</b>	<b>933.19</b>
<b>Total Comprehensive Income</b>	<b>945.36</b>	<b>933.47</b>
<b>Earning Per Share</b> (Face value Rs.10 per equity share)		
<b>(1) Basic</b>	<b>8.78</b>	<b>0.004</b>
<b>(2) Diluted</b>	<b>8.78</b>	<b>0.004</b>

### **2. REVIEW OF OPERATIONS**

The Total Income of the Company stood at ₹ 632.86 lakhs for the year ended March 31, 2022 as against ₹ 17.43 lakhs in the previous year. The Company made a net profit (after tax) of ₹ 585.60 lakhs for the year ended March 31, 2022 as compared to the ₹ 0.27 lakhs in the previous year.

### **3. CASH FLOW AND FINANCIAL STATEMENTS:**

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, a Cash Flow Statement forms part of Annual Report.

### **4. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

The Board has decided not to transfer any amount to the Reserves for the year under review.

### **5. DIVIDEND:**

The dividend policy for the year under review has been formulated taking into consideration of growth of the company and to conserve resources, the Directors do not recommend any dividend for year ended March 31, 2022.

### **6. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND**

The Ministry of Corporate Affairs under Sections 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years, to be transferred to the Investor Education and Protection Fund (IEPF). In FY 2021-22, there was no amount due for transfer to IEPF.

**7. SHARE CAPITAL**

The authorized share capital of the company is Rs.7,00,00,000/- divided into 70,00,000 equity shares of Rs. 10/-

The Paid up capital of the Company is Rs. 6,67,00,000/- divided into 66,70,000 Equity shares of Rs. 10/-

Company has appointed M/s Bigshare Services Private Limited as the Registrar and Transfer Agent of the Company.

**8. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report.

**9. CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in nature of business of the Company during the FY under review.

**10. DISCLOSURES BY DIRECTORS**

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

**11. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY**

The Company does not have any Subsidiary, Joint venture or an Associate Company.

**12. MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the FY and the date of this Report.

**13. EXTRACT OF ANNUAL RETURN:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2022 is available on the website of the Company at <https://escorpamc.co.in/investor-relations/>

**14. CHANGE IN SHARE CAPITAL:**

There was no change in Share Capital for the year ended March 31, 2022.

**15. FAMILIARISATION PROGRAMME FOR DIRECTORS**

As a practice, all Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

During the year under review, no new Independent Directors were inducted to the Board.

**16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**i. Change in Directors**

During the period there was no changes in directors.

**ii. Committees of Board of Directors**

There has been no change in Committees of Board of Directors during period under review. The details of Members of the Committee forms part of this Annual Report.

**iii. Retirement by Rotation of the Directors**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shreyas Shah, Executive Director of the Company, retires by rotation and offers himself for re- appointment.

The brief resume of Mr. Shreyas Shah, the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, his shareholding etc. are furnished in the Annexure - A to the notice of the ensuing AGM.

**iv. Independent Directors**

Our Company has received annual declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances, which may affect their status as Independent Director during the year.

The Independent Directors met on 24<sup>th</sup> March, 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**17. BOARD MEETINGS:**

The Company held Six meetings of its Board of Directors during the year on May 10, 2021, June 28, 2021; August 03, 2021, August 25, 2021; November 11, 2021 and February 10, 2022.

**18. COMMITTEES OF THE BOARD:**
**(a) Audit Committee:**

The Audit Committee, as per Section 177 of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met **two (2)** times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the Committee	No. of meetings attended	
			28.06.2021	11.11.2021
Mr. Darshit Parikh	Independent Director	Chairman	Yes	Yes
Mr. Shripal Shah	Executive Director	Member	Yes	Yes
Mrs. Supriya Tatkar	Independent Director	Member	Yes	Yes

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

**Financial Reporting and Related Processes:**

- Oversight of the Company’s financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management, the Half Yearly Unaudited Financial Statements and the Auditor’s Limited Review Report thereon / Audited Annual Financial Statements and Auditors’ Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company’s accounting principles with reference to the Indian Accounting Standard (IND-AS).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Mr. Darshit Parikh, the Chairman of the Committee, was present at the last Annual General Meeting (AGM) held on September 28, 2021.

**(b) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee, as per Section 178(1) of Companies Act, 2013, continued working under Chairmanship of Ms. Supriya Tatkar. During the year, the committee met **one** with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	No. of meetings attended
			28.06.2021
Ms. Supriya Tatkar	Independent Director	Chairman	Yes
Mr. Darshit Parikh	Executive Director	Member	Yes
Mr. Haresh Sanghvi	Independent Director	Member	Yes

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Company has formulated a Remuneration Policy which is annexed to the Board’s Report in “Annexure I”.

**(c) Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. During the year, the committee met **one** time with full attendance of all the members. The composition of the Stakeholders Relationship Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	No. of meetings attended
			28.06.2021
Ms. Darshit Parikh	Independent Director	Chairman	Yes
Mr. Shripal Shah	Executive Director	Member	Yes
Mr. Hareesh Sanghvi	Independent Director	Member	Yes

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

During the year, no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2022.

Ms. Chaitali Pansari, Company Secretary of the Company is the Compliance Officer.

#### **19. BOARD'S PERFORMANCE EVALUATION:**

The Board of Directors carried out an annual evaluation of the Board itself, its Committees and individual Directors. The entire Board carried out performance evaluation of each Independent Director excluding the Independent Director being evaluated. The Nomination Remuneration Committee also carried out evaluation of every director's performance.

The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, Responsibilities of the Board and Committees, etc. Evaluation parameters of Individual Directors including the Chairman of the Board and Independent Directors were based on Knowledge to Perform the Role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc.

Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

**20. CORPORATE SOCIAL RESPONSIBILITY**

During the period under review the Company does not fall under the criteria laid under the provisions of Section 135 of the Act and rules framed there under. Therefore, the provisions of Corporate Social Responsibility are not applicable to the Company.

**21. AUDITORS:****i. Statutory Auditors:**

The Board has recommended re-appointment of M/s V. N. Purohit & Co., Chartered Accountants as the statutory auditors of the Company for 2nd term of five consecutive years, from the conclusion of this 11<sup>th</sup> Annual General Meeting till the conclusion of the 16<sup>th</sup> Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

**ii. Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed JNG & CO., a firm of Company Secretaries in Practice (CP No. 8108), to undertake the Secretarial Audit of the Company for the F.Y. 2021-22. The Secretarial Audit Report for F.Y. 2021-22 is annexed herewith as "*Annexure II*".

**iii. Cost Auditor:**

Your Company is principally engaged into Portfolio Management Business and Proprietary Investments in shares, securities and funds. Therefore, Section 148 of the Companies Act, 2013 is not applicable to the Company.

**iv. Internal Auditor:**

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has reappointed M/s Gaurav Shiv & Co, Chartered Accountants, Delhi (FRN No. 032322N) as the Internal Auditors of your Company for the financial year 2021-2022 . The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from me to me.

**22. AUDITOR'S REPORT:**

The Auditor's Report and Secretarial Auditor's Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an Annexure which forms part of this report.

**23. VIGIL MECHANISM:**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.escorpamc.co.in>.

**24. INTERNAL AUDIT & CONTROLS:**

Pursuant to provisions of Section 138 read with read with rules made there under, the Board has appointed M/s Gaurav Shiv & Co, Chartered Accountant, as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Internal Audit is carried out quarterly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**25. RISK ASSESSMENT AND MANAGEMENT:**

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

**26. LISTING WITH STOCK EXCHANGES:**

Escorp Asset Management Limited is listed on the SME Platform of the BSE Limited. It has paid the Annual Listing Fees for the year 2022-2023 to BSE Limited.

**27. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

**28. \*PARTICULARS OF EMPLOYEES AND REMUNERATION**

The information required under Section 197 & Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

- a) The median remuneration of employees of the Company during the financial year was Rs. 176,400.
- b) Percentage decrease in the median remuneration of employees in the financial year 2021-22: -25.38%
- c) Number of permanent employees on the rolls of the Company as on March 31, 2022: 3 (Three)
- d) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.
- e) There is no employee covered under the provisions of section 197(14) of the Companies Act, 2013.

There was no employee in the Company who drew remuneration of Rs. 1,00,00,000/- per annum during the period under review. Hence, the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

\*Since the Executive Directors and KMP's of the company are on the payroll of Aryaman Financial Services Limited (Holding Company) and do not draw any remuneration in Escorp Asset Management Limited only employee remuneration median is calculated.

**29. POLICIES AND DISCLOSURE REQUIREMENTS:**

In terms of provisions of the Companies Act, 2013 the Company has adopted following policies which are available on its website <http://www.escorpamc.co.in/>

**30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****i. Conservation of Energy**

- a) **The steps taken or impact on conservation of energy** – The Operations of the Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
- b) **The steps taken by the Company for utilizing alternate source of energy** – Company shall consider on adoption of alternate source of energy as and when necessities.
- c) **The Capital Investment on energy conversation equipment** – No Capital Investment yet.

**ii. Technology absorption**

- a) **The efforts made towards technology absorption.** – Minimum technology required for Business is absorbed.
- b) **The benefits derived like product improvement, cost reduction, product development or import substitution** – Not Applicable.
- c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Not Applicable.
  - a. the details of technology imported;
  - b. the year of import;
  - c. whether the technology been fully absorbed;
  - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

**iii. The expenditure incurred on Research and Development** – Not Applicable.**31. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:**

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statements.

**32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions are placed before the Audit Committee and Board for approval. The details of the related party transactions as required under Indian Accounting Standard (IND AS) – 24 are set out in Note to the financial statements forming part of this Annual Report.

**33. DEPOSITS:**

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

**34. PREVENTION OF INSIDER TRADING:**

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised "Code of Conduct for Prevention of Insider Trading" ("the Insider Trading Code"). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("the Code") in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The Code is available on the Company's website <http://www.escorpamc.co.in>.

**35. RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company.

**36. FRAUD REPORTING**



There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

**37. SIGNIFICANT AND MATERIAL ORDERS:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**38. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

Your Directors further state that pursuant to the requirements of Section 22 of Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

**39. HUMAN RESOURCES:**

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution.

**40. CORPORATE GOVERNANCE:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of NSE, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.

**41. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. They 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 and of the profit of the Company for that period.
- iii. They have taken proper and sufficient care for the 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 fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

#### **42. INTERNAL FINANCIAL CONTROLS:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

#### **43. CAUTIONARY STATEMENTS:**

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

#### **44. ACKNOWLEDGEMENTS:**

Your Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

#### **Registered Office:**

60, Khatau Building, Ground Floor,

Alkesh Dinesh Modi Marg,

Fort, Mumbai – 400 001

**Tel :** 022 – 6216 6999

**Fax:** 022 – 2263 0434

**CIN:** L17121MH2011PLC213451

**Website:** <http://www.escorpamc.co.in>

**Email:** [info@escorpamc.co.in](mailto:info@escorpamc.co.in)

On Behalf of The Board Of Directors  
**FOR ESCORP ASSET MANAGMENT LIMITED**

Sd/-  
**Shripal Shah**  
(Chairman & Executive Director)  
**DIN:** 01628855  
Mumbai, Tuesday, August 02,2022

**Annexure's to Board's Report (Contd).****Annexure – I****Remuneration Policy**

This Remuneration Policy relating to remuneration for the directors, key managerial personnel and other employees, has been formulated by the Nomination and Remuneration Committee (hereinafter "Committee") and approved by the Board of Directors.

**Objectives:**

The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth

**Criteria for Appointment:**

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a bonafide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force

**Criteria for Remuneration:**

The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration of the Non-Executive Directors shall be based on their contributions and current trends, subject to regulatory limits. Sitting fees is paid for attending each meeting(s) of the Board and Committees thereof. Additionally equal amount of commission may be paid to Non executive directors on a pro-rata basis, within limits approved by shareholders.

**Annexures to Board's Report (Contd).****Annexure – II****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 2022****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,

**ESCORP ASSET MANAGEMENT LIMITED**

60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg, Fort,  
Mumbai - 400001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Escorp Asset Management Limited (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 my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per Annexure I for the financial year ended on **March 31, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**
- (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; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the Audit Period)**
  - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(No applicable to the Company during the Audit Period)**
  - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

- regarding the Companies Act and dealing with client;
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (vi) Other laws as applicable specifically to the company as informed by the management that the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 as amended from time to time.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the board of directors or committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

I 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.

I further report that during the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For JNG & Co.,

Place: Mumbai

Date: 30<sup>th</sup> July, 2022

Sd/-  
Jigarkumar Gandhi

FCS: 7569

**UDIN : F007569D000714101**

Note: This report is to be read with our letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

**ANNEXURE - I**

## List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
12. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI LODR Regulations.

**ANNEXURE - II**

To,  
The Members,

**ESCORT ASSET MANAGEMENT LIMITED**

60, Khatau Building, Ground Floor,  
Alkesh Dinesh Modi Marg, Fort,  
Mumbai - 400001

Sub : Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2022

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

1. 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.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management and my examination was limited to the verification of procedures on test basis.
7. 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.

**For JNG & Co.,**

**Sd/-**

**Jigarkumar Gandhi**

**FCS: 7569**

**C.P. No. 8108**

**Peer Review No.**

**Place: Mumbai**

**Date: 30<sup>th</sup> July, 2022**

**UDIN : F007569D000714101**



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**1. GLOBAL ECONOMY REVIEW:**

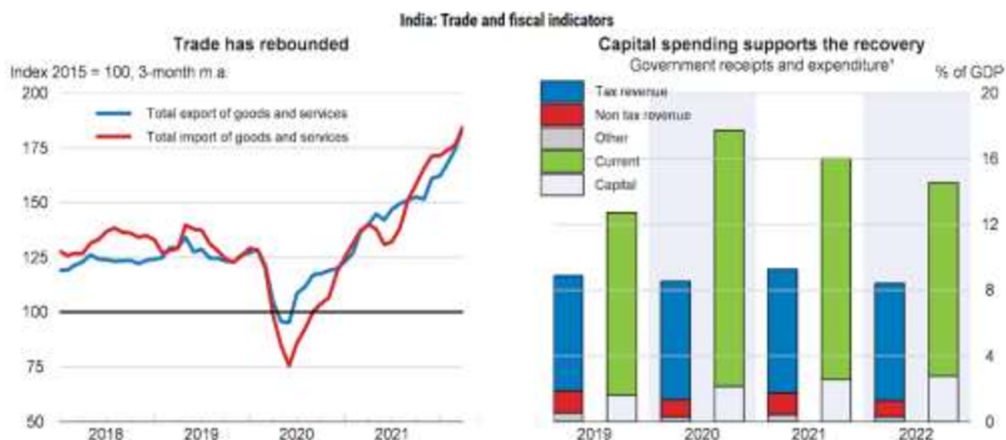
Global growth is expected to slump from 5.7 percent in 2021 to 2.9 percent in 2022— significantly lower than 4.1 percent that was anticipated in January. It is expected to hover around that pace over 2023-24, as the war in Ukraine disrupts activity, investment, and trade in the near term, pent-up demand fades, and fiscal and monetary policy accommodation is withdrawn. As a result of the damage from the pandemic and the war, the level of per capita income in developing economies this year will be nearly 5 percent below its pre-pandemic trend.

It is one year since COVID-19 was declared a global pandemic, a year of terrible loss of lives and livelihoods. Global prospects remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support.

However, the global economy is set to expand 5.6 percent in 2021—its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year’s per capita income losses will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth-enhancing reforms.

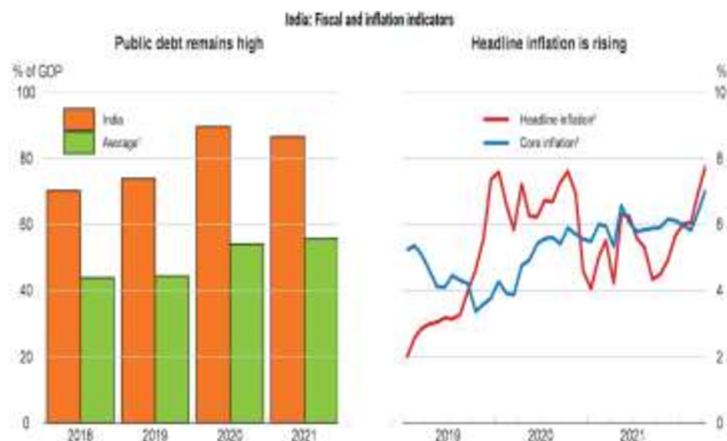
**2. INDIA’S ECONOMIC REVIEW:**

After recording the strongest GDP rebound in the G20 in 2021, the Indian economy is progressively losing momentum as inflationary expectations remain elevated due to rising global energy and food prices, monetary policy normalises and global conditions deteriorate. Real GDP is projected to grow by 6.9% in fiscal year (FY) 2022-23 and 6.2% in FY 2023-24, despite a pick-up of corporate investment facilitated by the Production-Linked Incentive (PLI) Scheme. While inflation will gradually decline, the current account deficit will widen due to the surge in energy import costs.



1. The first bar for each year represents revenue and capital receipts excluding borrowings and other liabilities. The second bar for each year represents total expenditure excluding interest payments and grants in aid for creation of capital assets. 2019 refers to the average of data over the fiscal year 2017-18, 2018-19 and 2019-20. Other years are fiscal years ending on 31 March of the following calendar year.  
Source: OECD Economic Outlook 111 database; Ministry of Finance; Budget Union; Reserve Bank of India; and Ministry of Commerce and Industry.

The Reserve Bank of India (RBI) began monetary policy tightening in May, intending to anchor inflation expectations and limit second-round effects. Given the financial and social costs of high inflation, the RBI should gradually move towards a more neutral monetary stance. The government should counter signs of a rapid deterioration in living standards with income support for vulnerable households. Risks include the appearance of a new COVID variant, failure to tame inflation, a reversal of capital flows to emerging markets, and a significant widening of the current account deficit.



1. The unweighted average of general government debt ratio for similar/related countries (Bulgaria, Costa Rica, Indonesia, Hungary, Kazakhstan, Mexico, Malaysia, Peru, the Philippines, Romania, Thailand and Uruguay).  
 2. Headline inflation refers to the change in price of all goods in the basket. Seasonally adjusted and based on the monthly consumer price index and core CPI (Index 2012 = 100) provided by the Central Statistics Office.  
 Source: IMF World Economic Outlook, and CEIC.

The waning scale of the COVID-19 shock, the elimination of containment measures, the ability of exporters to take advantage of favourable external conditions, and government support to vulnerable households combined to produce remarkably high GDP growth in FY 2021-22. Merchandise exports rose to a record level, exceeding official government targets and validating India’s strategy of managed liberalisation through preferential trade agreements with major partners. However, consumption growth has slowed, with sales of two-wheelers falling to a 10-year minimum, subdued private sector credit growth, and

contracting employment, although companies report difficulties in filling vacancies. Consumer price inflation for energy-related items and edible oils started trending up even before the Ukraine war and has accelerated afterwards. Inflation has also risen and become wide-ranging: almost 75% of the CPI sub-components exceed the 4% inflation target. Despite uncertainty, reflected in the higher yield on 10-year government bonds, equity markets have been boosted by the initial public offer (IPO) of state-owned Life Insurance Corp., India’s largest ever IPO. Meanwhile, the import coverage of foreign exchange reserves, which exceeded 18 months in March 2021, declined to 12 months in March 2022.

### 3. OVERVIEW OF PORTFOLIO MANAGEMENT SERVICES

Portfolio Management Services (PMS), service offered by the Portfolio Manager, is an investment portfolio in stocks, fixed income, debt, cash, structured products and other individual securities, managed by a professional money manager that can potentially be tailored to meet specific investment objectives. When you invest in PMS, you own individual securities unlike a mutual fund investor, who owns units of the fund. You have the freedom and flexibility to tailor your portfolio to address personal preferences and financial goals. Although portfolio managers may oversee hundreds of portfolios, your account may be unique.

#### **✚ Types of Portfolio Management Services**

##### ➤ **Discretionary:**

Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager.

##### ➤ **Non-Discretionary**

Under these services, the portfolio manager only suggests the investment ideas. The choice as well as the timings of the investment decisions rest solely with the Investor. However, the execution of trade is done by the portfolio manager.

##### ➤ **Advisory**

Under these services, the portfolio manager only suggests the investment ideas. The choice as well as the execution of the investment decisions rest solely with the Investor.

**Note: In India majority of Portfolio Managers offer Discretionary Services.**

#### **✚ Key Regulatory changes in PMS**

Under the revised framework as notified by SEBI as on 9th November, 2021 **the following amendments have been made to Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020:**

- In **regulation 7**, which specifies Consideration of application in sub-regulation (2) after fifth proviso following proviso has been inserted:  
“Provided further that the Co-investment Portfolio Manager may designate a member of the Key Investment Team of the Manager as the principal officer who fulfils either of the criteria specified in clause (g) of regulation 4 of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, and in that case the requirement under clause (d) shall not apply to the principal officer so appointed;”
- In **regulation 9**, which specifies Net worth Requirements, following proviso has been inserted, namely:  
“Provided further that the requirement under this regulation shall not apply to the Co- investment Portfolio Manager”
- In **regulation 11**, which specifies conditions of regulation, following proviso has been inserted:  
“Provided that the requirement under clause(e) shall not apply to Co-investment Portfolio Manager.
- In **regulation 22**, which specifies, Contract with clients and disclosures, in sub-regulation (2) following provisos have been inserted:  
“Provided that in case of the Co-investment Portfolio Manager, the terms of co-investment in an investee company by a co-investor, shall not be more favorable than the terms of investment of the Alternative Investment Fund  
  
Provided further that in case of the Co-investment Portfolio Manager, the terms of exit from the Co-investment in an investee company including the timing of exit shall be identical to the terms applicable to that of exit of the Alternative Investment Fund  
  
Provided further that in case of the Co-investment Portfolio Manager, the early withdrawal of funds by the co-investors with respect to Co-investment in investee companies shall be allowed to the extent that the Alternative Investment Fund has also made an exit from respective investment in such investee companies”
- In **regulation 23**, General responsibilities of a Portfolio Manager in sub-regulation (2) the following proviso has been inserted:  
“Provided further that the requirement of minimum investment amount per client shall not apply to the Co-investment Portfolio Manager:”
- In **regulation 24**, which specifies Management or administration of clients' portfolio, in sub-regulation (1) the following proviso has been inserted:  
“Provided that the requirement under clause (b) shall not apply to the Co-investment Portfolio Manager”
- In **regulation 24**, which specifies Management or administration of clients' portfolio, sub-regulation 4B has been inserted, namely:  
“(4B) The Co-investment Portfolio Manager shall invest hundred percent of the assets under management in unlisted securities of investee companies where Category I and Category II Alternative Investment Funds managed by it as Manager, make investment;”
- **Form-A** of Schedule which specifies Application for grant of certificate of registration has been substituted.

#### **4. INDUSTRY STRUCTURE AND DEVELOPMENTS**

The asset management industry has a unique and different structure from the rest of the financial industry. It's important to note the key characteristics of asset managers when considering their impact on financial stability.

##### **✚ Overview of Global Industry:**

The asset management industry is an integral component of the broader financial system. Its sole purpose is to help investors achieve their financial goals. Also referred to as “investment managers” or the “buy-side,” asset managers are hired by investors to allocate capital on their behalf.

Portfolio Management Service is a tailor-made professional service offered to cater the investment objective of different investor classes. The Investment solutions provided by PMS cater to a niche segment of clients. The clients can be Individuals or Institutions entities with high net worth. In simple words, a portfolio management service provides professional management of your investments to create wealth.

The asset management industry is made up of a large number of diverse firms that offer a wide array of investment strategies. These investment strategies are available to investors in a variety of forms, including mutual funds, ETFs, private funds and separately managed accounts, among others.

The asset management industry serves as a critical link between providers and seekers of investment capital around the world. The industry provides professional investment services for a diverse client base with varying objectives and risk tolerances. Asset managers have evolved with the global expansion of capital markets and will likely continue to evolve as technological advancements and demographic trends influence new innovations and opportunities.

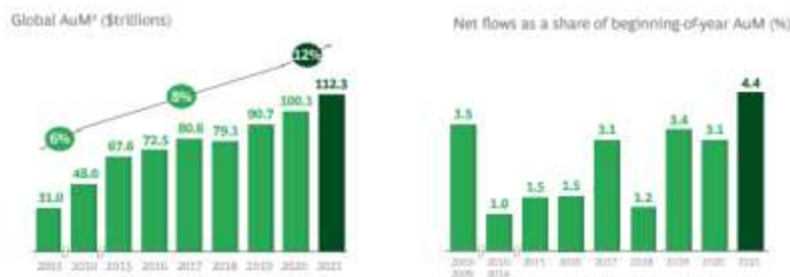
The portfolio management process includes the construction, monitoring, and revision of an asset owner’s or asset manager’s portfolio. The process is represented by a sequence of activities that begins with understanding the asset owner’s entire circumstances—including objectives, constraints, and other preferences—and forms the basis for structuring a portfolio and formulating other portfolio decisions, such as investing passively or actively. The portfolio management process rests on a foundation of good investment governance, which includes the assignment of decision-making responsibilities to qualified individuals and the oversight of processes.

The portfolio management deals with the analysis of individual securities as well as with the theory and practice of optimally combining securities into portfolios. It makes use of analytical techniques of analysis and conceptual theories regarding rational allocation of funds. Thus, portfolio management is a complex process which tries to make investment activity more rewarding and less risky. Portfolios are built to suit the return expectations and risk appetite of the investor i.e. a combination of assets or securities is formulated which meets the level of return investor expects provided he is willing to meet the associated risk, or the possible return at the level of risk he is willing to bear.

**✚ Developments in the portfolio management services**

The asset management industry has seen unprecedented growth in recent decades, thanks largely to the strength of the world’s equity markets. But new forces are taking hold as global markets enter an era of greater uncertainties.

The past few decades presented an outstanding market environment for the asset management industry. Global assets under management (AuM) rose at a generally steady pace between 2001 and 2021, thanks largely to the strength of the world’s equity markets, which were able to rebound even after several severe downturns. And 2021 was even stronger. Global AuM grew at 12% last year, to more than \$112 trillion, a growth rate well above the 7% average of the previous 20 years. Net flow rates were also higher than average in 2021, reaching 4.4% of total AuM, or \$4.4 trillion, at the beginning of the year.



The strong market performance has had a profound impact on asset management. The industry is emerging from an era in which establishing a competitive edge has been a more complex task than it might appear on the surface. When markets everywhere are rising, asset managers must differentiate themselves to deliver value—and as the market outlook grows more uncertain, the ability to provide value and achieve alpha is likely to be more important than ever

Sources: BCG Global Asset Management Market Sizing 2022; BCG Global Asset Management Benchmarking Database 2022.  
 Note: Market sizing includes assets professionally managed in exchange for managers' fees; AuM includes captive AuM of insurance groups or pension funds where AuM is obligated to asset management services with fees paid; 44 markets are covered globally, including offshore AuM for all countries where the currency is not the US dollar; we applied the end-of-year 2021 exchange rate for all years in order to synchronize current and historic data; values differ from those in prior studies because of fluctuations in exchange rates, revised methodology, and changes in source data. Flow analysis is based on our global benchmarking, which includes 101 leading asset managers, representing \$92 trillion AuM, or ~62% of global AuM.  
 \*See Appendix 1 for regional AuM.

## 5. OPPORTUNITIES AND THREATS

### Opportunities

India is one of the fastest growing economies globally and various projections for growth by World Bank or IMF etc., indicate that India will continue to outperform other economies. This would open up vast opportunities for SME businesses which employs large part of total workforce of India. Easy capital generation means and relaxation in Government regulations & policies will facilitate the ease of doing business in India for SME's.

Since our group has been involved in the SME exchange related services since its inception; we have an insight of developments in this segment, robust performance by the SME sector and growth in SME Listed bourses and our ability to provide sound investment advisory or fund management with focus on investing in this segment would provide us a niche and hence an entry point with existing PMS or Investment Advisory clients and over time we can sell other products of our business to them.

- a) Ongoing financialization of savings in India
- b) Increasing per capita GDP
- c) Increasing flows from smaller cities/towns
- d) Deepening digital channel distribution contributing to disintermediation and de-risking of sales and distribution
- e) Ongoing consolidation in the industry

### Threats

- f) Uncertainty in the global markets, owing to the increased strain in the advanced economies and emerging economies due to the COVID-19 & Ukraine War impact can result in volatile capital inflows and currency fluctuations. Increased restrictions on migration and global trade could hurt productivity and incomes and take an immediate toll on market sentiment.
- g) Technological disruptions- With rapid changes in technology and innovations, companies need to increase its attention towards innovation objectives alongside business growth objectives. With increasing performance expectations related to quality, timings and cost, technological upkeep is very important to keep in line with competitors, especially new competitors that are "born digital" and with a low-cost base for their operations. The risk of disruptive innovations enabled by new and emerging technologies is always present.
- h) Any stringent regulatory changes or unfavorable policy changes can pose a threat to the Company in the short run.
- i) Short term economic slowdown impacting investor sentiments and business activities
- j) Intense competition amongst AMCs to garner higher AUMs can increase pressure on commissions.

## 6. ECONOMIC OUTLOOK

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchor; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.

## Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	2021	PROJECTIONS	
	2021	2022	2023
<b>World Output</b>	6.1	3.2	2.9
<b>Advanced Economies</b>	5.2	2.5	1.4
United States	5.7	2.3	1.0
Euro Area	5.4	2.6	1.2
Germany	2.9	1.2	0.8
France	6.8	2.3	1.0
Italy	6.6	3.0	0.7
Spain	5.1	4.0	2.0
Japan	1.7	1.7	1.7
United Kingdom	7.4	3.2	0.5
Canada	4.5	3.4	1.8
<b>Other Advanced Economies</b>	5.1	2.9	2.7
<b>Emerging Market and Developing Economies</b>	6.8	3.6	3.9
<b>Emerging and Developing Asia</b>	7.3	4.6	5.0
China	8.1	3.3	4.6
India	8.7	7.4	6.1
ASEAN-5	3.4	5.3	5.1
<b>Emerging and Developing Europe</b>	6.7	-1.4	0.9
Russia	4.7	-6.0	-3.5
<b>Latin America and the Caribbean</b>	6.9	3.0	2.0
Brazil	4.6	1.7	1.1
Mexico	4.8	2.4	1.2
<b>Middle East and Central Asia</b>	5.8	4.8	3.5
Saudi Arabia	3.2	7.6	3.7
<b>Sub-Saharan Africa</b>	4.6	3.8	4.0
Nigeria	3.6	3.4	3.2
South Africa	4.9	2.3	1.4
<b>Memorandum</b>			
<b>Emerging Market and Middle-Income Economies</b>	7.0	3.5	3.8
<b>Low-Income Developing Countries</b>	4.5	5.0	5.2

Source: IMF, World Economic Outlook Update, July 2022.

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2021/2022 starting in April 2021. For the July 2022 WEO Update, India's growth projections are 7.4 percent in 2022 and 5.3 percent in 2023 based on calendar year.

INTERNATIONAL MONETARY FUND

IMF.org

With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance; such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. And as the pandemic continues, vaccination rates must rise to guard against future variants. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

## 7. RISKS AND CONCERN

Escorp Asset Management Limited is exposed to specific risks that are particular to its businesses and the environment within which it

operates, including credit risk, operational risk, competition risk, regulatory risk, human resource risk, execution risk, information security risks and macro-economic risks.

Our risk management practices have been designed and implemented taking into consideration the varying needs of our organization, operating structure, business operations and regulatory requirements. We have facilities for approach to risk management and the roles and responsibilities of all stakeholders. The Audit Committee is responsible for overseeing the risk management framework, reviewing the key risks and mitigation strategies, and ensuring the effectiveness of risk management policies and procedures. The Management is also responsible for ensuring that the risk management framework is effectively implemented within all areas of their respective functions.

Our business depends on consumer confidence in the overall economy, economic growth rates, household saving rates and consumer attitudes towards financial savings, in particular, within India. Any adverse market rate fluctuations and/or adverse economic conditions could affect our business in many ways, causing a decline in our revenue

Risk is an integral part of the business and we aim at delivering superior shareholder value by achieving an appropriate balance between risks and returns. The financial services industry is subject to continuously evolving legislative and regulatory environment due to increasing globalization, integration of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework.

Our senior management identifies and monitors the risks on an ongoing basis and evolves processes/systems to monitor and control the same to contain the risks to minimum levels. Periodic monitoring by our officials helps in identifying risks in early stage. If required, a risk event update report is periodically placed before the Board of Directors of the Company.

If our investment strategies perform poorly, our existing customers may reduce or withdraw their investments. Underperformance to benchmark could lead to a shift to low cost passive funds. We are exposed to credit risks, liquidity risks and market risks such as interest rate risks and price risks. We are also exposed to operational risks and legal risks. The effectiveness of our risk management is limited by the quality and availability of data. Our schemes and other investment products carry their own risks.

We depend on the skills and expertise of our employees and our success depends on our ability to retain key members of our teams. If we are not able to retain existing employees or attract new talent, it could affect our operations resulting in decline in performance of our business.

Regulatory framework, focused on maintaining controls on domestic businesses but even inadvertently creating more favorable regulatory environment for global entities operating in India is a matter of concern. We actively participate in dialogue in industry bodies and with regulators to point these out and to recommend appropriate changes. While we ensure that we are in compliance with all applicable laws, however any failure in detecting errors in our statutory records or errors or omissions in our business operations could expose us to potential losses and regulatory fines amongst others.

## **8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Through our compliance function, we monitor compliance with regulatory requirements laid down by the Securities and Exchange Board of India (SEBI) with respect to Portfolio Management Services.

The company has an Internal Control System commensurate with its requirement and size of business to ensure that the assets and interest of the company assets are safeguarded. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid down system and policies are comprehensively and frequently monitored by your company's management at all the levels of the organization.

Our team stays abreast of the new regulatory requirements and communicates the same to the relevant functions along with meaningful inputs for implementation. The Compliance team also reviews the implementation status of various requirements by coordinating with respective functions.

The Audit Committee of the Board of Directors reviews the existing audit procedures and internal systems of control on an ongoing basis keeping in mind the organization's requirements, growth prospects and ever evolving business environment. They also review the internal audit findings and recommendations and ensure that corrective measures are implemented. The Audit Committee is responsible for overseeing the risk management framework, reviewing the key risks and mitigation strategies, and ensuring the effectiveness of risk management policies and procedures. The Management is also responsible for ensuring that the risk management framework is effectively implemented within all areas of their respective functions.

V. N. PUROHIT & CO, the statutory auditor of the Company, has audited the financial statements included in this Annual Report and has issued as a part of its Auditors' Report, a report on our internal financial controls with reference to the financial statements (as defined in Section 143 of the Companies Act, 2013). Based on its evaluation, our audit committee has concluded that as of March 31, 2022 our internal financial controls were adequate and operating effectively.

## **9. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

### **✚ Operation of the company:**

Portfolio management team performs functions such as, post trade investment support, cash management, treasury and settlement functions, recording of transactions in the books of accounts of the respective clients, valuation of securities in the client's portfolios, providing various reports to management, liaising with bankers and custodians.

All operational activities are subject to audit. We have appointed auditors as required under relevant regulations for our schemes and the portfolio management and segregated account services. They audit the customer's accounts in respect of the Portfolio Management Service. In addition, all applications used in Operations are periodically subjected to reviews. Our audit committee reviews the auditors' reports and these reports are placed before our board and processes form the backbone

of our operations with extensive focus on internal controls, minimizing operational risks, scalability and bringing about efficiency to meet various timelines. We continuously endeavour to keep upgrading our systems and re-engineer our processes to ensure maintenance of a very high standard of regulatory compliance and governance.

### **✚ Review Of Financial Performance**

The Total Income of the Company stood at ₹ 632.86 lakhs for the year ended March 31, 2022 as against ₹ 17.43 lakhs in the previous year. The Company made a net profit (after tax) of ₹ 585.60 lakhs for the year ended March 31, 2022 as compared to the ₹ 0.27 lakhs in the previous year.

## **10. HUMAN RESOURCES**

Escorp Asset Management Ltd. is part of a dynamic and progressive group that actively fosters a challenging work environment and encourages Entrepreneurship. With trust being the critical part of our business belief, we lay a strong emphasis on integrity, teamwork, innovation, performance and partnership. Our professional staff with diverse backgrounds brings varied talent, knowledge and experience to the Group, helping our businesses to remain competitive, achieve greater success and newer milestones.

Our management team and board of directors are resolved to do what, we believe, is best for our shareholders, clients and associates.

At Escorp Asset Management limited we understand that internal selection and succession is very critical for the long-term sustenance of the business as it ensures business continuity, preserves corporate culture, enhances knowledge capital and fuels the ambitions of the Company's talent force leading to better retention. We ensure that our internal talent is groomed for the next level. In order to create value for our stakeholders we continue to invest in technology and adopt fair HR practices to empower our people creating a supportive environment. We continue to uphold high standards of governance with respect to all statutory compliance and regulatory requirements.

## **11. OUTLOOK OF THE COMPANY**

We believe we are well-poised to capitalise on the healthy prospects of the industry and further solidify our position in the market. Our strong brand equity, disciplined investment philosophy and robust process, customer-centric approach, expansive reach, and healthy financials should facilitate our future growth.

### **k) Our strategic priorities include:**

- a) Maintaining a strong investment performance against benchmarks and peer groups
- b) Enhancing our reach and distribution network
- c) Enhancing our product portfolio to cater to various financial needs and aspirations of consumers
- d) Investing in digital platforms to acquire, retain and grow our customer base

## **12. SAFE HARBOUR**

This report describing our activities, projections and expectations for the future, may contain certain 'forward looking statements' within the meaning of applicable laws and regulations. The actual results of business may differ materially from those expressed or implied due to various risk factors and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statement are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards notified under Section 133 of the Act. The management of Escorp Asset Management Limited has used estimates and judgements relating to the



financial statement on a prudent and reasonable basis, in order that the financial statement reflects in a true and fair manner, the profit for the year.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Escorp Asset Management Limited having CIN: L17121MH2011PLC213451 hereinafter referred to as the (“Company”) produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 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.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in the Company</b>
1.	Haresh Sanghvi	00006301	16/01/2017
2.	Shripal Shrenik Shah	01628855	27/03/2019
3.	Shreyas Shrenik Shah	01835575	27/07/2016
4.	Supriya Avinash Tatkar	03340550	16/01/2017
5.	Darshit Prakash Parikh	03492803	27/07/2016

Ensuring the eligibility of / 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 JNG & Co.,**

**Place: Mumbai**

**Date: 30<sup>th</sup> July, 2022**

**UDIN : F007569D00071421**

**Sd/-  
Jigarkumar Gandhi**

**FCS: 7569  
C.P. No. 8108  
Peer Review No. 1972/2022**

## Independent Auditor's Report

To  
 The members of  
**ESCORP ASSET MANAGEMENT LIMITED**  
**Report on the Audit of Financial Statements**

### Opinion

We have audited the accompanying financial statements of **ESCORP ASSET MANAGEMENT LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2022, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the 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 (hereby referred as 'the financial statements').

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and the **net profit** (including other comprehensive income), 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 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 (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor's response
<p><b><u>Measurement of Revenue</u></b></p> <p>As per Ind AS 115, measurement of revenue to be made on transaction price.</p>	<p>Our audit procedure inter- alia included the following-</p> <ul style="list-style-type: none"> <li>• We used assessment of overall control environment relevant for measurement of revenue.</li> <li>• We performed testing of journal entries, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.</li> </ul>

### **Information other than the financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

### **Management's Responsibility for the Financial Statements**

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the applicable accounting standards and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring 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 misstatements, whether due to fraud or error.

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

The Board of Directors is 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 a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in 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 the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, relevant 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, 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure- A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 (including Other Comprehensive Income), 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 Ind AS financial statements comply with the Ind AS 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 31<sup>st</sup> March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022, 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- B**”.
- (g) With respect to other matter to be included in the Auditor's Report in accordance with the 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. (Note No. 31)
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b)The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures, we have obtained reasonable and appropriate evidence, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- ii. No dividend has been declared or paid during the year by the company, hence Section 123 of the Companies Act, 2013 is not applicable to the company.

- (h) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. No. 304040E

Sd/-  
**O.P. Pareek**  
Partner  
Membership No. 014238  
**UDIN: 22014238AJSWIT1441**

New Delhi, the 27<sup>th</sup> day of May, 2022

**ANNEXURE -A TO THE AUDITOR'S REPORT**

The Annexure referred to in Paragraph 1 under the heading of “Report on other Legal and Regulatory Requirements” of our report of even date to the members of **ESCORP ASSET MANAGEMENT LIMITED** for the year ended on 31<sup>st</sup> March 2022.

- (i) (a) (A) As per information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property plant and equipment;
- (B) As per information and explanation given to us, the company does not have any Intangible asset hence this point is not applicable to the company;
- (b) As per information and explanation given to us, physical verification of Property Plant and equipment has been conducted at regular interval in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report. Accordingly provisions of clause 3(i)(c) is not applicable to the company;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly provisions of sub-clause (i)(d) of para 3 of this order is not applicable to the company;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly provisions of sub-clause (i)(e) of para 3 of this order is not applicable to the company;
- (ii) (a) As per information and explanation given to us, the company does not have inventory hence physical verification of inventory is not applicable to the company;
- (b) As per information and explanation given to us, the company has not taken any working capital loan therefore there is no requirement to furnish quarterly returns or statements with such banks. Accordingly provisions of sub-clause (ii)(b) of para 3 of this order is not applicable to the company;
- (iii) (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries, joint ventures and associates.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to parties other than subsidiaries, joint ventures and associates.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, there are no loans given by the Company. Accordingly provisions of sub-clause (iii) (b) of para 3 of this order is not applicable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans given by the Company. Accordingly provisions of sub-clause (iii)(c) of para 3 of this order is not applicable.
- (d) According to the information and explanations provided to us there is no loan overdue amount for more than ninety days in respect of loans given.



- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans on repayable on demand or without specifying any terms or period of repayment. Accordingly provisions of sub-clause (iii)(f) of para 3 of this order is not applicable.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given;
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us, there is no amount payable in respect statutory dues referred to in sub- clause (a) above, which has been deposited on account of dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or debenture holders, thus there arises no question of default in repayment;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans and thus there arise no question to divert such loans.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis and thus there arise no question to utilise the same for long-term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does have not any subsidiaries, associates or joint ventures. Thus, there arise question to take fund from any persons or entities to meet there obligation. Accordingly, provisions of sub-clause (ix)(e) of para 3 of the order are not applicable.
- (f) According to the information and explanations given to us on an overall examination of the financial statements of the Company, we report that the Company has not raised loan during the year on the pledge of securities held in its subsidiaries.

- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of sub- clause (x)(a) of para 3 of the order are not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of sub- clause (x)(b) of para 3 of the order are not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the Information and explanations given to us, there are no whistle blower complaints received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of sub- clause (xii) of para 3 of the order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of sub-clause (xvi) (c) of para 3 of the order are not applicable.
- (d) According to information and explanations given to us, the Group does not have any CIC as part of the Group. Accordingly, provisions of sub-clause (xvi) (d) of para 3 of the order are not applicable.
- (xvii) The Company has not incurred cash losses during the year covered by this report and in the immediately preceding year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of sub-clause (xviii) of para 3 of the order are not applicable.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) According to the information and explanations given to us, provisions of section 135 of the companies Act, 2013 are not applicable to the Company. Accordingly, provisions of sub-clause (xx) of para 3 of the order are not applicable.
- (xxi) According to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures. Accordingly, provisions of sub-clause (xxi) of para 3 of the order are not applicable.

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. No. 304040E

Sd/-

**O.P. Pareek**

Partner

Membership No. 014238

**UDIN: 22014238AJSWIT1441**

New Delhi, the 27<sup>th</sup> day of May, 2022

## **ANNEXURE -B TO THE AUDITOR'S REPORT**

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

In conjunction with our audit of the financial statements of the Company as at and for the year ended 31<sup>st</sup> March 2022, we have audited the internal financial controls with reference to financial statements of **ESCORP ASSET MANAGEMENT LIMITED** (hereinafter referred to as "Company") along with its subsidiaries, as of that date.

#### **Management's Responsibility for the Internal Financial Controls**

The respective management of the company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note"). 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 fraud and errors, the accuracy and completeness of 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 internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, with reference to the financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained for the company to which we are independent auditors is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to financial statements**

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control with reference to financial statements to future periods are subject to the risk that the internal financial controls 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, have, in all material aspects, an adequate internal financial controls system with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on "the internal financial controls with reference to financial statements criteria considering the essential components of internal control stated in the Guidance Note.

**FOR V.N. PUROHIT & CO.****Chartered Accountants**

Firm Regn. No. 304040E

Sd/-

**O.P. Pareek**

Partner

Membership No. 014238

**UDIN: 22014238AJSWIT1441**New Delhi, the 27<sup>th</sup> day of May, 2022

**ESCORP ASSET MANAGEMENT LIMITED**

CIN: L17121MH2011PLC213451

Balance Sheet as at 31st March, 2022

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
		INR Lacs	INR Lacs
<b>I ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	2	82.23	7.18
Bank Balance other than above	3	360.00	30.00
Derivative financial instruments		-	-
Receivables			
Trade Receivables	4	4.44	1.49
Other Receivables		-	-
Investments	5	3,239.39	2,550.62
Other Financial assets	6	1.16	0.13
<b>Non-financial Assets</b>			
Current tax assets (net)		1.95	0.72
Property, plant and equipment	7	0.08	0.09
Other Intangible assets		-	-
Other non financial assets	8	9.51	10.37
<b>Total assets</b>		<b>3,698.76</b>	<b>2,600.60</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>Financial Liabilities</b>			
Derivative financial instruments			
Payables			
(I) Trade Payables	9		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.04	0.02
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Borrowings (other than debt security)		-	-
Deposits		-	-
Other Financial liabilities	10	1.98	2.46
<b>Non-financial Liabilities</b>			
Current tax liabilities (net)		-	-
Deferred tax liabilities (net)	11	253.34	132.14
Other non-financial liabilities	12	32.17	0.10
<b>Equity</b>			
Equity share capital	13	667.00	667.00
Other equity	14	2,744.23	1,798.87
<b>Total Liabilities and Equity</b>		<b>3,698.76</b>	<b>2,600.60</b>

Notes to the financial statements

"1-36"

The accompanying notes are an integral part of the financial statements

For and on behalf of the Escorp Asset Management Limited

For V. N. Purohit &amp; Co.

Chartered Accountants

Firm Regn No. 304040E

Sd/-  
**Shripal Shah**  
 Director  
 DIN: 01628855

Sd/-  
**Shreyas Shah**  
 Director  
 DIN: 01835575

O. P. Pareek

Partner

Membership No. 014238

UDIN: 22014238AJSWIT1441

Place : Mumbai

Date : 27/05/2022

Sd/-  
**Chaitali Pansari**  
 Company Secretary  
 PAN: BKHPP6512N

ESCORP ASSET MANAGEMENT LIMITED  
CIN: L17121MH2011PLC213451  
Statement of Profit and loss for the year ended 31st March, 2022

Sr. No.	Particulars	Note	For the year ended 31st March, 2022	For the year ended 31st March, 2021
			INR Lacs	INR Lacs
I	Revenue From Operations	15	623.35	15.21
II	Other Income	16	9.51	2.22
III	<b>Total Income (I+II)</b>		<b>632.86</b>	<b>17.43</b>
IV	<b>EXPENSES</b>			
	Finance costs	17	0.01	0.02
	Fees & Commission expense	18	1.38	1.11
	Employee benefits expense	19	7.39	9.26
	Depreciation expense	20	-	0.04
	Other expenses	21	6.82	5.18
	<b>Total expenses (IV)</b>		<b>15.61</b>	<b>15.60</b>
V	<b>Profit before tax (III-IV)</b>		<b>617.25</b>	<b>1.83</b>
VI	Tax expense:			
	(1) Current tax		31.65	0.16
	(2) Short Provision for Tax		-	1.38
	(3) Deferred tax		-	0.01
			<b>31.65</b>	<b>1.55</b>
VII	<b>Profit for the year (V-VI)</b>		<b>585.60</b>	<b>0.27</b>
VIII	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	- Changes in fair value of FVOCI equity instruments		480.95	989.33
	- Income tax effect relating to above		(121.19)	(56.14)
VIII	<b>Other comprehensive income</b>		<b>359.76</b>	<b>933.19</b>
IX	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>945.36</b>	<b>933.47</b>
X	Earnings per equity share:			
	Basic & Diluted (Face value Rs.10 per equity share) (in Rupees)		8.78	0.004

Notes to the financial statements

"1-36"

The accompanying notes are an integral part of the financial statements

In terms of our report attached

**For V. N. Purohit & Co.**  
Chartered Accountants  
Firm Regn No. 304040E

**O. P. Pareek**  
Partner  
Membership No. 014238  
UDIN: 22014238AJSWIT1441

Place : Mumbai  
Date : 27/05/2022

**For and on behalf of the Escorp Asset Management Limited**

Sd/-  
**Shripal Shah**  
Director

DIN: 01628855

Sd/-  
**Shreyas Shah**  
Director

DIN: 01835575

Sd/-  
**Chaitali Pansari**  
Company Secretary  
PAN: BKHPP6512N

**ESCORP ASSET MANAGEMENT LIMITED**

CIN: L17121MH2011PLC213451

Statement of changes in equity for the year ended 31st March, 2022

**I. Equity Share Capital**

For the year ended as on 31st March 2022

Balances as at 1st April 2021	Change in equity Share Capital due to prior period errors	Restated balance at the beginning of the Current reporting period	Changes in equity share capital during the current year	Balance as at 31st March 2022
667.00	-	-	-	667.00

For the year ended as on 31st March 2021

Balances as at 1st April 2020	Change in equity Share Capital due to prior period errors	Restated balance at the beginning of the Current reporting period	Changes in equity share capital during the current year	Balance as at 31st March 2021
667.00	-	-	-	667.00

**II. Other Equity**

For the year ended as on 31st March 2022

Particulars	Reserve & Surplus		Equity Instruments through Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings		
Balances as at 1st April 2021	177.15	19.26	1,602.47	1,798.88
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April 2021	-	-	-	-
Profit/(loss) for the year	-	585.60	-	585.60
Other comprehensive income (net)				
Remeasurement of Investments carried at FVTOCI	-	-	359.76	359.76
Total other comprehensive income	-	-	359.76	359.76
Total Comprehensive Income	-	585.60	359.76	945.36
<b>Balance as at 31st March 2022</b>	<b>177.15</b>	<b>604.86</b>	<b>1,962.23</b>	<b>2,744.23</b>

For the year ended as on 31st March 2021

Particulars	Reserve & Surplus		Equity Instruments through Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings		
Balances as at 1st April 2020	177.15	18.98	669.28	865.41
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance as at 1st April 2020	-	-	-	-
Profit/(loss) for the year	-	0.27	-	0.27
Other comprehensive income (net)				
Remeasurement of Investments carried at FVTOCI	-	-	933.19	933.19
Total other comprehensive income	-	-	933.19	933.19
Total Comprehensive Income	-	0.27	933.19	933.47
<b>Balance as at 31st March 2021</b>	<b>177.15</b>	<b>19.26</b>	<b>1,602.47</b>	<b>1,798.87</b>

Notes to the financial statements

The accompanying notes are an integral part of the financial statements

"1-36"

In terms of our report attached

**For V. N. Purohit & Co.**

Chartered Accountants

Firm Regn No. 304040E

**O. P. Pareek**

Partner

Membership No. 014238

UDIN: 22014238AJSWIT1441

Place : Mumbai

Date : 27/05/2022

**For and on behalf of the Escorp Asset Management Limited**Sd/-  
**Shripal Shah**  
Director  
DIN: 01628855Sd/-  
**Shreyas Shah**  
Director  
DIN: 01835575Sd/-  
**Chaitali Pansari**  
Company Secretary  
PAN: BKHPP6512N



ESCORP ASSET MANAGEMENT LIMITED

CIN: L17121MH2011PLC213451

Statement of Cash flows for the year ended 31st March, 2022

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
		INR Lacs	INR Lacs
<b>A</b>	<b><u>Cash flow from operating activities</u></b>		
	Profit/(Loss) for the year (Before Tax)	617.25	1.83
	<i>Adjustments for:</i>		
	Finance costs	0.01	0.02
	Depreciation expense	-	0.04
	Interest income	(9.51)	(2.14)
	<b>Operating profit before working capital changes</b>	<b>607.76</b>	<b>(0.27)</b>
	<b>Movements in working capital:</b>		
	(Increase)/decrease in trade receivables	(2.95)	11.33
	(Increase)/decrease in other assets	(0.17)	(6.95)
	Increase /(decrease) in trade payables	0.01	0.00
	Increase /(decrease) in other liabilities	31.59	(0.40)
	<b>Cash generated from operations</b>	<b>636.24</b>	<b>3.71</b>
	Direct taxes paid (net)	(32.89)	0.89
	<b>Net cash from operating activities (A)</b>	<b>603.35</b>	<b>4.60</b>
<b>B</b>	<b><u>Cash flows from investing activities</u></b>		
	(Purchase)/ Sale of Investments (net)	(207.81)	(2.12)
	Interest income	9.51	2.14
	<b>Net cash (used in) investing activities (B)</b>	<b>(198.30)</b>	<b>0.02</b>
<b>C</b>	<b><u>Cash flow from financing activities</u></b>		
	Interest paid	(0.01)	(0.02)
	<b>Net cash (used in) financing activities (C)</b>	<b>(0.01)</b>	<b>(0.02)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]</b>	<b>405.04</b>	<b>4.60</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>37.18</b>	<b>32.58</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>442.22</b>	<b>37.18</b>
	<b>Components of Cash and Cash Equivalents</b>		
	Cash in Hand	0.85	0.86
	Balance with Bank in Current and Fixed Deposit Accounts	441.37	36.32
	<b>Total Cash and Cash equivalents</b>	<b>442.22</b>	<b>37.18</b>

In terms of our attached report of even date

For V. N. PUROHIT & CO.  
Chartered Accountants  
Firm Registration No. 304040E

O. P. Pareek  
Partner  
Membership No. 014238  
UDIN: 22014238AJSWIT1441

Place : Mumbai  
Date : 27/05/2022

For and on behalf of the Escorp Asset  
Management Limited

Sd/-  
Shripal Shah  
Director  
DIN: 01628855

Sd/-  
Shreyas Shah  
Director  
DIN: 01835575

Sd/-  
Chaitali Pansari  
Company Secretary  
PAN: BKHPP6512N

## **Note 1**

### **A. CORPORATE INFORMATION:**

Escorp Asset Management Limited is a public limited company domiciled in India with its registered office located at 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001. The Company is listed on SME Platform of BSE Limited (BSE SME). The Company is engaged in the business of portfolio management services..

### **B. SIGNIFICANT ACCOUNTING POLICIES:**

#### **1. Basis of Preparation of Financial Statements:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other related provisions of the Act.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- (i) Certain financial assets and liabilities are measured at Fair value (Refer note no. 7 below)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in INR, the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### **2. Use of Estimates and judgments:**

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### **Critical accounting judgments and key source of estimation uncertainty:**

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

- (a) Estimation of current tax expenses and payable - Refer note no. - 13 below

#### **3. Property, plant and equipment (PPE)**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

#### **4. Intangible assets:**

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

#### **5. Depreciation and Amortization:**

##### **a) Property Plant and Equipment (PPE):**

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Estimated Useful Life - Computers - 3 Years.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

##### **b) Intangible Assets:**

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

#### **6. Investment Properties:**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided based on straight line method using the useful life as specified in schedule II of the Companies Act, 2013 .

#### **7. Financial Instruments:**

##### **Financial Assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments.

##### **Equity Instruments:**

Considering the entity's business model for managing equity instruments; the investments in equity shares have been recognised at fair value as on date of balance sheet. Fair value movements are recognised in the other comprehensive income (OCI).

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

**Impairment:**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity 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 effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking..

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life ime expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

**Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**Financial Liabilities:**

**Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

**Subsequent measurement**

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**Loans & Borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

**Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the period when asset is realized.

**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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**8. Fair Value Measurement:**

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1-Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**9. Inventory:**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis.

#### **10. Cash and Cash Equivalents:**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

#### **11. Foreign Currency Transactions:**

##### **a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

##### **b) Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

#### **12. Revenue recognition:**

##### **Rendering of Services:**

Income from services rendered is recognised based on invoices raised for service provided on an accrual basis. Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts and any taxes or duties collected on behalf of the government which are levied on sales such as Goods & Service tax, sales tax, value added tax, etc.

##### **Interest:**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

##### **Dividend:**

Dividend Income is recognized when right to receive the same is established.

#### **13. Employee Benefits:**

Employee Benefits: - The Company does not falls within the applicability of Employee Benefit plans.

#### **14. Income Taxes:**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized 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 utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

#### **15. Taxes on Income:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### **16. Earnings Per Share:**

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **17. Leases:**

##### **Where the Company is Lessee:**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis as per the terms of agreements entered with the counter parties.

##### **Where the Company is Lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. The Company recognizes lease rentals from the property leased out, on accrual basis as per the terms of agreements entered with the counter parties. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

#### **18. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.



2 Cash & cash equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Balances with banks in current accounts	81.37	6.32
Cash on hand	0.85	0.86
<b>Total</b>	<b>82.23</b>	<b>7.18</b>

3 Bank balances other than cash and cash equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Balances with banks - Fixed Deposits	360.00	30.00
<b>Total</b>	<b>360.00</b>	<b>30.00</b>

4 Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Considered good - unsecured	4.44	1.49
<b>Total</b>	<b>4.44</b>	<b>1.49</b>

4.1 Trade receivables ageing schedule

S No.	Particulars	Outstanding from due date of payment as on 31st March 2022					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	4.44	-	-	-	-	4.44
(ii)	Undisputed Trade Receivables : Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered doubtful	-	-	-	-	-	-

S No.	Particulars	Outstanding from due date of payment as on 31st March 2021					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	1.49	-	-	-	-	1.49
(ii)	Undisputed Trade Receivables : Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered doubtful	-	-	-	-	-	-

5 Investments

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
<b>Investments in Equity Instruments:</b>		
<b>Measured at Fair Value through Other Comprehensive Income</b>		
Aggregate amount of quoted investment and Market Value thereof	3,239.39	2,550.62
Aggregate amount of Quoted Investments at cost	1,023.84	816.03

6 Other financial assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Interest accrued on fixed deposit	1.16	0.13
<b>Total</b>	<b>1.16</b>	<b>0.13</b>

7 Property, plant and equipment

Particulars	Computer
	INR Lacs
<b>Gross Carrying amount</b>	
Balance as at 31st March, 2021	1.73
Additions	-
Disposals	-
<b>Balance as at 31st March, 2022</b>	<b>1.73</b>
<b>Accumulated Depreciation</b>	
Balance as at 31st March, 2021	1.65
Depreciation for the year	-
Disposals	-
<b>Balance as at 31st March, 2022</b>	<b>1.65</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>0.09</b>
<b>Net carrying amount as at 31st March, 2022</b>	<b>0.08</b>

8 Other non financial assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Unamortised Expenses - Public Issue	-	0.52
Prepaid expenses	3.06	3.33
Advances	6.45	6.45
Balances with government authorities	-	0.06
<b>Total</b>	<b>9.51</b>	<b>10.37</b>

9 Trade payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Dues to Micro, Small and medium enterprises	-	-
Dues to Others	0.04	0.02
<b>Total</b>	<b>0.04</b>	<b>0.02</b>

**Note:** There are no dues to Micro and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.

9.1 Trade payable due for payment and the ageing schedule as below:

Particulars	Outstanding from due date of payment as on 31st March 2022					
	Less than 1 Year	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	0.04	-	-	-	-	0.04
(iii) Disputed dues : MSME	-	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-	-

Particulars	Outstanding from due date of payment as on 31st March 2021					
	Less than 1 Year	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	0.02	-	-	-	-	0.02
(iii) Disputed dues : MSME	-	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-	-

10 Other Financial liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Salaries and reimbursements	0.46	0.60
Directors Sitting Fees Payable	1.20	1.36
Audit fees payable	0.32	0.50
<b>Total</b>	<b>1.98</b>	<b>2.46</b>

11 Deferred Tax Liability /(Asset)

Particulars	For the year ended 31st March 2022 (Rupees)			
	As at 31st March 2021	Recognised in Profit and Loss	Recognised in OCI	INR Lacs
				As at 31st March 2022
Propert, Plant and Equipment	(0.01)			(0.01)
Fair valuation of investment	132.15		121.31	253.46
<b>Total</b>	<b>132.14</b>	<b>-</b>	<b>121.31</b>	<b>253.45</b>

Particulars	For the year ended 31st March 2021 (Rupees)			
	As at 31st March 2020	Recognised in Profit and Loss	Recognised in OCI	INR Lacs
				As at 31st March 2021
Propert, Plant and Equipment	(0.01)		-	(0.01)
Fair valuation of investment	76.01		56.14	132.15
<b>Total</b>	<b>76.00</b>	<b>-</b>	<b>56.14</b>	<b>132.14</b>

12 Other Non Financial liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Statutory dues payable	31.77	0.10
GST payable	0.40	-
<b>Total</b>	<b>32.17</b>	<b>0.10</b>

13 Equity share capital

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
<b>Authorised:</b>		
70,00,000 Equity Shares @ Rs. 10 each	700.00	700.00
<b>Issued, Subscribed and Paid up:</b>		
66,70,000 (31.03.2021: 66,70,000 ) Equity Shares of Rs 10 each	667.00	667.00

**Notes:**

**13.1 Reconciliation of number of shares outstanding at the beginning and end of the year:**

Authorised share capital:	No. of shares	Amount
	In Lacs	INR Lacs
Balance as at 31st March,2021	70.00	700.00
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March,2022</b>	<b>70.00</b>	<b>700.00</b>
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March,2022</b>	<b>70.00</b>	<b>700.00</b>

Issued, Subscribed and Paid up share capital:	No. of shares	Amount
	In Lacs	INR Lacs
Balance as at 31st March,2021	66.70	667.00
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March,2021</b>	<b>66.70</b>	<b>667.00</b>
Add / (Less): Changes during the year	-	-
<b>Balance as at 31st March,2022</b>	<b>66.70</b>	<b>667.00</b>

**13.2 Terms / rights attached to Equity Shares:**

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**13.3 Details of shares held by each shareholder holding more than 5% shares in the Company:**

Equity share of Rs.10 each fully paid up with voting rights	Number of fully paid equity shares (In lacs)	Number of fully paid equity shares (In lacs)
<b>Aryaman Financial Services Limited</b>		
As at 31st March, 2022	35.00	52.47%
As at 31st March, 2021	35.00	52.47%
<b>Mr. Shripal Shah</b>		
As at 31st March, 2022	5.05	7.57%
As at 31st March, 2021	5.05	7.57%
<b>Mr. Shreyas Shah</b>		
As at 31st March, 2022	5.04	7.56%
As at 31st March, 2021	5.04	7.56%

**13.4 Details of shares held by each promoter in the Company:**

Equity share of Rs.10 each fully paid up with voting rights	Number of fully paid equity shares (In lacs)	Number of fully paid equity shares (In lacs)
<b>Aryaman Financial Services Limited</b>		
As at 31st March, 2022	35.00	52.47%
As at 31st March, 2021	35.00	52.47%
Changes in during the year	-	0.00%
<b>Ms. Meloni Shripal Shah</b>		
As at 31st March, 2022	0.01	0.01%
As at 31st March, 2021	0.01	0.01%
Changes in during the year	-	0.00%
<b>Mr. Shripal Shah</b>		
As at 31st March, 2022	5.05	7.57%
As at 31st March, 2021	5.05	7.57%
Changes in during the year	-	0.00%
<b>Mr. Shreyas Shah</b>		
As at 31st March, 2022	5.04	7.56%
As at 31st March, 2021	5.04	7.56%
Changes in during the year	-	0.00%

Shares held by Holding Company	Number of fully paid equity shares (In lacs)	Number of fully paid equity shares (In lacs)
<b>Aryaman Financial Services Limited</b>		
As at 31st March 2022	35.00	52.47%
As at 31st March 2021	35.00	52.47%

**14 Other equity**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Securities premium	177.15	177.15
Retained earnings	604.88	19.28
Other comprehensive income	1,962.20	1,602.44
<b>Total</b>	<b>2,744.23</b>	<b>1,798.87</b>

**14.1 Securities Premium**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Balance as at beginning of the year	177.15	177.15
Add/(Less): Movement during the year	-	-
<b>Balance as at end of the year</b>	<b>177.15</b>	<b>177.15</b>

**14.2 Retained earnings**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Balance as at beginning of the year	19.28	19.00
Profit for the year	585.60	0.27
<b>Balance as at end of the year</b>	<b>604.88</b>	<b>19.28</b>

**14.3 Other comprehensive income**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	INR Lacs	INR Lacs
Balance as at beginning of the year	1,602.44	669.25
Add/(Less): Other comprehensive income (Net of taxes)	359.76	933.19
<b>Balance as at end of the year</b>	<b>1,962.20</b>	<b>1,602.44</b>

**15 Revenue From Operations**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
Fees & commission income	5.11	3.03
Investment and Dividend income	618.25	12.18
<b>Total</b>	<b>623.35</b>	<b>15.21</b>

**16 Other Income**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
Interest income on Fixed Deposit	9.51	2.14
Interest on IT refund	-	0.07
<b>Total</b>	<b>9.51</b>	<b>2.22</b>

**17 Finance Costs**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
<b>Interest Expenses on:</b>		
Other finance costs	0.01	0.02
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

**18 Fees & Commission expense**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
Custodial Fees	0.56	0.45
Listing Fees	0.41	0.25
Processing Fees	0.11	0.11
Professional Charges	0.30	0.3
<b>Total</b>	<b>1.38</b>	<b>1.11</b>

**19 Employee Benefit Expense**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
Salaries, wages and bonus	6.35	7.94
Director Sitting Fees	1.04	1.32
<b>Total</b>	<b>7.39</b>	<b>9.26</b>

**20 Depreciation expense**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
Depreciation of property, plant and equipment	-	0.04
<b>Total</b>	<b>-</b>	<b>0.04</b>

**21 Other Expenses**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
	INR Lacs	INR Lacs
IPO Expenses (Amortised)	0.52	2.02
SEBI Membership-Port Folio Manager Licence	-	1.67
Payment to statutory auditors for		
- Statutory Audit	0.35	0.35
- Other Certification	0.04	0.12
Other expenses	5.91	1.02
<b>Total</b>	<b>6.82</b>	<b>5.18</b>

22 Income taxes

(a) Tax expense recognised in the Statement of profit and loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	INR Lacs	INR Lacs
<b>Current tax</b>		
Current year	31.65	0.16
Short Provision for Tax	-	1.38
<b>Total current tax</b>	<b>31.65</b>	<b>1.54</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary difference	-	0.01
<b>Total deferred income tax expense/(credit)</b>	<b>-</b>	<b>0.01</b>
MAT Credit entitlement	-	-
<b>Total income tax expense/(credit)</b>	<b>31.65</b>	<b>1.55</b>

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(b) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	INR Lacs	INR Lacs
Profit /(loss) before taxation	617.25	1.83
Enacted income tax rate in India	25.17%	25.17%
Tax at the enacted income tax rate	155.35	0.46
<b>Reconciliation line items:</b>		
Others	(123.70)	(0.29)
Earlier years tax	-	1.38
<b>Tax expense/ (credit)</b>	<b>31.65</b>	<b>1.55</b>

(b) The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2021:

Particulars	As at March 31, 2020	Credit/ (charge) in Statement of profit and loss	As at March 31, 2021
	<b>Deferred tax assets/(liabilities)</b>		
On Account of Depreciation	0.02	(0.01)	0.01
Fair valuation of Equity instruments through other comprehensive income	(76.01)	(56.14)	(132.15)
<b>Total</b>	<b>(75.98)</b>	<b>(56.15)</b>	<b>(132.14)</b>

Particulars	As at March 31, 2021	Credit/ (charge) in Statement of profit and loss	As at March 31, 2022
	<b>Deferred tax assets/(liabilities)</b>		
On Account of Depreciation	0.01	(0.00)	0.01
Fair valuation of Equity instruments through other comprehensive income	(132.15)	(121.20)	(253.34)
<b>Total</b>	<b>(132.14)</b>	<b>(121.20)</b>	<b>(253.34)</b>

**ESCORP ASSET MANAGEMENT LIMITED**  
**CIN: L17121MH2011PLC213451**  
**Notes to financial statements for the year ended 31st March, 2022**

**23 Contingent liabilities & Commitments**

The company does not have any contingent liabilities and Commitments (including Capital Commitments as on March 31, 2022 (As at March 31, 2021 - Nil).

**24 Earning Per share**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	INR Lacs	INR Lacs
<b>Profit after tax available for equity shareholders</b>	585.60	0.27
Weighted average number of equity shares	66.70	66.70
Nominal value of equity shares	10.00	10.00
<b>Basic and diluted Earning Per Share</b>	8.780	0.004

**25 Segment Reporting**

The Company's Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates the Company's performance and allocated the resources based on an analysis of various performance indicators. The Company is primarily engaged in the business of financial services mainly Portfolio Management Services (PMS) and dealing with Synergical investments. The same has been considered as business segment and the management considers these as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

**26 Related party disclosures**

(a)

Category	Name of the Related Party/ Relationship
Holding Company	Aryaman Financial Services Limited
Key Managerial Personnel	Mr. Shripal Shah, Director & CFO Mr. Shreyas Shah, Director Ms Chaitali Pansari, Company Secretary Mr Haresh Sanghvi, Independent Director Mr Darshit Parikh, Non-Executive - Independent Director Mrs. Supriya Tatkar, Non-Executive - Independent Director
Relative of KMP	Mrs. Meloni Shah (Wife of Shripal Shah & Employee)

(b) **Transactions carried out with related parties referred in (a) above, in ordinary course of business:**

Name of the Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
	INR Lacs	INR Lacs
<b>Directors Sitting Fees Paid</b>		
Mrs Supriya Tatkar	0.40	0.48
Mr Darshit Parikh	0.40	0.40
Mr Haresh Sanghvi	0.40	0.44
<b>Salary paid</b>		
Mrs. Meloni Shah	1.80	1.80
<b>Services provided</b>		
Aryaman Financial Services Limited	-	-

(c) **Balances outstanding**

Name of the Related Party	As at March 31, 2022	As at March 31, 2021
	INR Lacs	INR Lacs
<b>Directors Sitting Fees Outstanding</b>		
Mrs Supriya Tatkar	0.40	0.40
Mr Darshit Parikh	0.40	0.56
Mr Haresh Sanghvi	0.40	0.40
<b>Salary Outstanding</b>		
Mrs. Meloni Shah	0.15	0.15
<b>Receivables</b>		
Aryaman Financial Services Limited	-	-

27 Ratio Analysis and its components

S.No.	Particulars	31st March 2022	31st March 2021	% Change from March 31, 2021 to March 31, 2022
1	Current ratio	13.25	16.78	-21.06%
2	Debt- Equity Ratio	N. A.	N. A.	N. A.
3	Debt Service Coverage Ratio	N. A.	N. A.	N. A.
4	Inventory Turnover Ratio	N. A.	N. A.	N. A.
5	Interest Service Coverage Ratio	N. A.	N. A.	N. A.
6	Long term debt to working capital	N. A.	N. A.	N. A.
7	Bad debts to Account receivable ratio	N. A.	N. A.	N. A.
8	Current liability ratio	0.12	0.02	518.83%
9	Total debts to total assets	-	-	N. A.
10	Return on Equity Ratio	0.20	0.0001	145095.90%
11	Trade Receivable Turnover Ratio	210.22	16.63	1164.38%
12	Trade Payable Turnover Ratio	20,070.85	93.89	21276.57%
13	Net Capital Turnover Ratio	1.49	0.37	299.87%
14	Net Profit Ratio	0.94	0.02	5097.19%
15	Return on Capital Employed	0.18	0.0007	24326.61%
16	Return on Investment	0.31	0.39	-20.80%

27.1 Reasons for variance of more than 25% in above ratios :-

S. No.	Ratios with variance of more than 25%	Reasons of variance
1	Current ratio	Increased in Current assets along with current liabilities compared to last year
2	Current liability ratio	Decreased due to payment of current liabilities
3	Return on Equity Ratio	Increased due to increase in net profit income
4	Trade Receivable Turnover Ratio	Increased due to increase in revenue from operation & trade receivables
5	Trade Payable Turnover Ratio	Increased due to increase in revenue from operation
6	Net Capital Turnover Ratio	Increased due to increase in revenue from operation
7	Net Profit Ratio	Increased due to increase in revenue from operation
8	Return on Capital Employed	Increased due to increase in other equity

27.2 Components of Ratio

(In 000's)

S.No.	Ratios	Numerator	Denominator	March 31st 2022		March 31st 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	452.84	34.19	43.44	2.59
2	Debt- Equity Ratio	Total Debts (Total Liabilities)	Total Equity(Equity Share capital+Other equity)	-	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit before exceptional Items & tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	-	-	-	-
4	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	-	-	-	-
5	Interest Service Coverage Ratio	Earnings before interest and taxes (EBIT)	Interest expense	-	-	-	-
6	Long term debt to working capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings)	Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)	-	-	-	-
7	Bad debts to Account receivable ratio	Bad Debts	Average Trade Receivables	-	-	-	-
8	Current liability ratio	Total Current Liabilities	Total Liabilities	34.19	287.52	2.59	134.73
9	Total debts to total assets	Total Debt	Total Assets	-	3,698.76	-	2,600.60

10	Return on Equity Ratio	Net profit after tax-Exceptional items	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	585.60	2,938.55	0.27	2,003.16
11	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable [(Opening balance + closing balance)/2]	623.35	2.97	15.21	0.91
12	Trade Payable Turnover Ratio	Revenue from operations	Average trade payable [(Opening balance + closing balance)/2]	623.35	0.03	15.21	0.16
13	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset- current liabilities)	623.35	418.65	15.21	40.85
14	Net Profit Ratio	Net profit after tax-Exceptional items	Revenue from operations	585.60	623.35	0.27	15.21
15	Return on Capital Employed	Profit Before interest,Tax & Exceptional item	Total Equity + Total Debts (including preference share liability)	617.25	3,411.23	1.83	2,465.87
16	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	1,108.71	3,599.39	1,003.65	2,580.62



**ESCORP ASSET MANAGEMENT LIMITED**

**Notes to financial statements for the year ended 31st March, 2022**

**28 Financial instruments**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**The carrying amounts and fair values of financial instruments by category are as follows:**

**For March 31, 2022**

Particulars	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
<b>Financial assets</b>					
Investments	3,239.39	-	-	3,239.39	1,023.84
Trade receivables	-	-	4.44	4.44	4.44
Cash and cash equivalents	-	-	82.23	82.23	82.23
Other bank balances	-	-	360.00	360.00	360.00
Other financial assets	-	-	1.16	1.16	1.16
<b>Total Financial assets</b>	<b>3,239.39</b>	<b>-</b>	<b>447.83</b>	<b>3,687.21</b>	<b>1,471.67</b>
<b>Financial liabilities</b>					
Trade payables	-	-	0.04	0.04	0.04
Others	-	-	1.98	1.98	1.98
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2.01</b>	<b>2.01</b>	<b>2.01</b>

**For March 31, 2021**

Particulars	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
	INR Lacs	INR Lacs	INR Lacs	INR Lacs	INR Lacs
<b>Financial assets</b>					
Investments	2,550.62	-	-	2,550.62	816.03
Trade receivables	-	-	1.49	1.49	1.49
Cash and cash equivalents	-	-	7.18	7.18	7.18
Other bank balances	-	-	30.00	30.00	30.00
Other financial assets	-	-	0.13	0.13	0.13
<b>Total Financial assets</b>	<b>2,550.62</b>	<b>-</b>	<b>38.80</b>	<b>2,589.42</b>	<b>854.83</b>
<b>Financial liabilities</b>					
Trade payables	-	-	0.02	0.02	0.02
Others	-	-	2.46	2.46	2.46
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2.49</b>	<b>2.49</b>	<b>2.49</b>

**ESCORP ASSET MANAGEMENT LIMITED****Notes to financial statements for the year ended 31st March, 2022****28 Financial instruments****Fair value estimation**

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

**For March 31, 2022:**

<b>Particulars</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>INR Lacs</b>	<b>INR Lacs</b>	<b>INR Lacs</b>
Assets at fair value - Investments	3,239.39	-	-

**For March 31, 2021:**

<b>Particulars</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>INR Lacs</b>	<b>INR Lacs</b>	<b>INR Lacs</b>
Assets at fair value - Investments	2,550.62	-	-

There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

**ESCORP ASSET MANAGEMENT LIMITED**

Notes to financial statements for the year ended 31st March, 2022

**29 Financial risk factors**

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include Investments (Strategic and Non Strategic), loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

**(a) Liquidity risk**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company. The Company does not have any undrawn borrowing facilities with the Banks/ Financial institutions.

**(i) The following is the contractual maturities of the financial liabilities:**

As at March 31, 2021

Particulars	Carrying amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
<b>Non-derivative liabilities</b>				
Trade payables	0.02	-	0.02	-
Other financial liabilities	2.46	-	2.46	-
<b>Total</b>	<b>2.49</b>	<b>-</b>	<b>2.49</b>	<b>-</b>

As at March 31, 2022

Particulars	Carrying amount	Payable on demand	1-12 months	More than 12 months
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
<b>Non-derivative liabilities</b>				
Trade payables	0.04	-	0.04	-
Other financial liabilities	1.98	-	1.98	-
<b>Total</b>	<b>2.01</b>	<b>-</b>	<b>2.01</b>	<b>-</b>

**(b) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes investment, deposits, foreign currency receivables and payables. The Company's Management and related team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

**(i) Foreign currency risk**

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's functional and presentation currency is INR. The Company does not have any foreign currency transactions and hence is not exposed to the Foreign Currency Risks.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company does not have any long term borrowings. Hence, the Company is not exposed to the interest rate risk.

**ESCORP ASSET MANAGEMENT LIMITED**

Notes to financial statements for the year ended 31st March, 2022

**29 Financial risk factors****(ii) Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company offsets its risk through strong research policies practice followed.

**Sensitivity**

The table below summarizes the impact of increases/(decreases) of the BSE index on the Company's equity and Gain/ (Loss) for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index .

**Impact on Profit before tax**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	INR Lacs	INR Lacs
BSE Sensex - Increase 5 %	161.97	127.53
BSE Sensex - Decrease 5%	(161.97)	(127.53)

**(c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents, deposits with banks and other financial instruments.

The Company is not significantly exposed to the credit risk toward trade receivables considering the nature of services provided by the Company.

**Trade receivables that have exposure to the Credit risks**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	INR Lacs	INR Lacs
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
- Trade Receivables	4.44	1.49

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- (iv) Significant increase in credit risk on other financial instruments of same counterparty

**Ageing of the accounts receivables**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	INR Lacs	INR Lacs
Not due		
0-180 days	4.44	1.49
> 180 days	-	-
<b>Total</b>	<b>4.44</b>	<b>1.49</b>

Movement in provisions of doubtful debts and advances - There were no Provision of doubtful debts as on March 31, 2022 and March 31, 2021

**ESCORP ASSET MANAGEMENT LIMITED**  
**Notes to financial statements for the year ended 31st March, 2022**

**30 Capital risk management**

The Company's objectives when managing capital are to :

- (i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders etc. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**31** There are no litigations pending by or against the Company.

**32** The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.

**33 Recent Accounting pronouncements**

**Ind AS 116 - Leases:**

On March 30, 2019, Ministry of Corporate affairs have notified Ind AS 116 – “Leases”. Ind AS 116 will replace the existing leases standards Ind AS 17 – “Leases” and related interpretations. The new standard sets out the principles for the recognition, measurement, presentation and disclosures of lease for both lessee and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise the assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets are of low value. Ind AS 116 substantially carried forward the accounting treatment prescribed for lessor. The effective date for adoption of Ind AS 116 is annual period beginning on or after April 01, 2019. The Company is evaluating the impact of the issued Ind AS 116 on its financial statements.

**Ind AS 12 –“Income taxes” - Appendix C – Uncertainty over income tax treatments**

On March 30, 2019, Ministry of Corporate affairs have notified Appendix C to Ind AS 12, uncertainty over the income tax treatments which is to be applied while performing the determination of taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, the company needs to determine the probability of the relevant tax authorities accepting the each tax treatments that the companies have used or plan to use in their income tax filings which has to be considered to compute the most likely amount or expected value of the tax treatments, when determining the taxable profits/(loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company is evaluating the impact of the issued appendix C on its financial statements.“

**34** The financial statements were approved for issue by the Board of Directors on 27th May 2022 .

**35** The figures of the previous year's have been regrouped or reclassified wherever necessary to make them comaprable.

**36** Figures have been rounded off to the nearest lacs of rupees.

**For V. N. PUROHIT & CO.**  
Chartered Accountants  
**Firm Registration No. 304040E**

**O. P. Pareek**  
Partner  
Membership No. 014238  
**UDIN: 22014238AJSWIT1441**

**Place : Mumbai**  
**Date : 27/05/2022**

**For and on behalf of the Escorp Asset  
Management Limited**

**Sd/-**  
**Shripal Shah**  
Director  
DIN: 01628855

**Sd/-**  
**Shreyas Shah**  
Director  
DIN: 01835575

**Sd/-**  
**Chaitali Pansari**  
(Company Secretary)  
PAN: BKHPP6512N


**ESCORP ASSET MANAGEMENT LIMITED**
**Registered Office:** 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai 400 001

**Tel.:** 022 – 6216 6999; **Fax:** 022 – 22630434

**CIN:** L17121MH2011PLC213451

**Website:** [www.escorpamc.co.in](http://www.escorpamc.co.in) **Email:** [info@escorpamc.co.in](mailto:info@escorpamc.co.in)
**PROXY FORM**

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

**11<sup>th</sup> Annual General Meeting – Friday, August 26, 2022**

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

I/we, being the member (s) of .....shares of the above named company, hereby appoint

 1. Name.....Email:.....Address:.....  
 ..... Signature: \_\_\_\_\_

Or failing him/her

 2. Name.....Email:.....Address:.....  
 ..... Signature: \_\_\_\_\_ or

Or failing him/her

 3. Name.....Email:.....Address:.....  
 ..... Signature: \_\_\_\_\_

 as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, August 26, 2022 at 02.00 P.M. at Registered Office of the Company at 60, Khatau Building, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001 and at any adjournment thereof in respect such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Business:</b>				
1.	Adoption of Audited Financial Statements of the Company for the year ended March 31, 2022, the reports of the Board of Directors and auditors thereon.			

2.	Appoint a director in place of Mr. Shreyas Shah, who retires by rotation and being eligible, seeks reappointment			
3.	Re-appointment of Statutory Auditors			
4.	Rectification of Issue of Bonus Shares			

Signed this..... day of.....2022

.....  
Signature of shareholder(s)

.....  
Signature of Proxy holder(s)

Please Affix ₹.1  
Revenue  
Stamp

.....  
Signature of Proxy holder(s)

.....  
Signature of Proxy holder(s)

**Notes:**

1. *This form of proxy in order to be effective should be duly completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.*
2. *It is optional to indicate your preference. If you leave for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*
3. *The proxy need not be a member of the company. Appointing proxy does not prevent a member from attending in person if he so wishes.*
4. *In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*

**ESCORT ASSET MANAGEMENT LIMITED****Registered Office:** 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai 400 001**Tel.:** 022 – 6216 6999; **Fax:** 022 – 22630434**CIN:** L17121MH2011PLC213451**Website:** [www.escorpamc.co.in](http://www.escorpamc.co.in) **Email:** [info@escorpamc.co.in](mailto:info@escorpamc.co.in)**ATTENDANCE SLIP**

<b>Registered Folio No./DP ID no./Client ID no.:</b>	
<b>DP ID - Client ID</b>	
<b>No. of Shares Held</b>	

I hereby record my presence at the 11<sup>th</sup> Annual General Meeting of the Company on Friday, August 26, 2022 at 02.00 P.M.. at 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg), Fort, Mumbai – 400 001.

.....	.....
<b>Name of the member/proxy</b> (in BLOCK Letters)	<b>Signature of the member/proxy</b>

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice for reference to the AGM.*



**BOOK POST**

If undelivered please return to:

**Escorp Asset Management Limited**  
60, Khatau Building, Ground. Floor,  
Opposite P. J. Tower (BSE building)  
Alkesh Dinesh Modi Marg, Fort  
Mumbai – 400 001.

Tel No: 022 6216 6999;  
Fax No: 022 2263 0434