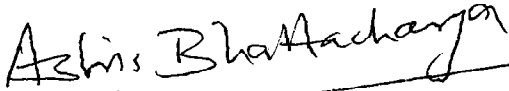
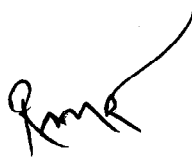
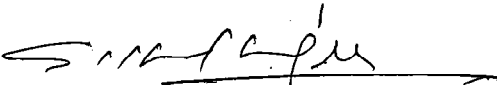



## FORM A

### Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	:	<b>Ess Dee Aluminium Limited</b>
2.	Annual consolidated financial statements for the year ended	:	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	:	<b>Matter of Emphasis-Paragraph inserted in Auditors' Report of Standalone Financial Statements</b> We invite attention to note no. 29.02 of the financial statements regarding the contingent liability with regard to proceeding under the Income Tax Act, 1961 including non- filing of return for the financial year 2013-14. The Company has been advised by its tax consultants that the possibility of a liability higher than what have been provided is remote.
4.	Frequency of observation	:	First year
5.	For Ess Dee Aluminium Limited   Managing Director   Chief Financial Officer   Audit Committee Chairman  Place : Mumbai Date : 27 May 2015		
Refer our Audit Report dated 27 <sup>th</sup> May, 2015 on the consolidated financial statements of the Company.  <p style="text-align: right;">For <b>M P Chitale &amp; Co.</b> Chartered Accountants (Registration No. 101851W)   Ashutosh Pednekar Partner (Membership No. 41037)</p>			



**ESS DEE ALUMINIUM LIMITED**  
**ANNUAL REPORT 2014-2015**

**FOCUSSING ON**  
**GROWTH & INNOVATION**

A graphic element consisting of a red square with a white line graph showing an upward trend, ending in an arrow pointing to the right.



# Index

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## Chairman's Statement



Dear Fellow Shareholders

*“When everything seems to be going against you, remember that the airplane takes off against the wind, not with it.”*  
- Henry Ford

India's economy recorded a growth of 7.3 per cent for the fiscal year that ended in March 2015, provisionally, as per the Central Statistical Organization. Lower Oil Prices resulted in lower fiscal burden from subsidies thereby aiding stability in terms of the macro economy.

The Indian economy is expected to recover but at a modest rate and will be dependent on investment activity picking up. This will happen as and when there is resolution of stalled projects resulting in improved business and consumer confidence. The inflation numbers too have been somewhat encouraging.

During the year 2014-15, eight core infrastructure industries grew by 3.5 per cent while during the quarter ended June 2015, output of the eight core industries grew by 2.4 per cent as compared to the same period a year ago. Overall growth in the Index of Industrial Production (IIP) was 4.1 per cent during April 2015 as compared to 3.7 per cent April 2014. During the year 2014-15, IIP growth was 2.8 per cent as compared to (-)0.1 per cent in the previous year.

GDP growth is forecasted to accelerate to 8.1 per cent in 2015 and 8.2 per cent in 2016, benefiting from the acceleration of infrastructure projects, strong consumer spending due to lower inflation and monetary easing and gradual improvements in market sentiments according to an UN ESCAP report titled, 'Economic and Social Survey of Asia and the Pacific 2015.

This is expected to be spurred by strong consumer spending amid low inflation, infrastructure projects and government's reform measures. Investment is also expected to rebound, although unevenly, given the still low capacity-utilization rate of about 70 per cent. The report further goes to highlight volatile capital flows following monetary policy normalization in the US remain as a downside risk.



According to a recently published research report by Visiongain, the world aluminium foil packaging market is expected to continue to record stable growth between 2015 and 2025. China will account for approximately 45% of the global demand and developing countries are expected to account for a bigger market share over the next ten years as their economies develop further. Rising incomes will encourage consumer spending and the demand for aluminium foil packaging will increase as a consequence. TechNavio's analysts had forecasted that the Global Aluminium Foil Packaging market could grow at a CAGR of 4.24 per cent between 2014 and 2019.

## The Numbers

Our fully integrated business model, capabilities in providing customised packaging for the pharmaceutical industry, use of advance technology and management of resources, scale of operations, and geographically expanding operations and facilities provide us with certain competitive advantages. Our wide portfolio of products also gives us an advantage over other manufacturers as it is advantageous for consumers to buy from producers who provide end-to-end packaging solutions.

We were thus able to report a topline growth of 15 per cent at ₹ 77,279.57 lacs during FY 2014-15.

As indicated in our last Annual Report, we have invested heavily in the Company's Gross Block primarily for capacity augmentation. The Company has incurred a capex of more than ₹ 400 crores in the previous two years and resultantly there has been an increase in depreciation as well as interest cost.

This has impacted the Net Profits which stood at ₹ 3,038.19 lacs, suggesting de-growth. However, this is typical of a manufacturing company where the benefits of such investments will become visible over the next few years.

Our manufacturing facilities located at Daman in the western part of India are in close proximity to the Mumbai port and at Kolkata and Hoera in the eastern part of India, are in close proximity of the Kolkata port. These operate as the hubs where our primary aluminium foil rolling and conversion activities are carried out.

From these hubs our printer stock is supplied to the printing units located across India at Goa, Daman and Vasai (focusing on the customer base in western India including in the States of Maharashtra and Gujarat), Bangalore (focusing on the customer base in southern India), Baddi (focusing on the customer base in the States of Himachal Pradesh, Jammu and Kashmir and Uttaranchal) and Sikkim (focusing on the customer base in eastern and north-eastern India). We continue to follow the strategy of being in close proximity to our clients thereby facilitating strong customer relationships, higher sales and minimisation of delivery costs.

Am happy to share that despite tough macroeconomic conditions, we continue to maintain our leadership position in the domestic markets. We will now provide a special focus on our set of customers under the Navratna and the gold categories. We will also continue to leverage upon our well established network of marketing agents and distributors.

In the International market we have adopted a cautious and gradual approach with the implementation of our Technology Upgradation and Transformational Project which is expected to be completed by early 2016. This will lay a strong foundation for our International success and we will be thoroughly prepared to drive exports to regulated markets with emphasis on Blister and Cold Form Blister packaging.

The collaboration with Chemnitz University of Technology, Germany, has enabled us to enhance our manufacturing competencies by aiding in customized technology and process re-engineering. It has added significantly in terms of our existing product line with special focus on the Anti-Counterfeit feature, on New Product Development and in the area of joint intellectual property rights development.

All this will enable us to establish a strong footprint in the regulated markets, especially the regulated markets like Europe and US. Appointing a commercial partner is also a strategy which we will be pursuing aggressively once we are ready in terms of products and technology.

### **Vote of Thanks**

The primary driver of our company's progress has been the support and commitment of our dedicated staff members and numerous stakeholders.

I take this opportunity to thank each one of you and conclude with a promise that we shall leave no stone unturned in steering our company to a higher growth phase.

**Sudip Dutta**  
Chairman



## From the Managing Director's Desk



Ashis Bhattacharya, the Company's Managing Director, shares his vision as the Company completes another year of consolidation and marks measured steps towards positioning itself optimally while transitioning towards next growth curve.

Hereunder are some key excerpts from a discussion where he provides his perspective on Ess Dee's progress in FY 2014-15 and provides an insight into what lies ahead for the company.

### **Numbers and Beyond**

Our topline reflects a 15 per cent rise this year on account of our focussed sales and marketing efforts. We continue to be the backyard supplier of packaging materials for our customers through our hub and spokes model, by enhancing their cost competitiveness.

With a capital investment of more than ₹ 400 crores over the last two years, we are undertaking several technological upgradations. Resultantly there has been an increase in depreciation as well as interest cost during the year and this has impacted the bottomline which stood at ₹ 3,038.19 lacs reflecting a de-growth when compared with the previous year.

### **Product Mix Initiatives**

We have continued to focus on Pharmaceuticals and FMCG as our key target markets. Pharmaceutical packaging plays an indispensable role in preventing biological contamination and enabling pharmaceutical formulations to retain their properties through the entire logistical and purchase cycle. With an ageing global and Indian population and increasing affordability, the demand for packaging continues to hold tremendous potential globally as well as in India.

Packaging materials used in the food and beverage segment come in close contact with edible materials. This makes it imperative for food and beverage packaging materials to adhere to the highest health and safety standards. As consumers find themselves in the middle of increasingly busy lifestyles, the need for ready to pick up and consume on-the-go food and beverages is growing, and the packaging industry needs to adapt to this change. The Asia Pacific sector is expected to witness highest growth in the global food and beverage packaging market and we are well placed to tap this demand.

Aluminium foil packaging material is a part of the flexible packaging material and is basically produced using aluminium sheets. Aluminium foil can be used to wrap around any product for packaging purposes. With huge barrier properties, it continues to be a packaging material of choice for several products.

We are in sync with the emerging trends in the industry and are constantly improvising existing products along with pioneering the use of new technology for our customers.



### Retaining Domestic Market Leadership

The Indian economy is growing steadily and so is the packaging industry. As growth rides on increased industrial production and international trade, demand for packaging products has become more advanced and sophisticated.

Within India, the increasing penetration of organized retail and especially foreign players who are large consumers of flexible packaging solutions and the increasing preference for branded products has intensified the demand for flexible packaging solutions.

We continued to retain our leadership by focusing on customising and improvising our existing product lines. New products were also developed enhance the per kilogram yield of products for our customer in terms of their sales and the same are under trials and stability tests with few of the customers.

### Global Foray

This global packaging market is unique in the sense that it is impacted by overall economic health, technological advancements to suit changing consumer trends. One of the key trends in the global packaging market is a shift toward smaller package sizes because families are shrinking and lifestyles are changing. Another factor which weighs heavily is the regulatory aspect. This has compelled a number of companies to bring significant changes in their operations ranging from raw materials, procurement, and processes associated with the entire packaging value chain to adhere to certain safety guidelines and practices.

At Ess Dee too, we are extremely cautious and well aware of this and am happy to share that the first phase of Technology Upgradation and Transformational Project which we implemented in 2015, is expected to be completed by early 2016. This will enable the company to drive exports to regulated markets with emphasis on Blister and Cold Form Blister packaging.

### Maintaining Quality

Along with technological upgradations, maintaining quality forms and integral part of our business process. Again this has to be implemented in line with changing trends. The stronger the barrier characteristics of packaging materials, the better is their performance. A longer shelf life is important too, as companies look to expand into newer markets to boost revenues without compromising heavily on supply-chain efficiencies. Thus product quality will have to be sustainable in addition to protecting the product.

Quality will also have to focus on developing lightweight packaging materials so as to help save fuel during transportation in addition to making packaging more convenient while retaining the quality and integrity of products being packaged.

We are implementing various Six Sigma Projects carrying on both product and quality front in line with the emerging industry trends. Equipment at various stages of process has been upgraded in consultation with Chemnitz University, Germany, with whom we collaborated last year.

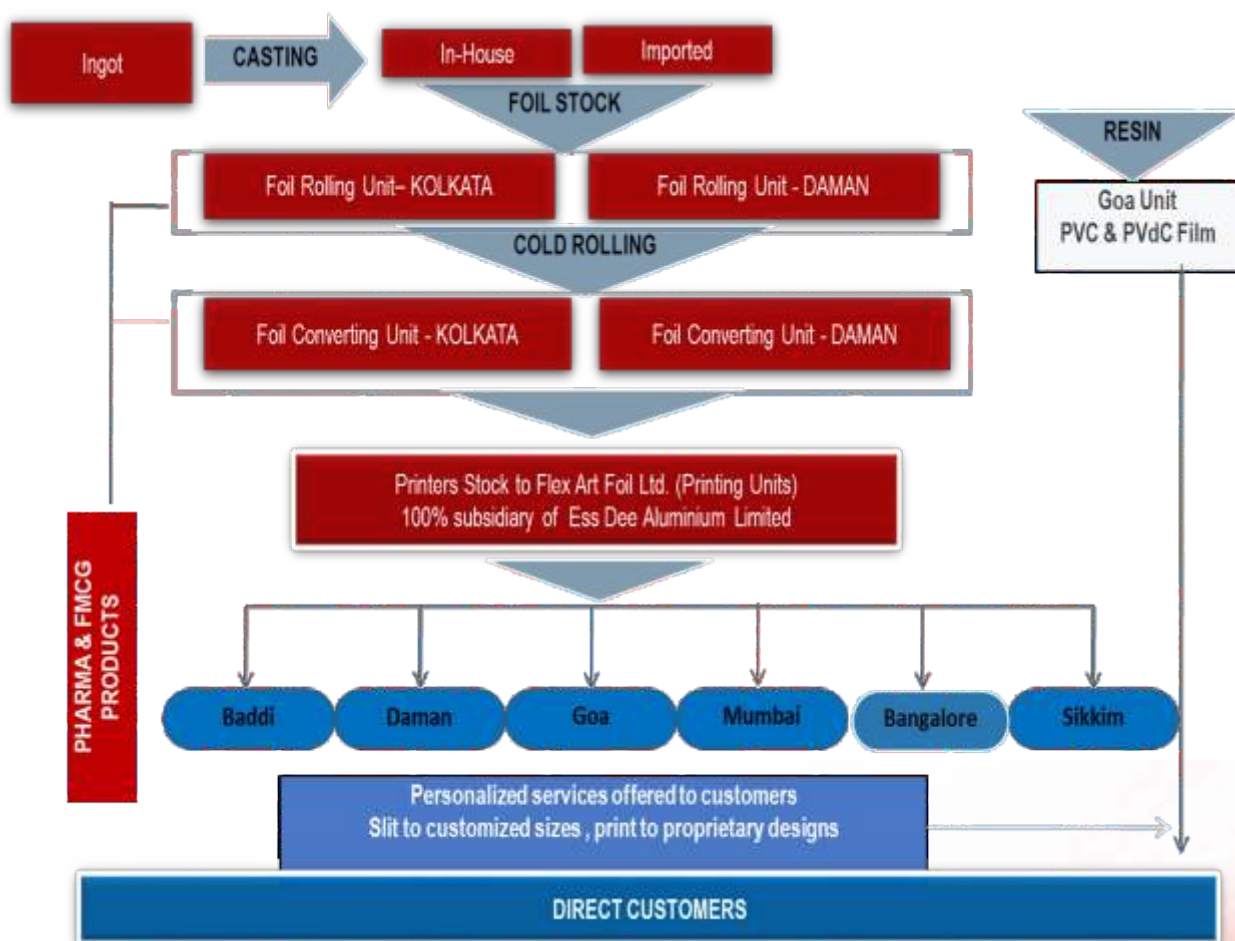
### Outlook for the year 2015-16

With all these measures, we will continue to consolidate our market position in India. Internationally, our focus is on expansion and pursuing growth through selective acquisition opportunities whenever they arise. We will continue to de-risk as well as expand our business by enlarging our product portfolio to meet more and more needs of our customers and also focus on innovation. All this will require a continuous development of our skilled work force.

With all these efforts underway, we look forward to another year of consolidation and progress.

# Business Review

## END to END Capabilities



Ess Dee offers primary packaging materials and packaging solutions principally for customers in the Pharmaceuticals, FMCG and Food industries.

The Key product portfolio encompasses - aluminium strip foils, aluminium blister pack foil, PVC film, PVdC coated PVC film, metallised PVC film, cold forming blister laminates; child resistant blister pack laminates; laminates for oral rehydration salts, effervescent tablets and powders, cough lozenges etc.

## R&D collaboration with Chemnitz University, Germany

### An Update

The Collaboration with Chemnitz University of Technology, Germany which took place a year ago, will see Ess Dee benefitting in terms of print and packaging and printed electronic areas in Packaging and Aluminium foils.

The Company will be leveraging the research and knowledge bank of Chemnitz to improve manufacturing competencies especially for its global foray.

The key areas which have benefitted through this can be summarized as follows:

#### Technology-

- Enhancing Manufacturing Competencies
- Customizing technology to suit specific client requirements
- Process re-engineering for optimization and enhancing efficiencies

#### Product-

- Anti Counterfeit – Three Dimensional Effect, Printing of Holograms, Concept of Security Printing in Currency Notes, Vignette, Multi-colour tonal designs, Water Marks, UV effects
- Peel-Push Blisters – Separating the individual blister cavity at the perforations, peeling off the top layers (PET or PET/Paper at the designated place) and pushing the pharmaceutical product through the foil
- Peel Open and Tear Open Version - Separating the individual blister cavity at the perforations
- All our product innovations are carefully engineered, bond strengths are used to provide the necessary peel-push, peel open or tear open features desired for the final product

#### Market-

- European market intelligence
- Explore for a European commercial partner



# Manufacturing Capabilities & Certifications

## Daman Unit I: Primary Foil Rolling

### Facilities

- 3 advanced aluminium foil cold rolling mills
- Ancillary equipment include separators, roll grinders, annealing furnaces
- Installed capacity of 18000 tons per annum at an average gauge of 27, microns

### Certifications

- US FDA DMF Type III, ISO 9001:2008

## Daman Unit II: Primary Foil Conversion

### Facilities

- Advanced laminating, coating and extrusion machines
- Manufactured plain stock is used but the printing units for customized slitting and printing

### Certifications

- US FDA DMF Type III, ISO 22000:2005, Health Canada DMF II, BRC certification & Burford Research

## Goa

### Facilities

- Virgin resin is calendared to rigid PVC film, commonly used in thermoforming in pharmaceutical blister pack
- Sensitive products such as PVC films are coated with PVdC in this manufacturing facility
- Capacity: 4200 MT

### Certifications

- US FDA DMF Type III, ISO 9001:2008



### Baddi

- US FDA DMF Type III
- ISO 9001:2008

### Daman

- US FDA DMF Type III
- ISO 9001:2008
- ISO 22000:2005
- Health Canada DMF Type II
- BRC Certification
- Burford Research

### Vasai

- US FDA DMF Type III
- ISO 9001:2008

### Goa

- US FDA DMF Type III
- ISO 9001:2008

### Bengaluru

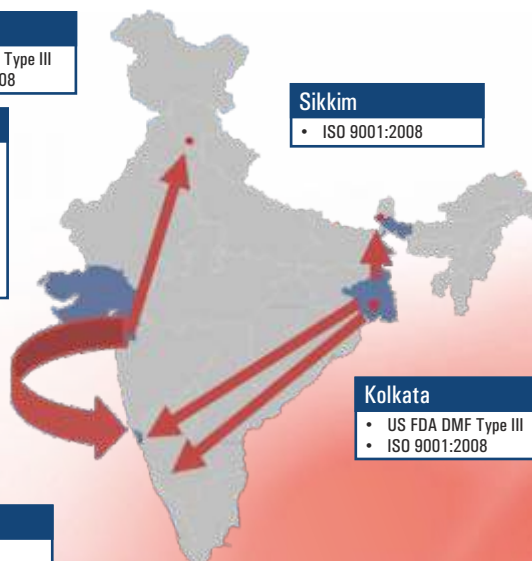
- ISO 9001:2008

### Sikkim

- ISO 9001:2008

### Kolkata

- US FDA DMF Type III
- ISO 9001:2008



- One of the Few companies in India in Packaging industry to operate on hub and spoke model
- Has 6 spokes located across India; All spokes have required regulatory approvals
- Manufacturing plants and spokes are strategically located near sea ports to ensure
  - On time delivery
  - Low Inventory
  - Competitive Pricing
  - Tailor Made offerings



## Marketing Strategy, the Road Ahead

Ess Dee has a two pronged strategy based on its presence in the domestic and international markets:

### Domestic Markets - Leadership Positioning

- Focus on Volume based long term contracts
- Become major suppliers for the top brands of our key customers which is expected to yield higher revenues
- Launch specialized products using innovation and technology to create competitive advantage.
- Foray into new product segments in Aluminium foil packaging

### International Presence - Established Presence, expansion mode

- Focus on expanding presence globally with special emphasis on the regulated markets of Europe and America through technology collaboration with Chemnitz university
- Partnership with Global organizations to leverage Ess Dee's robust and Lean manufacturing capability
- Replicate hub and spoke model by creating spokes in key strategic locations outside India and leveraging the hubs in India
- Leverage existing relationships with MNCs working in India to expand the business in other geographies



# HR initiatives

At Ess Dee, HR initiatives form an integral aspect of our growth strategy in line with the overall organizational goals.

## **Basic policies encompass**

- 6-monthly review of performance
- Comprehensive Talent Retention System
- New Biometric Attendance System and
- Fully Automated Payroll System
- Continuous progress through Ideation

## **Ess Dee Shine**

Ess Dee SHINE was launched in 2015 to create an eco-system between employees, suppliers and customers, thereby nurturing excellence. SHINE stands for :

- Sustainable
- Humane
- Innovative
- Nimble
- Ethical

## **QUARTERLY E-NEWSLETTER**

The Company circulates a quarterly newsletter from the MD's Office comprising contributions from various employees. This provides a great platform for employees to share their views, observations, literary skills as well as corporate announcements.

It is used as a very important tool for encouraging employee engagement and increasing connect within an organization such as Ess Dee which has diverse geographical footprint.

Further, the Company plans to implement various programs at the operational as well as strategic level to suit the nature of its operations and achieve the desired results.

## **Operational**

### **Timesheet Analysis**

- Collating Timesheets to gain insight into redundant work for optimum utilization of resources
- Putting proper metrics, checks and balances are in place
- Facilitate better time allocation of work in line with individual KRA and the organisation's overall business goals
- Supervisory control and self-assessment by employees are both more efficient with timesheets in use

### **Flexi Resource**

- Manpower Optimization through multi-tasking employee skill development
- Better manage sudden and unforeseen work load

### **Strategic**

#### **In-house Job Vacancy Fill-ups**

- Fill up vacancies through in-house resources whenever / wherever a suitable match is found thereby providing growth opportunities to employees and reducing manpower acquisition costs

#### **Succession Plan**

- At all levels, from General Manager onwards, identify and groom junior to officiate in their absence so as to prepare them for a senior role

#### **Leadership Plan**

- Nurture high achievers towards varied roles based on the Competency Mapping Process
- Implement a comprehensive long-term training and empowering plan for these resources to keep them motivated and performing at their peak

#### **Circle of Excellence**

- Initiate process at the Corporate Office and subsequently in the Plants
- Appoint Circle of Excellence, comprising of 6 high performers who aim to reach higher goals
- Allocate 2 Essdee-ites per month under them for mentoring and training to build up both their functional and behavioural competencies
- Review at the end of the 6 months and take the process forward



#### **Employee Engagement and Retention**

- Holding themed office days to boost employee morale and reduce monotony at work
- Having a cock-board of group photos, funny shots, events photos for teams/ departments encourage and foster work relationships
- Encouraging charity work, volunteering, help team building in a friendly but competitive manner for a cause other than office work
- Celebrating achievements and milestones and holding open discussions through meetings/gatherings such as Town Hall or Brown bag meetings to build confidence
- Encouraging learning and skill development to build a high productive team

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Sudip Dutta	Chairman
Mr. Ashis Bhattacharya	Managing Director
Mr. T. S. Bhattacharya	Independent Director
Mr. Gautam Mukherjee	Independent Director
Mr. Dilip Phatarphekar	Independent Director
Mr. Ramdas Baxi	Independent Director
Mr. Madan Mohan Jain	Independent Director
Ms. Vinaya Desai	Whole Time Director
Mr. Satyabrata Ray	Whole Time Director

### CHIEF FINANCIAL OFFICER

Mr. Subir Kumar Ray

### COMPANY SECRETARY

Mr. Manoj Jain

### CORPORATE IDENTITY NUMBER

L27203WB2004PLC170941

### STATUTORY AUDITORS

M. P. Chitale & Co.  
Chartered Accountants  
Hamam House, Ambalal Doshi Marg,  
Fort, Mumbai 400 001

### REGISTRAR AND TRANSFER AGENTS

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Saki Vihar Road  
Saki Naka, Andheri East, Mumbai 400 072

### BANKERS

State Bank of India	Axis Bank Limited
IDBI Bank Limited	The Shamrao Vithal Co-operative Bank Limited
Bank of Baroda	Corporation Bank
State Bank of Patiala	State Bank of Bikaner and Jaipur
Bank of Maharashtra	

### REGISTERED OFFICE

1, Sagore Dutta Ghat Road,  
Kamarhati, Kolkata 700 058

### PLANTS

Plot No. 124-133, Panchal Udyog Nagar Bhimpore, Daman 396 210	P-32, Taratalla Road Kolkata 700 088
No. 57/5/2, Bhenslore Village Dunetha, Nani Daman 396 210	1, Sagore Dutta Ghat Road Kamarhati, Kolkata 700 058
Plot No. 161, Kundaim Industrial Estate Kundaim, Goa 403 115	Village & P. O. Hoera P. S. Mogra, District Hooghly



## NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of Ess Dee Aluminium Limited will be held at Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056 on Tuesday, 29<sup>th</sup> day of September, 2015 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - (a) the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2015, the reports of the Board of Directors' and Auditors' in respect thereof and
  - (b) the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2015.
2. To appoint a Director in place of Mr. Ashis Bhattacharya (DIN: 06500105), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED That** pursuant to the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee the Company hereby ratifies the appointment of M/s M.P. Chitale & Co., Chartered Accountants, Mumbai (ICAI Registration No. 101851W) as the Statutory auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 13th Annual General Meeting (“AGM”) of the Company (subject to ratification of their appointment at the AGM to be held in 2016 to examine and audit the accounts of the Company for the Financial Year 2015-16 on such remuneration plus service tax as may be mutually agreed between the Board of Directors and Auditors and out of pocket expenses.”.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time), **Mr. Madan Mohan Jain** (DIN: 00003580), who has submitted a declaration that he meets the criteria for appointment of an Independent Director as provided in Section 149(6) of the Companies Act, 2013 and whose period of office was liable to retire by rotation under the provisions of Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, being so eligible, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, not liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (as amended from time to time), **Mr. T.S. Bhattacharya** (DIN: 00157305), who has submitted a declaration that he meets the criteria for appointment of an Independent Director as provided in Section 149(6) of the Companies Act, 2013 and whose period of office was liable to retire by rotation under the provisions of Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, being so eligible, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, not liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Prasad Sawant, Cost Accountants, appointed by the Board of Directors of the Company on the recommendations of the Audit Committee as the Cost Auditor for conducting the audit of the Cost Records of the Company for the financial year ending 31st March, 2016, be paid remuneration as set out in the Statement annexed to the Notice convening this Meeting and the same is being ratified and approved;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Manoj Jain  
Company Secretary

Date: 14<sup>th</sup> August, 2015

Registered Office:  
1, Sagore Dutta Ghat Road,  
Kamarhati, Kolkata  
West Bengal – 700058, India  
CIN: L27203WB2004PLC170941  
Email: [investorservice@essdee.in](mailto:investorservice@essdee.in)  
Website: [www.essdee.in](http://www.essdee.in)

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company duly completed, stamped and signed not less than 48 hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A proxy shall not have the right to speak at the meeting. The proxy holder shall prove his / her identity at the time of attending the meeting.
3. Route Map of Venue of the Meeting is attached with the Notice.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015(both days inclusive).
6. Brief Resume of the Directors, who are proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and memberships / chairmanship of Board Committee relationships between directors inter-se and shareholding as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are provided in the **Corporate Governance Report** forming part of the Annual Report.
7. Shareholding of Directors seeking appointment / re-appointment:  
Mr. Ashis Bhattacharya holds 2 Equity Shares of the Company.  
Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya, Independent Directors of the Company do not hold any shares in the Company.
8. Members are requested to:
  - a) bring their attendance slip duly filled, signed and deliver the same at the entrance of the meeting hall.
  - b) send their questions to the Company, at the Corporate Office at least 10 days before the Annual General Meeting for obtaining any information as regards accounts and operations of the Company so that the same could be compiled in time and made available at the meeting.
9. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc. to their Depository Participant only and not to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Bigshare Services Private Limited, for assistance in this regard.

11. Members are requested to note that dividends not encashed / claimed within 7 years from the date of declaration of dividend will be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th September, 2014 (date of last Annual General Meeting) on the website of the Company ([www.essdee.in](http://www.essdee.in)), as also on the Ministry of Corporate Affairs website.
12. Members who have not yet encashed their dividend warrants for the financial year 2007-2008, are requested to make their claims without any delay to Bigshare Services Private Limited. It may be noted that the unclaimed dividend for the financial year 2007-2008 declared on 31st July, 2008 can be claimed by the members by 5th September, 2015.
13. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form duly filled in to Bigshare Services Private Limited at their address.
14. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting alongwith the Annual Report 2014-15 being sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

Members are requested to support this Green Initiative by registering / updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) or with the Company's Registrar and Transfer Agents (in case of shares held in physical form).

Members may also note that the Notice of the Meeting and the Annual Report 2014-15 will also be available on the Company's website [www.essdee.in](http://www.essdee.in) for their download.

15. **Investor Grievance Redressal :**

The Company has designated an exclusive e-mail ID viz. [investorservice@essdee.in](mailto:investorservice@essdee.in) to enable investors to register their complaints, if any.

16. **Voting through Electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and business may be transacted through remote e-voting services. The facilities of casting the vote by the members using an electronic voting systems from a place other than venue of AGM ("remote e-voting") will be provided by the Central Depository Services (India) Limited (CDSL). The facilities for voting through Ballot paper shall be made available at the AGM and 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.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Friday, 25<sup>th</sup> September, 2015 at (9:00 AM) and ends on Monday, 28<sup>th</sup> September, 2015 (5:00 PM)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date Tuesday, 22<sup>nd</sup> September, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The members who have cast their vote by 'remote e-voting' prior to the date of AGM may also attend the AGM.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com). **During the Voting period.**
- (v) Click on Shareholders.



- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

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

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant Ess Dee Aluminium Limited on which you choose to vote.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> September, 2015.
- (xxiii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date i.e. 22<sup>nd</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com). However if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (xxiv) 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.
- (xxv) Mr. Jigarkumar Gandhi, Practicing Company Secretary (Membership No. 7569) has been appointed as the Scrutinizer to scrutinize voting and remote e-voting process in a fair and transparent manner.
- (xxvi) 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.
- (xxvii) The Scrutinizer shall after the conclusion of voting at the AGM, 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 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.
- (xxviii) The Results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.essdee.in](http://www.essdee.in) and on the website of CDSL 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 Stock Exchange(s).
- (xxix) All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Corporate Office of the Company during normal business hours (9.00 am to 5.00pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

### ANNEXURE TO NOTICE

#### STATEMENT TO SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”)

##### Item Nos. 4 & 5

Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya are Non-Executive Independent Directors of the Company.

In order to comply with the above provisions, it is proposed to appoint Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a terms of 5 (five) consecutive years from the conclusion from the date of this Annual General Meeting and they shall not be liable to retire by rotation.

Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received separate notices in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya for the office of the Directors of the Company.

The Company has also received declarations from Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya fulfill the conditions for appointment as Independent Directors as specified in the Act and rules framed thereunder and the Listing Agreement. Mr. Madan Mohan Jain, Mr. T.S.Bhattacharya are independent of the management. The Nomination and Remuneration Committee has recommended the appointments of Mr. Madan Mohan Jain and Mr. T. S. Bhattacharya as Independent Directors.

Mr. Jain and Mr. Bhattacharya possesses appropriate skills, experience and knowledge. Keeping in view, their vast experience and knowledge, it will be in the interest of the Company that Mr. Jain and Mr. Bhattacharya be appointed as Independent Directors.

Brief resumes of Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya as required under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the Corporate Governance Report forming part of the Annual Report.

A copy of the draft letter of appointment setting out the terms and conditions of appointments of the aforesaid Directors is available for inspection by the members at the Registered Office and Corporate Office of the Company during normal business hours (9.00 am to 5.00pm) on all working days except Saturdays, up to and including the date of the Meeting of the Company.

The Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Madan Mohan Jain and Mr. T.S. Bhattacharya are interested in the resolutions set out respectively at item Nos. 4 & 5 of the Notice with regard to their respective appointments.

The relatives of Mr. Madan Mohan Jain and Mr. T.S.Bhattacharya may be deemed to be interested in the resolutions set out respectively at item Nos. 4 & 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except above, none of the other Directors and/or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 4 & 5 of the Notice for approval by the members.

**Item No. 6**

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. Prasad Sawant as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2016.

None of the Directors and/or Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for the approval of the members.

**By Order of the Board of Directors**

**Manoj Jain**  
**Company Secretary**

Place: Mumbai

Date: 14<sup>th</sup> August, 2015

CIN: L27203WB2004PLC170941

Email: [investorservice@essdee.in](mailto:investorservice@essdee.in)

Website: [www.essdee.in](http://www.essdee.in)



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Eleventh Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2015.

### 1. FINANCIAL RESULTS:

The financial highlights of the year are:

(₹ in Lacs)

Particulars	Consolidated		Standalone	
	March 2015	March 2014	March 2015	March 2014
<b>Total Income</b>	<b>86,415.40</b>	<b>72,271.47</b>	<b>77,680.64</b>	<b>67,523.96</b>
<b>Profit before Interest, Depreciation and Tax</b>	<b>18,502.95</b>	<b>17,206.86</b>	<b>16,607.55</b>	<b>15,574.19</b>
Less Interest Expenses	8,121.58	6,440.90	7,568.34	5,431.32
Less Depreciation	4,740.54	4,337.16	4,434.72	4,097.01
<b>Profit before Tax</b>	<b>5,640.83</b>	<b>6,428.80</b>	<b>4,604.49</b>	<b>6,045.86</b>
Less Provision for Taxation	1,899.91	1,341.54	1,566.40	1,023.69
<b>Net Profit after Tax</b>	<b>3,740.92</b>	<b>5,087.26</b>	<b>3,038.09</b>	<b>5,022.17</b>
Add Balance brought forward	24,504.62	20,648.03	19,251.15	15,459.98
Add Prior Period Item	--	0.29	--	--
<b>Profit available for Appropriation</b>	<b>27,990.81</b>	<b>25,735.58</b>	<b>22,045.15</b>	<b>20,482.15</b>
<b>Appropriation:</b>				
Transfer to General Reserve	1,000.00	--	1,000.00	---
Transfer to Debenture Redemption Reserve	593.00	1,231.00	593.00	1,231.00
Proposed Dividend	--	--	--	---
Dividend Distribution Tax	--	--	--	---
<b>Balance carried Forward to the next year</b>	<b>27,397.81</b>	<b>24,504.58</b>	<b>21,452.15</b>	<b>19,251.15</b>
Earning Per Share (Rs.) Basic	11.67	15.87	9.48	15.67
Earning Per Share (Rs.) Diluted	11.67	15.87	9.48	15.67

### 2. PERFORMANCE REVIEW:

The total income for the year under review increased by 13.07 % to ₹ 77680.64 lacs as compared to last year's total income of ₹ 67,523.96 lacs. Profit before Tax decreased by 23.84% to ₹ 4604.49 lacs in the current year compared to ₹ 6045.86 lacs in the previous year.

### 3. DIVIDEND:

In order to conserve resources for expansion, your directors do not recommend any dividend for the financial year 2014-2015. During the year, the unclaimed dividend pertaining to the dividend for the year ended 31<sup>st</sup> March, 2007 was transferred to the Investor Education and Protection Fund.

### 4. SHARE CAPITAL:

The Authorised and Paid Up Share capital of the Company as on 31<sup>st</sup> March, 2015 was ₹ 3,714,000,000/- and ₹ 32,04,78,110/- respectively and there is no change in capital structure of the Company during the year.

#### 5. NON CONVERTIBLE DEBENTURES:

An amount of ₹ 593 lacs have been transferred to Debenture Redemption Reserve (Previous year, the amount transferred was ₹ 1231 lacs). During the year the Company has redeemed NCD amounting to ₹ 10 crores.

#### 6. PUBLIC DEPOSIT:

During the year under review, your Company has not accepted any deposits in terms of the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended, during the year under review.

#### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes no 29.14 of to the Financial Statements.

#### 8. TRANSFER TO RESERVE:

During the year 2014-15, Company has transferred ₹ 10 Cr from Debenture Redemption Reserve to General Reserve as the Company has redeemed NCD amounting to ₹ 10 crores.

#### 9. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company are set out in “**Annexure-A**” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website ([www.essdee.in](http://www.essdee.in)) of the Company.

#### 10. RISK MANAGEMENT :

Pursuant to the requirement of clause 49 of the Listing Agreement, The Company has a structured Risk Management Policy. The risk management process is designed to safeguard the organization from various risks through timely and adequate actions. It is design to anticipate, evaluate and mitigate risk in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the Management Discussion and Analysis Section. As required by Clause 49 of the Listing Agreement, the Company has framed the Risk Management Policy. The Main objective of this policy is to ensure sustainable business growth with stability and to promote proactive approach and to identifying, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes structured and disciplined approach to risk management in order to guide decisions on risk related issues. Under the current challenging and competitive environment the strategy for mitigating inherent risk in accomplishing the growth plan of the Company is imperative. The Common risk interalia are regulatory risk, competition, financial risk, technology obsolescence, human resources risk, political risks, investments, retention of talents, expansion of facilities and product price risk It is dealt with in greater details in the Management Discussion and Analysis Section.

#### 11. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report forms a part of the Directors' Report and contains all matters pertaining to the industry (**Annexure-B**).

#### 12. REPORT ON CORPORATE GOVERNANCE:

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Auditors of the Company confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report (**Annexure-C**).

### 13. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors/ employees of your Company is set out in “**Annexure-D**”.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office and corporate office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website ([www.essdee.in](http://www.essdee.in)).

### 14. DIRECTORS

During the Financial Year 2014-2015, Mr. Bijoy Kumar Pansari, Managing Director of the Company has resigned on 14<sup>th</sup> August, 2014 due to health concerns. The Board places on record its appreciation for the contribution made by Mr. Pansari during his tenure as the Managing Director of the Company. Mr. Ashis Bhattacharya was appointed as the Managing Director w.e.f. 14<sup>th</sup> August, 2014 and the same was approved by the members at the last Annual General Meeting held in 2014. In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Ashis Bhattacharya, Managing Director of the Company, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of upto 5 (five) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation. Accordingly, it is proposed to appoint Mr. Madan Mohan Jain and Mr. T.S. Bhattacharya as Independent Directors of the Company upto 5 (five) consecutive years from the date of this Annual General Meeting.

The Company has received separate notices in writing under Section 160 of the Companies Act, 2013 from a member proposing the names of Mr. Madan Mohan Jain and Mr. T.S. Bhattacharya as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief resumes of the Directors proposed to be appointed/re-appointed and other information as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are part of Corporate Governance Report.

None of the Directors of your Company are disqualified under Section 164 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

#### 14.1 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance. The Director's individually as well as the evaluation of its Audit and other committees. The Performance evaluation was carried out as under:

##### **Board**

In accordance with the criteria suggested by the Nomination and Remuneration Committee, The Board of Directors evaluated the performance of Board, having regard to various criteria such as Board Composition, Board Process and Board Dynamics etc.

##### **Committee of the Board**

The Performance of the Audit Committee, CSR Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was evaluated by the Board having regards to various criteria such as

committee composition, Committee process and Committee dynamics etc. The Board was unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including provisions of the act and Listing Agreement.

#### **Individual Directors**

- a) **Independent Directors:** in accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of the each Independent Directors was evaluated by the entire board of Directors on various parameter like engagement, leadership, communication , governance and interest of stakeholders. The Board was of the unanimous view that each Independent Director was a reputed professional and brought his reach experience to the deliberation of the Board. The Board also appreciated the contribution made by all the Independent Directors in guiding the management in achieving growth and concluded that continuance of each independent director in the Board will be in the Interest of the Company.
- b) **Non Independent Director:** The performance of each of the non-independent Director (including Chairman) was evaluated by the Independent Directors in their separate meeting. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge. The Independent Directors and Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership

#### **14.2 Policy on Director Appointment and Remuneration**

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and senior management and their remuneration. The requisite details as required by section 134(3) (e) of the Companies Act, 2013, Section 178 (3) and (4) and Clause 49 of the Listing Agreement are annexed as "**Annexure-E**" of this Report.

#### **14.3 Board Meeting**

During the year Four Board Meeting and Audit Committee meeting were held. The details of which are given under Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act and Listing Agreement.

### **15. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained. Your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards, have been followed and there are no material departures from the same;
- b. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial year ending on March 31, 2015 and of the profit and Loss of the Company for the year ended on that date;
- c. The Directors 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;
- d. The Directors have prepared the annual accounts on a 'going concern' basis;
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

## 16. CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Equity Listing Agreement, The Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.essdee.in](http://www.essdee.in). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature.

All Related Party Transactions entered into during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered into during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable. The Details of the related party transactions are given under notes no 29.07 on accounts of the financial Statements.

## 17. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY:

There are no material changes or commitments, affecting the financial position of the company which have occurred between 31<sup>st</sup> March 2015 and the date of this report.

## 18. VIGIL MECHANISM:

In accordance with the requirement of the Companies Act, 2013 read along with Clause 49 of the Listing Agreement, The Company have formulated a vigil mechanism (Whistle Blower Policy) for its Directors and Employees of the Company for reporting about unethical practice. The object of the policy are:

- a. To provide a mechanism to the employees and Director of the Company and other persons dealing with the Company to report to the audit committee; any incidence of unethical behavior, actual or suspected fraud or violation of the Company's ethic policy;
- b. To safeguard the confidentially and interest of such employees/Directors/ Persons dealing with the Company

## 19. ORDER BY REGULATOR, COURT OR TRIBUNAL

No significant and/or material order were passed by any regulator or court or tribunal impacting the going concern status and Company's operations in future.

## 20. STATUTORY AUDITORS

At the 10<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2014 the members approved the appointment of M/s. M.P. Chitale & Co, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of 10<sup>th</sup> Annual General Meeting until conclusion of 13<sup>th</sup> Annual General Meeting (subject to ratification of appointment by members at every AGM held after 10<sup>th</sup> AGM) on such remuneration as may be mutually agreed by the Board and the Auditor.

In accordance with the section 139 of the Companies Act, 2013, Members are requested to ratify the appointment of the Auditors from the conclusion of the 11<sup>th</sup> AGM till the conclusion of 12<sup>th</sup> AGM.

The Auditors confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The specific notes forming part of accounts referred to in the Auditors' Report are self-explanatory and give complete information.



#### Clarification on Auditor Remark

With regard to the Auditors' remark on the fixed assets, stores and spares, The Board of Directors wishes to inform that the process of shifting of old IT systems into entire new systems has been completed during the current financial year.

In respect of the non-payment of Income Tax for the financial year 2013-14 and 2014-15, The Board of Directors is seeking legal opinion about the tax liability of F.Y. 2013-14 and as far as tax liability of FY 2014-15 is concerned, the Company has not paid advance tax, but same shall be paid u/s 140-A of the Income Tax Act, 1961 along with the return of Income due on 30<sup>th</sup> November, 2015.

#### 21. COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records relating to Product of the Company.

The Board of Directors, on the recommendation of Audit Committee, had appointed Mr. Prasad Sawant, Cost Accountants as Cost Auditor to audit the cost accounts of the Company for the financial year 2015-16 at a remuneration of ₹ 3,75,000/- per annum and reimbursement of out of pocket expenses if any. As required under the Companies Act, 2013 a resolution seeking members approval for ratification of the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting. The cost audit report for the financial year 2013-14 was filed with the Ministry of Corporate Affairs.

#### 22. SECRETARIAL AUDIT REPORT

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 M/s JNG & Co., a firm of Company Secretaries in Practice (CP No. 8108), to undertake the Secretarial Audit of the Company for the year 2014-15. The Secretarial Audit Report is annexed herewith as “**Annexure-F**”.

There are no qualifications, reservations or adverse remarks or disclaimers by the Secretarial Auditor in the Secretarial Audit Report.

#### 23. EXTRACT OF ANNUAL RETURN

Pursuant to section 134 (3)(a) of the Companies Act, 2013, the extract of the Annual Return in form MGT 9 is annexed herewith as “**Annexure-G**”.

#### 24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as “**Annexure-H**”.

#### 26. SUBSIDIARY COMPANIES

**Particulars of subsidiary Companies are as follows:**

##### **Flex Art Foil Limited (FAFL)**

Flex Art Foil Limited is the material wholly owned Indian Subsidiary of the Company which provides facilities for printing of Aluminium blister and poly to pharmaceutical companies for their packaging solutions at various locations across the country. The policy on material subsidiary is available in company's website. [www.essdee.in](http://www.essdee.in)

**Ess Dee Aluminium Pte. Limited**

Ess Dee Aluminium Pte. Limited is a wholly owned subsidiary Company incorporated in the Republic of Singapore on 15<sup>th</sup> December, 2011 (hereinafter referred as “**Foreign Subsidiary**”).

Information regarding the subsidiaries Companies for the financial year 2014-15 are annexed as “**Annexure-I**”.

**27. INSURANCE**

The properties and Insurable assets and interest of the Company like Building, Plant and Machinery and Stocks, among others, are adequately insured.

**28. ANTI SEXUAL HARASSMENT POLICY**

The Company has in place an Anti Sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & the Rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress Complainants received regarding sexual harassment. All employees, permanent, contractual, temporary, and trainees are covered under the policy. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**29. CONSOLIDATED FINANCIAL STATEMENTS**

As stipulated by Clause 32 of the Listing Agreement with the Stock Exchanges, the attached consolidated financial statements have been prepared in accordance with Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates.

**30. ENVIRONMENT AND SOCIAL OBLIGATION**

The Company's plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning. The Company has adequate effluent Treatment Plants to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complexes.

**31. ACKNOWLEDGEMENTS**

The Directors record their grateful thanks for the co-operation, support and assistance received from the customers, shareholders, the Government, other statutory bodies, Banks, Solicitors, Distributors, Suppliers and other business associates during these most turbulent times.

The Directors also express their sincere appreciation of the employees at all levels for having risen to meet the several challenges encountered and look forward to their valuable support and commitment in the times ahead.

**For and on Behalf of the Board of Directors**

**Ashis Bhattacharya**  
Managing Director  
DIN No. 06500105

**Vinaya Desai**  
Whole Time Director  
DIN No.: 00211349

Date: 14<sup>th</sup> August, 2015

**A brief outline of the company's CSR policy:**

The Company is committed to doing business with integrity and respect for the world around us. The Company's CSR policy is aimed at forming a dynamic relationship between the Company on the one hand and the society and the environment on the other. The Company is committed towards sustainability and all business decisions takes into account its social and environmental impact.

The detailed CSR policy is given in the Download Section under the Investors head on the website of the Company ([www.essdee.in](http://www.essdee.in)).

**Composition of CSR Committee:**

Mr. Gautam Mukherjee, Independent Director is the Chairman of the Committee;  
Mr. Ashis Bhattacharya; and  
Ms. Vinaya Desai are the other members of the Committee.

Average net profit of the company for last three financial years for the purpose of computation of CSR: ₹ **8,471.68/- Lacs**

Prescribed CSR Expenditure (two per cent of ₹ 8,471.68/- Lacs): ₹ **169.43/- Lacs**

Details of CSR spent during the financial year: **NIL**

- a. Total amount to be spent for the financial year: ₹ **169.43/- Lacs**
- b. Amount unspent: ₹ **169.43/- Lacs**
- c. Manner in which the amount spent during the financial year: **Not Applicable**

In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report : **The Company is under process to recognize the eligible institute and activities fall under the category of CSR activities as mentioned under schedule VII of the Companies Act, 2013 and suitable project within the Company's CSR Policy, therefore, no amount had spent on CSR during the Financial year 2014-15.**

A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

**Gautam Mukherjee**  
Chairman – CSR Committee

**Ashis Bhattacharya**  
Managing Director

## MANAGEMENT DISCUSSION & ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENT, OUTLOOK

#### Aluminium Foil Packaging Industry

Ess Dee is a leading manufacturer and supplier of primary packaging materials in India, catering principally to the pharmaceuticals, food and fast moving consumer goods (FMCG) industries. The Company provides technologically advanced products that are designed to meet industry specific quality standards as well as customer specifications. The business model encompasses cold rolling of aluminium "foil stock" into aluminium foil, which is further converted into "printers stock" through the process of lamination, to be used for strip packing or as coating for a blister pack.

The Indian Packaging industry is valued at USD 24.6 billion. The average annual growth rate is about 13 - 15%. However, there is great growth potential since India's per capita consumption of packaging is only 4.3 kgs whereas neighbouring Asian countries like China and Taiwan show about 6 kgs and 19 kgs, respectively.

According to the estimates of the World Packaging Organisation, the global packaging industry reports an annual turnover of about USD 500 billion. Of this, packaging containers account for the highest share and the other major segment is that of packaging machinery, pegged at about USD 25 billion.

This global packaging market is unique in that in the short term, it is influenced by overall economic health, development of new materials, and other consumer trends. In the long run, the global packaging market is very gradually shifting toward smaller package sizes because families are shrinking in size and do not eat together as frequently as they did before. Regulatory changes are heavily impacting packaging trends too. This has compelled a number of companies to bring about slow yet visible changes to the raw materials, procurement, and processes associated with the entire packaging value chain.

The Company supplies Aluminium Packaging to the Pharmaceuticals and FMCG & Food sector, primarily.

#### Pharmaceuticals:

The Indian pharmaceutical industry is estimated to grow at 20 per cent compounded annual growth rate (CAGR) over the next five years, as per India Ratings, a Fitch Group company. Indian pharmaceutical manufacturing facilities registered with US Food and Drug Administration (FDA) as on March 2014 was the highest at 523 for any country outside the US.

The drugs and pharmaceuticals sector attracted cumulative foreign direct investment (FDI) inflows worth USD 12,813.02 million between April 2000 and December 2014, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Thus the Indian market provides huge potential for Pharmaceutical Packaging companies.

According to a study by Frost & Sullivan, United States, European Union, and Japan account for more than 65-70 per cent of the global market for pharmaceutical packaging and China, Brazil and India will rapidly evolve into key markets for growth and spending in the packaging sector. The packaging industry plays a major role in the pharmaceutical market. It not only provides containment and drug safety but also ensures identity, convenience of handling, and proper delivery.

As patent loss delivers more generics into the market, the need for packaging will steadily rise, in turn encouraging low-cost innovation in emerging markets. The demand for customization is further expected to drive the pharmaceutical packaging industry towards low-cost, sustainable and traceable packages in the future.

Developed markets such as Europe have become increasingly vigilant in tracking pharmaceutical packaging and stopping drug counterfeit. By 2017, serialization of drug packages will be mandatory for all manufacturers, driving the packaging industry towards newer and unique solutions.

Ready-for-use prototypes are expected to make waves in the pharmaceutical packaging industry. Drug manufacturers can switch from existing packaging forms to more innovative designs without spending too much money on R&D. Further, outsourcing is seen as a strategic competitive weapon by the industry. Technical advancement in the packaging industry is

slow and most pharmaceutical companies allocate only a small portion of their budget for packaging R&D, compounding the need for outsourcing.

The Global Pharmaceutical Packaging market is estimated by experts to grow at a CAGR of 5.9 per cent over the period 2014-2019.

#### **Food and FMCG:**

Going forward, the demand for processing and packaged foods, driven largely by the rising income levels and changing lifestyles would increase manifold, in India.

India could become the world's largest middle class consumer market with a total consumer spend of nearly USD 13 trillion by 2030, as per a report by Deloitte titled 'India matters: Winning in growth markets'. The FMCG industry can be broadly classified into four segments, i.e. household care, personal care, food and beverages and health care. It is the fourth largest sector in the Indian economy.

According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around USD 6,215.46 million worth of foreign investments during the period April 2000—January 2015. Accounting for about 32 per cent of the country's total food market, the food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years with the country's domestic food market estimated to reach USD 258 billion by 2015.

Resultantly, food packaging is expected to grow simultaneously. The Global FMCG Packaging market is estimated to grow at a CAGR of 4.14 per cent over the period 2014-2019.

#### **Operations:**

Your Company operates in the single segment i.e. Advanced Packaging Solutions. The Company's foil rolling capacity is 37,000 TPA.

Ess Dee Aluminium Limited has Pan India presence through its Hub and Spoke Model. It offers total packaging solutions to Pharma sector and FMCG Sector primarily. Some of the new products launched during the year, cater to the pharmaceutical segment. The sale of sheets, CR foils and blister saw significant growth this year and the flexible business was steady. Going forward the focus is expected to be primarily on CR foil and Alu Alu products.

The Company has undertaken various Six Sigma Projects in the areas of product as well as quality front. It is also undertaking upgradation to ensure consistent quality. Equipments at various stages of process have been started in consultation, through input and customization of the expertise of Chemnitz University, Germany.

Efforts are on in terms of establishing a global presence by way of technological upgradation and research and development initiatives.

#### **ESS DEE's COMPETITIVE INDUSTRY POSITIONING:**

##### **1. Increasing Demand**

With improving lifestyles and better standard of living, people are becoming more health conscious resulting in a growing trend towards well-packed, branded products rather than the loose and unpackaged formats. Further the Company mainly caters to the Pharmaceutical and FMCG categories which are poised for huge growth thereby increasing the prospects for the Company's products.

##### **2. Strong Team**

The Company has a reputed management well supported by an able execution team. It recognises the role played by the employees in its overall success and its HR policies are geared towards recruiting, training and retaining our employees.



### 3. Strong Product development capabilities

Ess Dee has a track record of bringing many first in terms of innovative and technologically advanced products to the market. Through continuous focus on research and development, the Company has demonstrated strong product development capabilities and achieved market leadership in India. With foreign collaborations this is expected to improve further and the Company is gearing up for establishing itself on the global front.

### 4. Strong Client Base and Distribution Network

Ess Dee has a diversified customer base of over 300 companies in pharmaceuticals, food and FMCG sectors. It operates the sales and distribution network through a "hub and spoke" model which enables it to provide customised packaging solutions to customers across India. In addition to direct sales to domestic customers, Ess Dee has a robust network of distributors and selling agents to market and sell its products globally.

### 5. Highly Focussed on Quality

Ess Dee has installed several online and standalone equipment for testing the quality of aluminum foil stock and other raw materials as well as the end product. The Company's Daman Unit II has received ISO 22000:2005 certification from Equalitas and majority of other units have been awarded ISO 9001:2008 certification. It has also received DMF Type III registration with the United States Food and Drugs Administration authority and DMF Type II registration with the Canadian healthcare authorities for certain products. It has also received a BRC certification for "Global Standard for Packaging and Packaging Materials".

## RISKS & CONCERNS:

The major risks and concerns attributed to the performance of the Company are:

### 6. Increase in input costs

The company imports majority of its raw materials and is making continuous efforts to keep its raw material costs under control. The Company is trying to mitigate this risk of LME price fluctuations as well as currency fluctuations by procuring ingots locally and manufacturing foil stock in-house.

### 7. Economic Headwinds

Pharmaceutical and FMCG represent the two major segments from which Ess Dee derives its demand. While they remain relatively insulated from economic slowdown, going forward they are expected to do extremely well given the expectations of a revival in the Economy.

### 8. Regulatory Risks

The Company caters to industries which require high standards of regulatory adherence. With increased focussed on quality it has been the recipient of quality certifications which enables it to cater to diversified customer base.

### 9. Unorganised Market

The Packaging industry in India continues to be plagued by unorganised players and at present, the pharmaceutical packaging sector whose size is estimated at around Rs. 9000 crore, has around Rs. 7500 crore in the unorganised segment. Ess Dee with its quality consciousness and technology focus has created a distinctive brand in the market.

## INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has instituted an integral control system for all its units to ensure efficiency of operations, financial reporting, proper recording and safeguard of assets, compliance with applicable laws and regulations etc. The Company has also appointed a firm of Chartered Accountants as Internal Auditors, who review the various functions of the Company thoroughly and report to the Audit Committee. The Company uses an ERP package, which enhance the internal control mechanism.

## **INTELLECTUAL PROPERTY**

The Company and its Indian subsidiary are owners of several trademarks namely “Ess Dee”, “Flex Art” and “IFL” registered under various classes of trademarks.

## **RECONCILIATION OF SHARE CAPITAL AUDIT**

In compliance of circular no. D&CC/FITTC/CIR-16/2002 dated 31<sup>st</sup> December, 2002 further amended by Circular No. CIR/MRD/DP/30/2010 dated 6<sup>th</sup> September, 2010 issued by the Securities and Exchange Board of India (“SEBI”), Reconciliation of Share Capital Audit has being carried out at the specified intervals by a Practising Company Secretary and have been submitted to the Stock Exchanges where the Company is listed within due dates.

## **CAUTIONARY STATEMENT**

Statements in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objective, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Forward looking Statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements might differ materially from those either expressed or implied herein.

## CORPORATE GOVERNANCE REPORT

### 1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Ess Dee Aluminium Limited (EDAL)'s philosophy of Corporate Governance is to achieve business excellence by enhancing the long term welfare of all its stakeholders. Corporate Governance is not just a destination, but a journey for EDAL. EDAL believes that Corporate Governance is about creating a performing Organisations i.e. Organisations that consistently succeed in the market places against competition and thereby to enhance the value for all its stakeholders i.e. exceeding expectations which is one of the goals of EDAL. Its Corporate Governance framework is based on the following main principles to maintain transparency, accountability and ethics:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities and duties.
- Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
- A sound system of risk management and internal control.
- Transparency and accountability.
- Compliance with applicable rules and regulations.
- Fair and equitable treatment of all its stakeholders.

This would ensure efficient conduct of the affairs of the Company and help to achieve its goal of maximizing value for all its stakeholders. The Company has focused its resources, strengths and strategies to achieve its vision of becoming the worlds most valued Company to customers, colleagues, investors, business partners and the community it works and operates in.

This chapter, along with the chapter on Management Discussion and Analysis reports EDAL's compliances with the revised guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

### 2) BOARD OF DIRECTORS

a) Presently, the Company has 9 (Nine) Directors. The Chairman is the Promoter of the Company and a Non-Executive Director. Among the 9 Directors, the Company has 3 Executive Directors and all others are Non-Executive Directors. Of the 6 Non-Executive Directors, 5 Directors are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The Directors are appointed or re-appointed with the approval of the shareholders. The Independent Directors on the Board are highly experienced and competent persons from their respective fields. The Independent Directors take active part at the Board Meetings and Committee Meetings which add value in the decision making process of the Board of Directors.

Each Director informs the Company on an annual basis about the Board and Committee position he occupies in other Companies including Chairmanship and notifies changes during the year. Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The members of the Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

b) In the financial year 2014-2015, four Board Meetings were held during the year and the gap between two meetings did not exceeded 120 days. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members. The Company Secretary prepares the Agenda and explanatory notes, in consultation with the Managing Director. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. Senior Management Personnel are invited to provide additional inputs for the items being discussed by the Board as and when necessary. The Minutes of the Meetings of the Board are individually given to all the Directors and confirmed at the subsequent Board Meeting. The finalised copies of the minutes of various Committee meetings of the Board are also individually given to the Directors and

thereafter tabled at the subsequent Board Meeting for the Boards views thereon. The dates on which the Board Meetings were held during the year are as follows: 30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 10<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015. The necessary quorum was present for all the meetings.

c) As mandated by Clause 49, none of the Directors is a member of more than 10 (ten) Board level Committees or Chairman of five such Committees across all Companies in which he / she is a Director. Necessary disclosures regarding Committee positions in other public Company as on 31<sup>st</sup> March, 2015 have been made by all the Directors. The following table gives details of Directors attendance, Directorships held in other Public Company and subsidiary of Public Company and the position of Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee in such other Public Company and subsidiary of Public Company.

Name of the Director	Category	No. of Board Meetings attended out of 4 Meetings held		No. of Directorship(s)/Committee(s) positions held in other Public Company(ies) as on 31 <sup>st</sup> March, 2015		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. Sudip Dutta	Promoter & Non – Executive	3	Yes	6	1	-
Mr. Ashis Bhattacharya	Managing Director	4	Yes	1	-	-
Ms. Vinaya Desai	Executive	4	Yes	1	-	1
Mr. T. S. Bhattacharya	Independent Non Executive	2	Yes	7	-	3
Mr. Gautam Mukherjee	Independent Non Executive	4	No	1	-	1
Mr. Dilip Phatarphekar	Independent Non Executive	4	Yes	2	2	-
Mr. Ramdas L. Baxi	Independent Non Executive	4	No	1	-	2
Mr. Madan Mohan Jain	Independent Non Executive	4	Yes	1	-	1
Mr. Satyabrata Ray #	Executive	2	Yes	-	-	-
Mr. Bijoy Kumar Pansari @	CEO & Managing Director	2	N.A.	N.A.	N.A.	N.A.

@ Mr. Bijoy Kumar Pansari resigned as CEO & Managing Director of the Company w.e.f. 14<sup>th</sup> August, 2014.

# Mr. Satyabrata Ray was appointed as a Director w.e.f. 14<sup>th</sup> August, 2014.

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.

- d) During the year, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board of Directors for their consideration.
- e) None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

### INDEPENDENT DIRECTORS' MEETING

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 13<sup>th</sup> February, 2015, without the attendance of Non-Independent Directors and members of the management to discuss the Performance evaluation based on the self assessment of Directors, Board and Committees and also assess the quality, content and timeliness of flow of information between the Management and the Board.

All the Independent Directors except Mr. T.S. Bhattacharya were present in the meeting.

### 3) BOARD COMMITTEES

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, take necessary steps to perform its duties entrusted by the Board. To ensure good governance, the minutes of the meetings are placed before the Board for their review. The Board has currently six Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Finance Committee and Risk Management Committee.

#### I. AUDIT COMMITTEE

The Company has an Independent Audit Committee comprising of 4 (four) Independent Directors: Mr. Gautam Mukherjee (Chairman), Mr. Ramdas Baxi, Mr. Dilip Phatarphekar and Mr. Madan Mohan Jain. Mr. Madan Mohan Jain was appointed as a member of the Audit Committee with effect from 14th August, 2014. All members of the Committee are learned and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. The Audit Committee is constituted and functions in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

On behalf of Mr. Gautam Mukherjee, Chairman of the Committee, Mr. Dilip Phatarphekar and Mr. Madan Mohan Jain, members of the Audit Committee were present at the 10<sup>th</sup> Annual General Meeting of the Company.

Four meetings of the Audit Committee were held during the financial year under review i.e. on 30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 10<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015. The gap between two consecutive meetings did not exceed four months. The necessary quorum was present for all the meetings.

The Chief Financial Officer, Internal Auditors and the Statutory Auditors are invitees to the meeting. The Company Secretary acts as the Secretary to the Committee and attended all the meetings of the Audit Committee. Minutes of each Audit Committee are placed and discussed in the next meeting of the Board.

The Statutory Auditors and Internal Auditors have attended all the Audit Committee meetings held during the year.

The Powers of the Audit Committee includes the following:

- (i) To investigate any activity within its terms of reference.
- (ii) To seek information from any employee.
- (iii) To obtain outside legal or other professional advice.
- (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the following:

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;



- ii) The recommendation for appointment, remuneration and terms of appointment of auditors of the company; review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv) Approval or any subsequent modification of transactions of the Company with related parties;
- v) Scrutiny of inter-corporate loans and investments;
- vi) Valuation of undertakings or assets of the Company, wherever it is necessary;
- vii) Evaluation of internal financial controls and risk management systems;
- viii) Reviewing, with the management, the quarterly, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
- ix) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- x) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- xi) Review the functioning of the Whistle Blower mechanism, in case the same is existing;
- xii) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xiii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the provisions of Companies Act, 2013 and Listing Agreement.

The Audit Committee have full access to information contained in the records of the Company in connection with investigation into any matter in relation to its terms of reference or as may be referred to it by the Board.

The Audit Committee also reviews the following information:

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (iv) Internal audit reports relating to internal control weaknesses; and
- (v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

The attendance of each of the members at the meetings of the Committees is as under:

Sr. No.	Name of the Members	No. of Meetings Attended
1.	Mr. Gautam Mukherjee	4
2.	Mr. Ramdas Baxi	4
3.	Mr. Dilip Phatarphekar	4
4.	Mr. Madan Mohan Jain*	2

\* Mr. Madan Mohan Jain was appointed as a member of the Audit Committee with effect from 14<sup>th</sup> August, 2014.

## II. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of Mr. Ramdas Baxi, Independent Director as Chairman, Mr. Dilip Phatarphekar and Mr. Gautam Mukherjee as members, to specifically look into the redressal of the

grievances of security holders of the Company. The Company Secretary is the Compliance Officer and the Secretary to the Committee.

Two meetings of the Committee were held during the financial year 2014-2015 on 14<sup>th</sup> August, 2014 and 13<sup>th</sup> February, 2015. Minutes of each meetings were placed and discussed in the next meeting of the committee.

At the beginning of the financial year, there was no investor complaint that was unresolved. The Company had received 2 complaints during the financial year ended 31<sup>st</sup> March, 2015 which were replied to the satisfaction of the shareholders. There were no outstanding complaints as on 31<sup>st</sup> March, 2015.

The attendance of each of the members at the meetings of the Committees is as under:

Sr. No.	Name of the Members	No. of Meetings Attended
1.	Mr. Ramdas Baxi	2
2.	Mr. Dilip Phatarphekar	2
3.	Mr. Gautam Mukherjee	2

### III. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Independent Directors, namely Mr. Dilip Phatarphekar as Chairman, Mr. Ramdas Baxi and Mr. Gautam Mukherjee as Members. The minutes of the Nomination and Remuneration Committee meetings are reviewed and noted by the Board from time to time.

The Nomination and Remuneration Committee identifies persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and also carries out the evaluation of the performance of all the directors of the Company.

The Remuneration Policy of the Company for directors, key managerial personnel and other employees are determined by the Nomination and Remuneration Committee as per the provisions of the Companies Act, 2013.

The Nomination and Remuneration Committee recommends to the Board the compensation package of the Executive Directors, Key Managerial Personnel and Senior Management of the Company. The Non-Executive Directors are paid sitting fees for attending the meetings of the Board of Directors and Committees. The Non Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Since the appointment of the Executive Directors is by virtue of their employment with the Company, their service contract, notice period and severance fees, if any, is governed by the remuneration policy of the Company.

The Company does not have any Employee Stock Option Scheme.

During the financial year under review, Two Meeting of the Committee were held on 14<sup>th</sup> August, 2014 and 10<sup>th</sup> November, 2014.

### Details of Remuneration paid to Directors:

Details of remuneration for the year ended 31<sup>st</sup> March, 2015:

#### a) Executive Directors

(₹ in Lacs)

Name	Designation	No. of Shares held	Salary	Allowances & Perquisites	Total	Relationship with any other Director
Mr. Ashis Bhattacharya #	Managing Director	2	47.90	--	47.90	None
Ms. Vinaya Desai	Whole Time Director	2,249	20.77	--	20.77	None
Mr. Satyabrata Ray *	Whole Time Director	NIL	20.90	--	20.90	None
Mr. Bijoy Kumar Pansari @	CEO & Managing Director	NIL	31.16	--	31.16	None

# Mr. Ashis Bhattacharya was appointed as the Managing Director of the Company w.e.f. 14<sup>th</sup> August, 2014.

\* Mr. Satyabrata Ray was appointed as the Whole Time Director of the Company w.e.f. 14<sup>th</sup> August, 2014.

@ Mr. Bijoy Kumar Pansari resigned as the CEO & Managing Director of the Company w.e.f. 14<sup>th</sup> August, 2014.

#### b) Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board meetings and Committee meetings, the details of which are as under:

Name	Sitting Fees (Rs.)	Number of shares held as on 31 <sup>st</sup> March, 2015
Mr. Sudip Dutta	Nil	18265709
Mr. T. S. Bhattacharya	30,000	Nil
Mr. Gautam Mukherjee	1,60,000	Nil
Mr. Dilip Phatarphekar	2,10,000	Nil
Mr. Ramdas Baxi	2,00,000	Nil
Mr. Madan Mohan Jain	90,000	Nil

Mr. Sudip Dutta, in the interest of the Company, has waived off his right to receive the sitting fees from the Company.

No stock options have been issued to any Director of the Company. All the Directors have disclosed their shareholding in the Company.

The attendance of each of the members at the meetings of the Committees is as under:

Sr. No.	Name of the Members	No. of Meetings Attended
1.	Mr. Dilip Phatarphekar	2
2.	Mr. Gautam Mukherjee	2
3.	Mr. Ramdas Baxi	2

#### IV. FINANCE COMMITTEE

Mr. Sudip Dutta is the Chairman of the Committee, Mr. Ashis Bhattacharya and Mr. Dilip Phatarphekar, Directors of the Company are the members of the Finance Committee of the Board of Directors of the Company. Mr. Ashis Bhattacharya was appointed as the member of the Finance Committee in place of Mr. Bijoy Kumar Pansari w.e.f. 14<sup>th</sup> August, 2014.

Four meetings of the Finance Committee were held during the financial year under review i.e. on 3<sup>rd</sup> April, 2014, 11<sup>th</sup> June, 2014, 14<sup>th</sup> August, 2014 & 25<sup>th</sup> November, 2014. The necessary quorum was present for all the meetings.

Following powers, duties and responsibilities have been delegated to the Finance Committee:

1. Borrowings from banks / financial institutions upto an aggregate limit of ₹ 500.00 crores.
2. Granting Loans to companies / firms / individual, whether subsidiaries / associates or otherwise, upto a limit of ₹ 10.00 crores per Company or firm and ₹ 1.00 crore per individual, for the purpose of business, subject however that the aggregate of loans granted and outstanding to all such companies / firms / individuals, subsidiaries or associates at any time shall not exceed the applicable ceiling prescribed under the Companies Act.
3. Opening / closing of bank accounts, opening letters of credit, issue / renew / cancel bank guarantees and other banking matters.
4. Approval of authorized signatories and delegation of powers to sign cheques, etc. for operating the bank accounts of the Company.
5. Miscellaneous financial matters.

The attendance of each of the members at the meetings of the respective Committees is as under:

The attendance of each of the members at the meetings of the Committees is as under:

Sr. No.	Name of the Members	No. of Meetings Attended
1.	Mr. Sudip Dutta	4
2.	Mr. Dilip Phatarphekar	2
3.	Mr. Ashis Bhattacharya	4

#### V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ("CSR") Committee was constituted by the Board of Directors considering the requirements of the Companies Act, 2013 ("the Act") relating to the constitution of a Corporate Social Responsibility Committee.

Mr. Gautam Mukherjee, Independent Director is the Chairman of the Committee, Mr. Ashis Bhattacharya and Ms. Vinaya Desai are the other members of the Committee.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

Meeting of the CSR Committee was held on 13<sup>th</sup> February, 2015, which was attended by all the members of the Committee.

The terms of reference of the CSR Committee are :

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- b. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

- c. Monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- d. Carrying out any other function as is mentioned under the provisions of Companies Act, 2013 or under any other law.

The attendance of each of the members at the meetings of the Committees is as under:

Sr. No.	Name of the Members	No. of Meeting Attended
1.	Mr. Gautam Mukherjee	1
2.	Mr. Ashis Bhattacharya	1
3.	Ms. Vinaya Desai	1

## VI. RISK MANAGEMENT COMMITTEE

As required under the revised Clause 49 of the Equity Listing Agreement, issued by SEBI the Board of the Company has formed a risk management committee with following duties and responsibility.

Mr. Ashis Bhattacharya, Ms. Vinaya Desai, Mr. Satyabrata Ray, Mr. Ravi Khurana and Mr. Ritesh Shroff are the members of the Committee.

The duties and responsibilities of the RMC are as follows:

- Conduct a yearly evaluation of the company's risk assessment and risk management program and ensure that appropriate controls are in place.
- Positive assurance to the stakeholders and Board Members about the business, corporate governance and other aspects.
- Recommend to the Board the Company's strategic risks, including the risk mitigation and control measures that require immediate or urgent implementation.
- Meet periodically with the Audit Committee, key management and internal and external auditors to understand and discuss the control environment.
- Review the Company's risk tolerance, financial exposures, and investment guidelines, including the mitigating strategies, insurance, and other risk financing schemes being undertaken.
- Monitor the effectiveness of risk management functions throughout the organization. Ensure that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.
- Review annually the adequacy of this Charter and recommend any proposed changes to the Board of Directors.
- Risk management is an ongoing process and the Audit Committee periodically reviews risk mitigation measures.

## 4) GENERAL BODY MEETINGS

### a) Annual General Meeting :

Location and time of Annual General Meeting (AGM) held in last 3 years:

Date	AGM	Venue	Time	Whether Special resolutions passed
28.09.2012	8 <sup>th</sup> AGM	Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056	10.00 a.m.	Yes
24.09.2013	9 <sup>th</sup> AGM	Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056	10.00 a.m.	Yes
27.09.2014	10 <sup>th</sup> AGM	Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056	10.00 a.m.	Yes



**Details of the Special Resolutions passed at Annual General Meetings during the last three years:-**

At the 8<sup>th</sup> AGM held on 28<sup>th</sup> September, 2012, one special resolution was passed for appointment of Mr. Bijoy Kumar Pansari as CEO and Managing Director of the Company for a period of five years commencing from 3<sup>rd</sup> December, 2011.

At the 9<sup>th</sup> AGM held on 24<sup>th</sup> September, 2013, three special resolutions were passed for appointment of Mr. Ashis Bhattacharya and Ms. Vinaya Desai as Whole Time Directors of the Company and for increase in the limits of investments by FII's.

At the 10<sup>th</sup> AGM held on 27<sup>th</sup> September, 2014, three special resolutions were passed for variation of terms of remuneration of Ms. Vinaya Desai, appointment of Mr. Ashis Bhattacharya as Managing Director and appointment of Mr. Satyabrata Ray as Whole Time Directors of the Company.

**b) Extra Ordinary General Meetings :**

In addition to Annual General Meeting, the Company holds General Meetings of the members of the Company as and when situation arises. One Extra Ordinary General Meeting was held on 3<sup>rd</sup> July, 2014.

**c) Postal Ballot :**

During the financial year 2014-2015, the Company conducted a Postal Ballot process.

The Company passed Special Resolutions by way of Postal Ballot pursuant to Section 110 and the applicable provisions of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014 for the following matters:-

Sr. No.	Notice Date	Date of Result	Items
1.	14 <sup>th</sup> August, 2014	17 <sup>th</sup> October, 2014	1. Alteration of Articles of Association of the Company. 2. Consent of the Company under Section 180(1)(a) of the Companies Act, 2013 and Rules made thereunder. 3. Consent of the Company under Section 180(1)(c) of the Companies Act, 2013 and Rules made thereunder.

Person who conducted Postal Ballot: Mr. Jigar Kumar Gandhi Proprietor of M/s. JNG & Co., (Practising Company Secretary).

None of the business required to be transacted at the 11<sup>th</sup> AGM require passing of special resolution.

**5) SUBSIDIARY COMPANY**

The Company has one wholly owned Indian subsidiary - Flex Art Foil Limited and one foreign wholly owned subsidiary - Ess Dee Aluminium Pte. Limited, incorporated in the Republic of Singapore.

The Company monitors the performance of its subsidiary companies, inter alia, by following means:

- a. The financial statements, in particular, the investments, if any, made by the Indian subsidiary Company, are reviewed by the Audit Committee of the Company.
- b. The minutes of the Board meetings of the Indian subsidiary Company are placed at the subsequent Board meetings of the Company.
- c. Details of significant transactions and arrangements entered into by the Indian subsidiary Company are placed before the Board of the Company as and when applicable.
- d. Mr. Gautam Mukherjee and Mr. Dilip Phatarphekar, Independent Directors of the Company are on the Board of Flex Art Foil Limited, the materially unlisted subsidiary Company.

## 6) CODE OF CONDUCT

The Company has adopted the ESSDDEE Code of Conduct for EDs, Senior Management Personnel of the Company. The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Code for NEDs of the Company. The Company has received confirmations from the NEDs regarding compliance of the Code for the year under review. Both the Codes are posted on the website of the Company ([www.essdee.in](http://www.essdee.in)).

The requisite Declaration of the Managing Director is given below:

**To**

**The Shareholders of Ess Dee Aluminium Limited**

**Sub: Compliance with Code of Conduct**

I hereby confirm that the Company has obtained from all the Members of Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct as adopted by the Board of Directors in respect of financial year ended 31<sup>st</sup> March, 2015.

27<sup>th</sup> May, 2015

**Ashis Bhattacharya**  
**Managing Director**

## TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company is required to have a Compliance Officer who is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Price Sensitive Information, pre-clearance of trade, monitoring of trades and implementation of code of conduct for trading in Company's securities under overall supervision of the Board. The Company Secretary is the Compliance Officer of the Company. All the Directors on the Board, employees at Senior Management levels at all locations and other designated employees who could be privy to unpublished price sensitive information of the Company are governed by this code. All the Directors, Employees at Senior Management levels and other designated employees of the Company are restricted from entering into opposite transactions i.e. buy or sell any number of shares during the next 6 months following the prior transactions.

## 7) DISCLOSURES

### a. Related party transactions

Details of significant related party transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiary companies or relatives, etc. as per Accounting Standard 18 "Related Party Disclosures" are presented under Note 28.07 of the Balance Sheet. No material transaction has been entered by the Company with the Promoters, Directors or the Management, subsidiaries or relatives that may have potential conflict with the interest of the Company except as presented under Note 28.07 of the Balance Sheet. All such transaction has been done in the ordinary course of business and on arms' length basis.

The Audit Committee has reviewed the related party transactions as mandatorily required under Clause 49 of the Listing Agreement.

### b. Compliance

i. The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and adoption of non mandatory requirement under Clause 49 of the Listing Agreement are being reviewed periodically.

- ii. No penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or other statutory authorities on any matter related to the capital market from the date of listing.
- iii. The Company has adopted a Whistle Blower policy in terms of Section 177(9) of the Companies Act, 2013.

### c. Auditor's Certificate on Corporate Governance

The Company has obtained a certificate from the Statutory Auditors testifying to the compliance with the provisions relating to Corporate Governance laid out in Clause 49 of the Listing Agreement with the Stock Exchanges. The Certificate is annexed to this Report and the same will be sent to the Stock Exchanges along with the Annual Report.

## 8) MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company were sent to the Stock Exchanges immediately after these were approved by the Board. The quarterly results were published in "Business Standard- all editions" and "Duranta Batra/Aaj Kal" circulating in Kolkata. The financial results were also displayed on the website of the Company [www.essdee.in](http://www.essdee.in) soon after its submission to the Stock Exchanges.

There was no presentation made to major institutional investors or to the analysts during the year.

## 9) GENERAL SHAREHOLDER INFORMATION

### (i) Annual General Meeting:

Date: 29<sup>th</sup> September, 2015

Time: 10:00AM

Day: Tuesday

Venue: Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056

### (ii) Last date for receipt of Proxy:

27<sup>th</sup> September, 2015 before 10:00 AM at the registered office of the Company.

### (iii) Financial Year:

The Company observes the period starting from 1<sup>st</sup> April to 31<sup>st</sup> March as its financial year.

Financial Calendar 2015-2016 (tentative) Schedule for the Board Meeting: Results for the quarter ending:

First Quarter ending 30 <sup>th</sup> June 2015	Before 15 <sup>th</sup> August 2015
Second Quarter and Half yearly Results ending 30 <sup>th</sup> September 2015	Before 15 <sup>th</sup> November 2015
Third Quarter ending 31 <sup>st</sup> December 2015	Before 15 <sup>th</sup> February 2016
Fourth Quarter and Annual Results ending 31 <sup>st</sup> March 2016	Before end of May 2016

### (iv) Date of book closure:

Wednesday, 23<sup>rd</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (both days inclusive).

### (v) Listing on Stock Exchanges:

The Company's shares are listed on:-

BSE Limited (BSE) and

National Stock Exchange of India Limited (NSE)

The Company debt securities are listed on the Whole Sale Market (WDM) of BSE.

The Company has paid the annual Listing Fees for the financial year 2015-2016 to BSE and NSE.

The Custodial Fees for the year 2015-2016 have been paid to the National Securities Depository Limited and the Central Depository Services (India) Limited.

**(vi) Stock code :**

**Equity Shares**

BSE Limited	- 532787
National Stock Exchange of India Limited	- ESSDEE- EQ
ISIN for Dematerialisation	- INE825H01017

**Debt Securities**

The Wholesale Debt Market (WDM) of BSE	- 947009
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**Debenture Trustee**

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor  
17, R. Kamani Marg, Ballard Estate, Mumbai 400 023

**(vii) Market price data**

The monthly high and low prices of the Company's share at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31<sup>st</sup> March, 2015 are given as follows:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Sensex (closing)	High (Rs.)	Low (Rs.)	S & P CNX Nifty (closing)
April, 2014	687.95	589.00	22417.80	689.40	602.10	6696.40
May, 2014	700.00	605.90	24217.34	701.40	603.45	7229.95
June, 2014	646.80	521.25	25413.78	644.80	520.00	7611.35
July, 2014	590.00	505.00	25894.97	590.90	502.65	7721.30
August, 2014	552.85	405.50	26638.11	555.10	378.95	7954.35
September, 2014	563.75	403.00	26630.51	563.90	401.35	7964.80
October, 2014	442.50	342.05	27865.83	443.30	341.55	8322.20
November, 2014	408.00	357.30	28693.99	408.00	357.20	8588.25
December, 2014	407.70	340.00	27499.42	407.00	343.50	8282.70
January, 2015	372.75	265.00	29182.95	372.90	258.10	8808.90
February, 2015	280.55	189.05	29361.50	279.95	189.00	8901.85
March, 2015	200.00	121.00	27957.49	199.90	121.10	8491.00

Sources : BSE, NSE, Sensex and S & P CNX Nifty Websites

**(viii) Registrar and Transfer Agents:**

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072  
Tel: 91 22 40430200, 28470652

**(ix) Share Transfer System:**

The authority relating to transfer of securities and allied work relating to servicing of investors has been delegated by the Board to the Stakeholders Relationship Committee which consists of Mr. Ramdas Baxi as Chairman, Mr. Dilip Phatarpekar and Mr. Gautam Mukherjee as Members.

The minutes of the meetings of the Stakeholders Relationship Committee are regularly placed before the Board. The Company's Registrar and Transfer Agents, Bigshare Services Private Limited has adequate infrastructure to process the share transfers. The share transfers received are processed within 15 days from the date of receipt, subject to the transfer instrument being valid and complete in all respects. Demat requests are processed within 10-15 days from the date of receipt to give credit of the shares through the Depositories. In compliance with the listing guidelines, every three months, a practicing Company Secretary audits the system of transfer and a certificate to that effect is issued. The Company's scrips form part of the SEBI's compulsory demat segment bearing ISIN No. INE825H01017.

**(x) Distribution of shareholding as on 31<sup>st</sup> March, 2015:**

Holding	No. of Shareholders	No. of shares held	Shareholding %
1-5000	12836	1027644	3.21
5001- 10000	565	446726	1.39
10001- 20000	291	433426	1.35
20001- 30000	134	343970	1.07
30001- 40000	58	202158	0.63
40001- 50000	51	235997	0.74
50001-100000	98	727356	2.26
100001 & above	138	28630534	89.35
<b>Total</b>	<b>14171</b>	<b>32047811</b>	<b>100.00</b>

**Distribution of shareholding by ownership as on 31<sup>st</sup> March, 2015:**

Category	No. of Shares held	Shareholding %
Promoters	18578663	57.97
FII's	6553039	20.44
Venture Capital Funds	0	0
Insurance Companies	0	0
Mutual Funds/UTI/Banks	15796	0.048
Bodies Corporate	1678343	5.23
Individuals/others	5221970	16.31
<b>Total</b>	<b>32047811</b>	<b>100.00</b>

**(xi) Dematerialisation of shareholding:**

The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar and Transfer Agents, Bigshare Services Private Limited. This has facilitated the shareholders to hold and trade their shares in "electronic form". Almost the entire shareholding is held in dematerialized form with NSDL 29926217 Shares (93.38%) and CDSL 2121328 Shares (6.61%) as on 31<sup>st</sup> March, 2015. The entire shareholdings of the Promoters of the Company are in demat form.

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by Securities and Exchange Board of India.

**(xii) Details of Unclaimed Shares:**

The Company came out with an Initial Public Offer (IPO) in December, 2006. The Equity shares issued pursuant to the said IPO which remained unclaimed are lying in the Escrow Account with Bigshare Services Private Limited. The Company has sent 4 reminders to the shareholders asking for correct demat account details. As per



Clause 5A(1) of the Listing Agreement, the Company reports the following details in respect of the unclaimed shares:

Particulars	No. of shareholders	No. of Shares
Aggregate No. of shareholders & Shares pending as on 1 <sup>st</sup> April, 2014	5	194
No. of shareholders who approached for transfer of shares from suspense account during the year	Nil	Nil
No. of shareholders & Share transferred from suspense account during the year	Nil	Nil
No. of shareholders & Shares outstanding at the end of the year*	5	194
* Invalid Demat Account		

The voting rights on the shares outstanding in the suspense account as on 31<sup>st</sup> March, 2015 shall remain frozen till the rightful owner of such shares claims the shares.

Other Information: Shareholders who have not yet encashed their dividend warrant for the earlier years may approach the Company / Registrar and Transfer Agents for revalidation/ issues of duplicate dividend warrant quoting the Ledger Folio Nos. / DP and Client Id.

**(xiii) Outstanding Global Depository Receipts or Warrants or any Convertible Instrument, conversion Dates and likely impact on Equity:**

The Company has not issued any GDRs / ADRs or Warrants or any Convertible Instruments during the financial year.

The Company came out with a public issue in December, 2006 and has fully utilised the issue proceeds.

**(xiv) Plant locations:**

Plot No. 124-133,  
Panchal Udyog Nagar,  
Bhimpore, Daman 396 210

P- 32, Taratalla Road,  
Kolkata 700 088

Plot No. 161,  
Kundaim Industrial Estate,  
Kundaim, Goa 403 115

1, Sagore Dutta Ghat Road,  
Kamarhati,  
Kolkata 700 058

No. 57/5/2, Bhenslore,  
Village Dunetha,  
Nani Daman 396 210

Village & P.O. Hoera  
P.S. Mogra  
District Hooghly

**(xv) Registered Office:**

1, Sagore Dutta Ghat Road,  
Kamarhati, Kolkata 700 058. West Bengal  
Tel: 91 33 2582 2289  
Fax: 91 33 2583 1578  
Website: www.essdee.in

**(xvi) Investors correspondence may be addressed to:**

Company Secretary & Compliance Officer  
Ess Dee House, Akurli Road  
Kandivali (East), Mumbai 400 101  
Tel: 91 22 66908200 Fax: 91 22 66908396  
Email ID: [investorservice@essdee.in](mailto:investorservice@essdee.in)

Registrar and Transfer Agents  
Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri East, Mumbai 400 072

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE ELEVENTH ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

<b>Name of the Director</b>	<b>Mr. Madan Mohan Jain</b>	<b>Mr. T.S. Bhattacharya</b>	<b>Mr. Ashis Bhattacharya</b>
Date of Birth	01.03.1944	24.01.1948	02.03.1964
Date of Appointment	14.01.2010	13.08.2013	14.02.2013
Expertise in specific functional area	Mr. Jain is a Science graduate in Geology, Chemistry and Mathematics from Agra University. He has worked for over 37 years in Oil & Natural Gas Corporation (ONGC), till he retired as Chief Geologist in February 2004.	Mr. Bhattacharya is a Post Graduate in Science in Nuclear Physics from Saha Institute of Nuclear Physics, an associate of Tata Institute of Fundamental Research. He is also a Post Graduate in Management Science from Jamnalal Bajaj Institute of Management under University of Mumbai. Mr. T. S. Bhattacharya has more than 40 years of experience in Indian banking sector as the head of commercial banking in India's premier bank, State Bank of India. For some period, he was also the Chairman of State Bank of India. During his tenure as the managing director of the State Bank of India, he was involved in several large transactions including debt syndication and restructuring.	Mr. Bhattacharya is a Bachelor in Electrical Engineering from Jadavpur University and has a Post Graduation Certification in Operations Management from ISB, Hyderabad. He has more than 27 years of experience in the manufacturing industry.
Qualifications	Science Graduate	M. Sc. in Nuclear Physics, Post M. Sc. degree in Nuclear Physics, Post Graduate in Management Science from Jamnalal Bajaj Institute of Management, Mumbai	B.E., PGCBM
Directorships held in other Indian public limited companies	1. Panama Petrochem Limited	1. Jindal Stainless Limited 2. IDFC Securities Limited 3. Speciality Restaurants Limited 4. Surya Roshni Limited 5. IDFC AMC Trustee Company Limited 6. Nandan Denim Limited 7. Uflex Limited	1. Flex Art Foil Limited
Chairman / Member of the Committee of Board of Directors of the Company	Member of Audit Committee of the Company	-	Member of Corporate Social Responsibility Committee and Finance Committee of the Company
Chairman / Member of Committees of Board of Directors of other Indian public limited Companies	Chairman of Audit Committee in Panama Petrochem Limited	Member of Audit Committee in Jindal Stainless Limited, IDFC Securities Limited and Surya Roshni Limited	Member of Audit Committee – Flex Art Foil Limited
No. of Shares held in the Company	-	-	2
Relationship with other Directors	None	None	None

CEO/CFO CERTIFICATION UNDER CLAUSE 49 OF LISTING AGREEMENT

To,

**The Board of Directors**

**Ess Dee Aluminium Limited**

This is to certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee :
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Mumbai  
Date: 27<sup>th</sup> May, 2015

**Ashis Bhattacharya**  
Managing Director

**Subir Ray**  
Chief Financial Officer

**AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER  
CLAUSE 49 OF THE LISTING AGREEMENTS**

To the Members of **Ess Dee Aluminium Limited**

We have examined the compliance of conditions of corporate governance by Ess Dee Aluminium Limited (the Company) for the year ended March 31, 2015 as stipulated in clause 49 of the listing agreement of said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders / Investor Grievance Committee.

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

**For M.P. Chitale & Co.**  
Chartered Accountants  
ICAI FR No. 101851W

**Ashutosh Pednekar**  
Partner  
ICAI M. No. 41037  
Place : Mumbai  
Date : August 14, 2015



**Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of the Director/ KMP and Designation	Remuneration of Director/KMP for the FY 2014-15 (₹ in Lacs)	% increase in remuneration in the FY 2014-15	Ratio of remuneration of each director/to median remuneration on of the employees in the FY 2014-15	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. Sudip Dutta (Chairman)	-	-	-	Profit before Tax decreased by 23.84 % and Profit After Tax decreased By 39.50% in financial year 2014-15
2	Mr. Dilip Phatarphekar (Non-Executive Director)	-	-	-	
3	Mr. Madan Mohan Jain (Non-Executive Director)	-	-	-	
4	Mr. T. S. Bhattacharya (Non-Executive Director)	-	-	-	
5	Mr. Ramdas Baxi (Non-Executive Director)	-	-	-	
6	Mr. Gautam Mukherjee (Non-Executive Director)	-	-	-	
7	Mr. Ashis Bhattacharya (Managing Director)	47.90	Nil	19.31	
8	Mr. Bijoy Kumar Pansari# (Managing Director)	31.16	-	-	
9	Ms. Vinaya Desai (Whole Time Director)	20.77	24%	8.37	
10	Mr. Satyabrata Ray* (Whole Time Director)	20.90	*	*	
11	Mr. Subir Kumar Ray (Chief Financial Officer)	27.84	(18%)	Not Applicable	
12	Mr. Haresh Vala (Company Secretary)	15.95	10%	Not Applicable	

Note: The Chairman is not paid any remuneration nor sitting fees for Attending Board and Committee Meetings. The Non-Executive Directors of the Company are paid only Sitting Fees for attending the Board and Committee Meetings of the Company, details of which are given in the Corporate Governance Report. They are not entitled to any other remuneration.

- # Details not given as Mr. Bijoy Kumar Pansari was a director only for part of the FY- 2014-15 i.e. upto 14<sup>th</sup> August, 2014  
 \* Details not given as Mr. Satya Barta Ray was not a director in the FY 2013-14.

- (i) The median remuneration of employees of the Company during the financial year was ₹ 2.48 lakh.  
 (ii) In the financial year, there was an increase of 6.3 % in the median remuneration of employees;  
 (iii) There were 977 permanent employees on the rolls of Company as on March 31, 2015;  
 (iv) Relationship between average increase in remuneration and company performance: -  
 The Profit before Tax for the financial year ended March 31, 2015 decreased by 23.84 % whereas the increase in median remuneration was 6.3%.  
 (v) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:  
 The total remuneration of Key Managerial Personnel declined by 22% % from ₹ 132.67 Lacs in 2013-14 to ₹ 102.89 Lacs in 2014-15 whereas the Profit before Tax decreased by 23.84% to ₹ 4604.49 Lacs in 2014-15 (₹ 6045.86 Lacs in 2013-14).  
 (vi) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (₹ crores)	398.32	2107.81	(81.10)
Price EarningsRatio	12.95	39.97	(67.60)

- VII) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year.

Particulars	March 31, 2015	December, 2006	(IPO)% Change
Market Price (BSE)	Rs. 122.90	Rs.225.00	(45.38)
Market Price (NSE)	Rs. 122.65	Rs. 225.00	(45.48)

- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 6.3 % whereas the decrease in the managerial remuneration for the same financial year was 19%.  
 ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.  
 x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and  
 xi) It is hereby confirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## **POLICY ON THE APPOINTMENT OF PERSON AS DIRECTOR AND EVALUATION OF DIRECTORS & SENIOR MANAGEMENT PERSONNEL**

In accordance with the provision of section 178 (3) of the Companies Act, 2013, Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration of Directors, Key Managerial Person and other employees, which are approved and adopted by the Board.

### **Preamble**

The Remuneration Policy is formulated in compliance with section 178 of the Companies Act, 2013 read with the applicable rules thereof and clause 49(iv) of the listing agreement entered into by the Company with the Stock Exchanges, as amended from time to time. The policy has formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors based on the recommendation of NRC.

### **Object**

The object of the Policy is to ensure that:

- a. The level and composition of the remuneration of Directors, Key Managerial Personnel (KMP) and other employees is reasonable and sufficient to attract, retain and motivate the directors of the quality required to run the Company successfully.
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmark.
- c. Remuneration to Directors, KMP and other senior management 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.

### **Compliance with Applicable Laws**

The procedures and limits for payment of remuneration under this policy shall be in accordance with the provisions of the Companies Act, 2013, Listing Agreement, Article of Association of Company or any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

### **Remuneration of Non-Executive Director**

Sitting fee within the limit prescribed as per the Companies Act, 2013 and rules framed thereunder to attending meeting of the Board and Committees.

### **Remuneration to KMP and other Senior Management**

#### **Components**

Basic Salary, Allowances, Retrial benefits, such other perquisites and/or incentives and/or bonus and/or other variable incentive pay (including ESOP) as may be decided by the Management from time to time as per the HR Policy of the Company.

#### **Criteria for Identification of Person for appointment as Directors and Senior Management**

In accordance with the provision of section 178(3) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, the NRC is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the NRC for the aforesaid purpose are as under:-

#### **1. APPOINTMENT OF DIRECTORS:**

The Company shall appoint only those persons who possess formal qualification, relevant experience, proven track record, integrity, etc.:

## 2. QUALIFICATIONS:

- Any person to be appointed as a Director on the Board of Director of the Company, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.
- Further, any Director who is proposed to be appointed as a member of the Audit Committee shall possess the following additional qualifications:
  - He / she shall be financially literate and at least one member shall have accounting or related financial management expertise.

Explanation (i): The term “financially literate” means the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

Explanation (ii): A member will be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting, or requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

## 3. EXPERIENCE:

Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance. Prior experience of being a Chief Executive Officer, Managing Director or a Whole-time director of any company shall be given utmost importance while considering appointment.

## 4. POSITIVE ATTRIBUTES:

The person to be appointed as a Director of the Company and in the Senior Management position shall not only possess the relevant formal qualifications and experience but shall also possess attributes like integrity and proven track record and shall demonstrate commitment to the organization. For assessing integrity and suitability features like criminal records, financial position, and civil actions initiated to pursue personal debts, refusal of admission to or expulsion from professional bodies, sanctions applied by regulators or similar bodies, previous questionable business practices etc. shall be considered.

Any person to be appointed as Director shall not possess the disqualifications contained in Section 164 (1) of the Companies Act, 2013 viz.:

- He/she shall not be less than 21 years of age.
- He/she shall not be of unsound mind nor stand so declared by a competent court.
- He/she shall not be an un-discharged insolvent.
- He/she has not applied to be adjudicated as an insolvent and his/her application is pending.
- He/she has not been convicted of an offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence.

Further, any person to be appointed as Independent Director shall meet the criteria of Independent during his tenure as Independent Director as provided under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

## 5. Training and Evaluation:

- a) The Nomination & Remuneration Committee (**NRC**) shall carry out the evaluation of performance of every Director. The evaluation of performance of the Independent Directors (**IDs**) shall also be carried out by the entire Board of Directors excluding the Director being evaluated.
- b) While evaluating the performance of the Non-Executive Directors (**NEDs**), the following parameters shall be considered
  - I. Attendance at meetings of the Board and Committees thereof,
  - II. Participation in Board meeting or Committee thereof,

- III. Contribution to strategic decision making,
  - IV. Review of risk assessment and risk mitigation,
  - V. Review of financial statements, business performance.
  - VI. Contribution to the enhancement of brand image of the Company.
- 
- c) While evaluating the performance of the Managing Director (MD) and the Whole-Time Director (WTD), the NRC shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company.
  - d) The Company shall familiarize the IDs with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc
  - e) MD/Chief Executive Officer (CEO) shall carry out the evaluation of all the Senior Management Personnel (SMP) and KMPs, excluding himself/herself and the WTD
  - f) The evaluation process adopted by the Company shall always consider the appropriate benchmarks set as per industry standards, performance of the industry, the Company and of the individual KMP/SMP.
  - g) Evaluation of performance shall be carried out at least once in a year, in accordance with the existing evaluation process of the Company.
  - h) Human Resource Department (HRD) shall be primarily responsible to identify training need for every KMP/SMP and prepare training calendar accordingly, in consultation with MD.



Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 2015

[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,  
Ess Dee Aluminium Limited  
Kolkatta

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ess Dee Aluminium Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Ess Dee Aluminium Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by Ess Dee Aluminium Limited (“the Company”) for the financial year ended on 31<sup>st</sup> March, 2015 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;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) 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)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period)
- (vi) Other laws as applicable specifically to the Company as informed by the management broadly covering Product Laws, Pollution Laws, Manufacturing Laws, Safety Laws and other General and Commercial Laws including Industrial Laws & Labour Laws.

We 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 Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange

However, it was noted that compliance of secretarial standards issued by ICSI were not mandatory as none of the standards were notified during the period under review.

During the period under review the Company has generally 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. We have relied on the report of internal as well as statutory auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws.

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

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

We further report that during the audit period there were no specific events/actions on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except

1. The company had passed necessary resolutions under section 180 (1) (a) and 180 (1) (c) in compliance with the provisions of the Act; and
2. The Company passed special resolution issue and offer of Equity Shares / GDR / ADR / FCCB on Private Placement Basis on Extra Ordinary General Meeting held on 3<sup>rd</sup> July, 2014. However it may be noted that no Private Placement made during the period under audit.
3. The Company has Adopted new set of Articles of Association in alignment with the provisions of the Companies Act, 2013

For JNG & Co.,

Place: Mumbai  
Date: **May 27, 2015**

Jigarkumar Gandhi  
FCS: 7569  
C.P. No. 8108

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

## Annexure A

To,

The Members,  
Ess Dee Aluminium Limited  
Kolkatta

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) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For JNG & Co.,

Place: Mumbai  
Date: **May 27, 2015**

Jigarkumar Gandhi  
FCS: 7569  
C.P. No. 8108

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended 31.03.2015  
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

## FORM NO. MGT – 9

**I. Registration and others Details**

CIN NO	L27203WB2004PLC170941
Registration Date	10 <sup>th</sup> February, 2004
Name of the Company	Ess Dee Aluminium Limited
Category/sub category of the Company	Company having Share Capital
Address of the registered office and Contact details	1, Sagore Dutta Ghat Road, Kamarhati, Kolkata-700058
Whether Listed Company	Yes (National Stock Exchange of India Limited (NSE) & BSE Limited)
Name, Address and Contact details of Registrar and Transfer Agent, if any.	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai-400072 Contact No. 022- 4043 0200

**II. Principal Business Activities of the Company**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Manufacturing of primary packaging material for Pharmaceutical, Food and FMCG Industries	24202	100

**III. Particulars of Holding, Subsidiary and Associate Companies**

Sr. No.	Name & Address of the Co	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	<b>Flex Art Foil Limited</b> Ess Dee House, Akurli Road, Lokhandwala Complex, Kandivali (East), Mumbai-400101	U27203MH2005PTC188967	Wholly Owned Subsidiary	100	2(87)
2.	<b>Ess Dee Aluminium Pte Limited</b> 101, Cecil Street, #11-05, Tong Eng. Building, Singapore-069533	NA	Wholly Owned Subsidiary	1002	2(87)

#### IV. SHAREHOLDING PATTERN ( Equity shares capital Breakup as percentage of total share capital)

##### (I) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2014)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters'									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRIs –Individuals	1,90,68,867	0	1,90,68,867	59.50	1,85,78,663	0	1,85,78,663	57.97	(1.53)
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	1,90,68,867	0	1,90,68,867	59.50	1,85,78,663	0	1,85,78,663	57.97	(1.53)
Total shareholding of Promoter (A)= (A)(1)+(A) (2)	1,90,68,867	0	1,90,68,867	59.50	1,85,78,663	0	1,85,78,663	57.97	(1.53)
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	253	0	253	0.00	196	0	196	0.00	(0.00)
b) Banks / FI	14146	0	14146	0.04	24,661	0	24,661	0.08	0.04
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	70,61,381	0	70,61,381	22.03	65,53,039	0	65,53,039	20.45	(1.58)
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	70,75,780	0	70,75,780	22.07	65,77,896	0	65,77,896	20.53	(1.54)
(2) Non- Institutions									
a) Bodies Corp									
i) Indian	20,85,448	181	20,85,629	6.51	16,78,162	181	16,78,343	5.24	(1.27)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	12,09,546	87	12,09,633	3.77	26,02,314	85	26,02,399	8.12	4.35
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	19,74,287	0	19,74,287	6.16	19,69,795	0	19,69,795	6.15	(0.01)
c) Others (specify)									
Non Resident India	1,46,106	0	1,46,106	0.46	4,09,993	0	4,09,993	1.28	0.82
Directors & Relative	2301	0	2301	0.01	2251	0	2251	0.01	0
Clearing Member	4,63,742	0	4,63,742	1.45	2,11,826	0	2,11,826	0.66	(0.79)
Employee	16,645	0	16,645	0.05	16,645	0	16,645	0.05	0
Trust	4821	0	4821	0.02	0	0	0	0.00	(0.02)
Sub-total(B)(2):-	59,02,896	268	59,03,164	18.42	68,90,986	266	68,91,252	21.50	3.08
Total Public Shareholding (B)=(B) (1)+(B) (2)	1,29,78,676	268	1,29,78,944	40.50	1,34,68,882	266	1,34,69,148	42.02	1.52
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3,20,47,543	268	3,20,47,811	100.00	3,20,47,545	266	3,20,47,811	100.00	0



ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2014)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2015)			% change in Shareholding during the year
		No. of Shares	%of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Mr. Sudip Dutta	1,87,55,913	58.53	1.36	1,82,65,709	57.00	1.36	1.53
2.	Mrs. Aarti Dutta	3,12,954	0.97	0	3,12,954	0.97	0	0
	<b>Total</b>	<b>1,90,68,867</b>	<b>59.50</b>	<b>1.36</b>	<b>1,85,78,663</b>	<b>57.97</b>	<b>1,36</b>	<b>1.53</b>

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	1,90,68,867	59.50		
1.	17.03.2015 Decrease (Sale through open market)	4,90,204	1.53	1,85,78,663	57.97
	At the End of the year	<b>1,85,78,663</b>	<b>57.97</b>		

iv) Shareholding pattern of top 10 shareholders (other than Directors /Promoters and holders of ADRs and GDRs

Sr. No.		Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2014)		Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2015)	
		No. of shares	% of total shareholdings of the company	No. of shares	% of total shareholdings of the company
1	Emerging India Focus Fund	21,46,465	6.70	21,45,765	6.70
2	Hypnos Fund Limited	13,75,173	4.29	5,32,538	1.66
3	Orange Mauritius Investment Fund	8,38,427	2.62	9,49,123	2.96
4	Ashoka Pte Limited	7,56,628	2.36	6,71,979	2.10
5	India Opportunity Growth Fund Ltd	4,70,000	1.47	2,68,877	0.84
6	Deutsche Securities Mauritius Limited	2,96,265	0.92	2,96,265	0.92
7	Elara India Opportunities Fund Ltd	1,94,000	0.61	1,94,000	0.61
8	Sadhna Ramkrishna Nikam	1,81,294	0.57	1,78,294	0.56
9	The Standard Chartered (Mauritius) Bank Ltd	1,73,652	0.54	1,73,652	0.54
10	Krishiraj Trading Limited	1,54,000	0.48	0	0.00
11	ELM Park Fund Limited	1,25,022	0.39	2,77,022	0.86
12	The Indiaman Fund (Mauritius) Ltd	0	0.00	2,80,000	0.87

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding as on (01-04-2014)		Shareholding as on (31.03.2015)	
		No of Share	% of total shareholding	No of Share	% of total shareholding
(A)	<b>DIRECTORS:</b>				
1	Mr. Sudip Dutta (Chairman)	1,87,55,913	58.53	1,82,65,709	57.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	Sale of 4,90,204 shares on 17-3-2015 through open market			
2	Mr. Bijoy Kumar Pansari (Managing Director) (upto 14.08.2014)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	----	----	----	----
3	Mr. Ashis Bhattacharya (Managing Director) (w.e.f. 14.08.2014)	2	0.00	2	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	----	----	----	----
4	Mrs. Vinaya Nilesh Desai (Whole Time Director)	2249	0.00	2249	0.00

	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	----	----	----	----
5	Mr. Satyabrata Ray (Whole Time Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	----	----	----	----
6	Mr. Gautam Mukherjee (Independent Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	----	----	----	----
7	Mr. Dilip Phatarpekar (Independent Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity)	----	----	----	----
8	Mr. Ramdas Baxi (Independent Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity)	----	----	----	----
9	Mr. Madan Mohan Jain (Independent Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity)	----	----	----	----
10	Mr. T.S. Bhattacharya (Independent Director)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease ( e.g. allotment/ transfer/bonus/ sweat equity)	----	----	----	----
<b>(B)</b>	<b>KEY MANAGERIAL PERSONNEL:</b>				
1	Mr. Subir Ray (Chief Financial Officer)	113	0.00	113	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease ( e.g. allotment/transfer/bonus/ sweat equity)	----	----	----	----
2	Mr. Haresh Vala (Company Secretary)	0	0.00	0	0.00
	Date wise increase/decrease in directors shareholding during the year specifying the reason for increase/decrease ( e.g. allotment/transfer/bonus/ sweat equity)	----	----	----	----

## V. Indebtedness

Indebtedness of the Company including interest outstanding accrued but not due for payment.

(₹ in Lacs)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	42,335.49	700.00	1,873.40	44,908.89
ii) Interest due but not paid	291.87	-	-	291.87
iii) Interest accrued but not due	64.51	-	-	64.51
<b>Total (i+ii+iii)</b>	<b>42,691.87</b>	<b>700.00</b>	<b>1,873.40</b>	<b>45,265.27</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	10,607.20	1,228.16	100.00	11,935.36
• Reduction	7,053.92	-	67.00	7,120.92
<b>Net Change</b>	<b>3,553.28</b>	<b>1,228.16</b>	<b>33.00</b>	<b>4814.44</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	46,312.85	1,928.16	1,906.40	50,147.41
ii) Interest due but not paid	309.96	-	-	309.96
iii) Interest accrued but not due	48.38	-	-	48.38
<b>Total (i+ii+iii)</b>	<b>46,671.19</b>	<b>1,928.16</b>	<b>1,906.40</b>	<b>50,505.75</b>

## VI. Remuneration of Directors and other Key Managerial Personnel

a. Remuneration of Managing Director/Whole Time Director or Manager.

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Bijoy Kumar Pansari (CEO & MD)*	Ashis Bhattacharya (MD)	Vinaya Desai (WTD)	Satyabrata Ray (WTD)@	
1.	Gross salary	31.16	47.90	20.77	20.90	120.73
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2.	Stock Option	NA	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA	NA
4.	Commission	NA	NA	NA	NA	NA
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>31.16</b>	<b>47.90</b>	<b>20.77</b>	<b>20.90</b>	<b>120.73</b>
	Ceiling as per Companies Act, 2013	<b>Rs. 460 Lacs (being 10% of the net profit of the Company calculated as per the section 198 of the Companies Act, 2013)</b>				

\* Mr. Bijoy Kumar Pansari resigned w.e.f. 14<sup>th</sup> August, 2014. @ Mr. Satyabrata Ray appointed w.e.f. 14<sup>th</sup> August, 2014.

b. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		T.S. Bhattacharya	Gautam Mukherjee	Dilip Phatarpekar	Ramdas Baxi	Madan Mohan Jain	
1.	<b>Independent Directors</b> Fee for attending board/ committee meetings	30,000	1,60,000	2,10,000	2,00,000	90,000	6,90,000
	Commission	NA	NA	NA	NA	NA	NA
	Others, please specify	NA	NA	NA	NA	NA	NA
	Total (1)	30,000	1,60,000	2,10,000	2,00,000	90,000	6,90,000
2.	<b>Other Non-Executive Directors</b> Fee for attending board/ committee meetings	NA	NA	NA	NA	NA	NA
	Commission	NA	NA	NA	NA	NA	NA
	Others, please specify	NA	NA	NA	NA	NA	
	Total (2)	NA	NA	NA	NA	NA	NA
	<b>Total (B)=(1+2)</b>	<b>30,000</b>	<b>1,60,000</b>	<b>2,10,000</b>	<b>2,00,000</b>	<b>90,000</b>	<b>6,90,000</b>

C. Remuneration to Key Managerial Personnel:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of the Key Managerial Personnel		
		Subir Ray (CFO)	Haresh Vala (CS)	Total
1.	Gross salary	27.84	15.95	43.79
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	NA	NA	NA
3.	Sweat Equity	NA	NA	NA
4.	Commission			
	- as % of profit - others, specify...	NA NA	NA NA	NA NA
5.	Others, please specify			
	<b>Total</b>	<b>27.84</b>	<b>15.95</b>	<b>43.79</b>

VII. Penalties/Punishment /Compounding of Offences

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other Officers in default, if any, during the year.

Total energy consumption and energy conservation per unit is as under:

	Current Year 2014-15	Previous Year 2013-14
<b>A Power &amp; Fuel Consumption</b>		
<b>1 Electricity</b>		
a) Purchased		
Units (KWH)	3,37,63,496	3,29,15,728
Total Amount (Rs.)	24,23,85,632	23,82,16,307
Rate/Unit (Rs.)	<b>7.18</b>	7.24
<b>2 Furnace Oil/Diesel</b>		
Quantity in Ltrs.	11,34,395	14,67,537
Total Cost (Rs.)	4,88,46,525	6,33,28,438
Average Rate (Rs.)	43.06	43.15
<b>3 Rolling Oil</b>		
Quantity in Ltrs.	2,42,474	4,39,374
Total amount (Rs.)	2,14,96,188	4,00,88,131
Average Rate (Rs.)	<b>88.65</b>	91.24
<b>B Consumption per unit of production</b>		
Electricity (unit)	1,495.18	1,805.63
Coal (MT)	--	--
Furnace Oil (Ltrs.)	50.24	80.50
Rolling Oil (Ltrs.)	10.74	24.10

## II TECHNOLOGY ABSORPTION

### (A) Research and Development (R & D)

- (a) Adopted Statistical process control and online process control measures.
- (b) Introduced new products such as Suppository Foil, Peelable blister, Peelable four ply and Foil PVC Child Resistant Laminates.
- (c) Entered into an agreement with Chemnitz University of Technology, Germany for printing and packaging related technology development initiatives.

#### 1. Benefits derived as a result of the above R&D:

- (a) Standardisation and customized machinery to ensure desired deliverables and quality.
- (b) Technology and process to match the global standards.
- (c) Mill upgradation to give wider width, lower gauge, standardized profile and shape of Aluminium foil.

#### 2. Future plan of action:

- (a) The association with Chemnitz University of Technology will help us to develop innovative counterfeit measures.
- (b) Work on Peelable laminates which are stable for sterilization operations.

#### 3. Expenditure on R&D:

- (a) Capital Rs. Nil.
- (b) Recurring: Expenditure incurred on account of R&D are charged under primary heads of accounts and not allocated separately.
- (c) Total Capital R & D expenditure as percentage of total turnover: Nil.



### (B) Technology absorption, adaptation and innovation

#### 1. Efforts in brief made towards technology absorption, adaptation and innovation.

Our Company has always been a pioneer in the packaging technology and in line with the same is in process for induction and implementation of diversified printing technology in close association with the leading international manufacturers.

#### 2. Benefits derived as a result of the above efforts:

- a) Import substitution, anti-counterfeit products, process & product improvement have resulted in optimum stable products for our customer.
- b) Higher contact efficiency of machinery
- c) Saving on utility, manpower and material, etc.

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

#### 1. Activities relating to exports; development of new export markets for products and services and export plans.

The Company is at present exporting Aluminium foil to APAC and South American countries. The Company is in the process of identifying business partners in Europe, Latin America and Asia Pacific to increase market penetration.

#### 2. During the year under review:

- (a) Foreign exchange earnings by the Company were ₹ 4522.86 lacs (Previous Year ₹ 5,247.30 lacs)
- (b) Foreign exchange expenditure (which includes import of raw materials, spares and capital goods, commission on export and travelling expenditure) was ₹ 2430.02 lacs (Previous Year ₹ 9,522.11 lacs).

**Annexure-I**
**FORM AOC-1**

(Pursuant to first Proviso of sub section 3 of section 129 read with rule 5 of Companies (Accounts) Rules 2014  
Statement Containing Sillient feature of Financial statements of the subsidiaries companies for the year 2014-15

SN	Name of the Subsidiaries	Reporting period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of share-holding
1	Flex Art Foil Limited	April to March	INR	2,000.00	8,237.64	18,583.46	18,583.46	0.53	12,495.73	1,382.73	333.50	1,049.23	-	100%
2	Ess Dee Aluminium Pte.Ltd	April to March	INR	972.08	(2,541.38)	607.40	607.40	-	0.00	(365.88)	0.00	(365.88)	-	100%
			US\$	15.53	(40.08)	10.22	10.22	-	0.00	(5.78)	0.00	(5.78)	-	

**Note:** Exchange Rate as on 31.03.2015, 1 US\$ = 62.50

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Ess Dee Aluminium Limited

### 1. Report on the Financial Statements

We have audited the accompanying financial statements of **Ess Dee Aluminium Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information hereafter referred to as financial statements.

### 2. 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 Companies Act, 2013 ("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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these financial statements based on our audit.
- 3.2 We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- 3.3 We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 3.4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on whether the Company has in place an adequate internal financial control systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 3.5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

## 5. Emphasis of Matters

We invite attention to Note no. 29.02 of the financial statements regarding the contingent liability with regard to proceedings under the Income tax Act, 1961 including non-filing of return for the financial year 2013-14. The Company has been advised by its tax consultants that the possibility of a liability higher than what has been provided is remote.

Our opinion is not modified in respect of this matter.

## 6. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2015 and taken on records by Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations in its financial statements. - Refer note 29.02 of financial statements.
  - (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 delays in transferring amounts to the Investor Education and Protection Fund during the year by the Company.
8. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books of account and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order .

### **For M P Chitale & Co.**

Chartered Accountants  
ICAI FR No. 101851W

### **Ashutosh Pednekar**

Partner  
ICAI M No. 041037  
Place : Mumbai  
Date : May 27, 2015

**Annexure to the Independent Auditors' Report**

**(Referred to in paragraph 9 of our report of even date)**

- i. (a) The Company has maintained unit wise fixed assets records and / or compiled item wise list showing particulars of all its fixed assets. The aggregate value shown by these records agrees with the gross value of fixed assets as per the books of account of the Company. However, these are not proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Based on the information and explanations furnished to us, the Company has not physically verified fixed assets during the year as per its cycle of verification. Accordingly, we are unable to state whether material discrepancies were noticed.
- ii. (a) As explained to us inventories have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management needs to be strengthened to make it reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory except for stores and spares. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account
- iii. The Company has granted an interest free unsecured loan whose balance as on March 31, 2015 is ₹ 1363.12 lacs to its wholly owned overseas subsidiary, Ess Dee Aluminium Pte Limited, Singapore a party covered in the register maintained under Section 189 of the Companies Act, 2013.
  - (a) The interest free loan does not stipulate any terms and conditions of repayment
  - (b) In view of the above the question of the loan being overdue does not arise
- iv. In our opinion and according to the information and explanations given to us, subject to our remarks in clause (i) and (ii) above there are adequate internal control systems commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.
- v. According to the information and explanations given to us the Company has not accepted any deposits.
- vi. We have broadly reviewed the cost records maintained by the Company relating to the manufacturing activities pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service tax, Customs Duty, Excise Duty and cess with the appropriate authorities, though there have been delays in few cases. There are no undisputed statutory dues outstanding as of March 31, 2015 for a period of more than six months except payment of income tax of ₹ 1077.43 lacs for the financial year 2013-14 and ₹ 939.92 lacs for the financial year 2014-15. Further, the following are not paid :-

*Dues of Deferred Sales Tax, aggregating ₹ 2,020.83 lacs, as set out below, which is outstanding as at the end of the year:-*

<b>Period to which the amount relates</b>	<b>Due Date</b>	<b>Amt (₹ in Lacs)</b>
Quarter ended 30.09.96	31.10.05	12.98
Quarter ended 31.12.96	31.01.06	25.62
Quarter ended 31.03.97	30.04.06	31.45
Quarter ended 30.06.97	31.07.06	29.76
Quarter ended 30.09.97	31.10.06	42.45
Quarter ended 31.12.97	31.01.07	51.39
Quarter ended 31.03.98	30.04.07	51.58
Quarter ended 30.06.98	31.07.07	33.74
Quarter ended 30.09.98	31.10.07	48.82
Quarter ended 31.12.98	31.01.08	41.61
Quarter ended 31.03.99	30.04.08	53.02
Quarter ended 30.06.99	31.07.08	65.44
Quarter ended 30.09.99	31.10.08	79.66
Quarter ended 31.12.99	31.01.09	89.31
Quarter ended 31.03.00	30.04.09	84.82
Quarter ended 30.06.00	31.07.09	68.94
Quarter ended 30.09.00	31.10.09	67.52
Quarter ended 31.12.00	31.01.10	71.84
Quarter ended 31.03.01	30.04.10	71.55
Quarter ended 30.06.01	31.07.10	76.21
Quarter ended 30.09.01	31.10.10	68.58
Quarter ended 31.12.01	31.01.11	56.70
Quarter ended 31.03.02	30.04.11	53.37
Quarter ended 30.06.02	31.07.11	59.68
Quarter ended 30.09.02	31.10.11	61.58
Quarter ended 31.12.02	31.01.12	45.93
Quarter ended 31.03.03	30.04.12	30.45
Quarter ended 30.06.03	31.07.12	35.84
Quarter ended 30.09.03	31.10.12	39.05
Quarter ended 31.12.03	31.01.13	39.16
Quarter ended 31.03.04	30.04.13	39.57
Quarter ended 30.06.04	31.07.13	46.95
Quarter ended 30.09.04	31.10.13	43.41
Quarter ended 31.12.04	31.01.14	66.77
Quarter ended 31.03.05	30.04.14	60.46
Quarter ended 30.06.05	31.07.14	53.54
Quarter ended 30.09.05	31.10.14	63.48
Quarter ended 31.12.05	31.01.15	58.60

*Note: Interest due on above ₹ 1130.93 lacs  
Municipal taxes in respect of property at Gopalpur since 2012, amount not ascertained.*



(b) The disputed statutory dues that have not been deposited on account of appeal matters pending before the appropriate authorities are as under:-

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the disputes are pending
West Bengal Sales Tax Act/ West Bengal Value Added Tax Act/ Central Sales Tax Act	Sales Tax	1,710.41	1982-1984, 1986-1988, 1993-94, 1999-2001 & 2003-04	Revision Board (Tribunal)
		451.39	2002-03 to 2003-04	WB Taxation Tribunal
		(103.44)	2004-05 to 2010-11	Sr. Joint Commissioner (Appeals) / Deputy Commissioner (Appeals)
		584.25	2011-12	Central Audit Cell
Goa Sales Tax/VAT/ Central Sales Tax	Sales Tax	119.93	2007-08 to 2010-11	Commissioner Appeals
	<b>Total</b>	<b>2,762.54</b>		
Central Excise Act	Excise Duty	1,319.56	1986 to 2014	Commissioner of Central Excise
Central Excise Act	Excise Duty	133.58	2006-07 to Oct 2009	Commissioner of Central Excise
Central Excise Act	Excise Duty	379.63	2007-08 to Oct 2013	Ahmedabad Tribunal
Central Excise Act	Service Tax	2.38	Jul 12 to Mar 14	Dy. Commissioner of Central Excise
Central Excise Act	Excise Duty	39.82	Nov 13 to Jul 14	Commissioner of Central Excise
	<b>Total</b>	<b>1,874.97</b>		

(c) The amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and the Rules made there under, have been transferred to the Fund within time

- viii. The Company has no accumulated losses as at the financial year end. There were no cash losses incurred in the financial year or the previous financial year.
- ix. The Company has not defaulted in repayment of dues to debenture holders. According to the information and explanation given to us by the management, the Company had delayed for repayments of dues (including interest) to domestic financial institutions and banks. The delayed principal amount and the interest aggregates to ₹ 3268.00 lakhs and ₹ 2172.63 lakhs respectively, and delays range from one day to sixty nine days. Further in case of a bank the Company has delayed in repayment of EMLs of ₹ 559.76 lakhs for a period from 43 to 46 days.
- x. According to the information and explanations given to us, the Company has given guarantee for bank loans taken by one of its subsidiaries on such terms and conditions which are prima facie not prejudicial to the interest of the Company.

- xi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purposes for which the loans were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For MP Chitale & Co.**  
Chartered Accountants  
ICAI FR No. 101851W

**Ashutosh Pednekar**  
Partner  
ICAI M No. 041037  
Place: Mumbai  
Date : May 27, 2015

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015

PARTICULARS	Note No.	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	3,204.78	3,204.78
b. Reserves and Surplus	2	80,129.86	77,335.84
<b>2. Non-Current Liabilities</b>			
a. Long-term borrowings	3	13,676.92	18,567.53
b. Deferred Tax Liability (Net)	4	4,900.30	3,460.97
c. Other Long Term liabilities	5	2,102.62	2,102.62
d. Long term provisions	6	5,284.17	5,293.83
<b>3. Current Liabilities</b>			
a. Short Term borrowings	7	29,078.35	20,035.28
b. Trade payables	8	14,988.14	13,137.17
c. Other current liabilities	9	12,788.63	11,245.18
d. Short-term provisions	10	2,476.78	1,570.70
<b>TOTAL</b>		<b>1,68,630.55</b>	<b>1,55,953.90</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
a. Fixed Assets	11		
(i) Tangible assets		87,663.02	66,122.40
(ii) Intangible assets		39.87	62.80
(iii) Capital Work in Progress		10,462.41	18,651.65
(iv) Intangible assets under Progress		182.85	130.21
b. Non-Current Investment	12	1,305.71	1,305.71
c. Long Term loans and advances	13	2,644.08	2,279.30
d. Other Non-Current Assets	14	4,690.12	3,661.24
<b>2. Current Assets</b>			
a. Inventories	15	7,126.61	8,932.60
b. Trade receivables	16	47,440.25	47,566.79
c. Cash and Bank Balances	17	691.76	247.96
d. Short term loans and advances	18	6,342.42	6,788.92
e. Other-current assets	19	41.45	204.32
<b>TOTAL</b>		<b>1,68,630.55</b>	<b>1,55,953.90</b>
Significant accounting policies and notes on accounts	29		

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

FOR AND ON BEHALF OF THE BOARD

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>31<sup>st</sup> March 15 ₹ in Lacs</b>	<b>31<sup>st</sup> March 14 ₹ in Lacs</b>
<b>REVENUE</b>			
I Revenue from operations	20	77,279.57	67,262.56
II Other Income	21	401.07	261.40
<b>Total Revenue</b>		<b>77,680.64</b>	<b>67,523.96</b>
<b>EXPENSES</b>			
III Cost of materials consumed	22	49,568.64	40,565.72
IV Changes in inventories of finished goods	23	567.86	(284.99)
V Manufacturing expenses	24	4,283.93	4,494.77
VI Employee benefit expenses	25	3,138.39	3,160.31
VII Finance costs	26	7,568.34	5,431.32
VIII Depreciation and amortization expenses	11	4,434.72	4,097.01
IX Other expenses	27	3,514.27	4,013.96
<b>Total Expenses</b>		<b>73,076.15</b>	<b>61,478.10</b>
<b>Profit Before Tax (PBT)</b>		<b>4,604.49</b>	<b>6,045.86</b>
Tax Expenses	28		
Current Tax		967.39	1,368.88
MAT Credit Entitlement		(966.00)	-
Deferred Tax		1,565.01	1,677.74
Adjustment of Earlier Years (Net)		-	(2,022.93)
<b>Profit After Tax (PAT)</b>		<b>3,038.09</b>	<b>5,022.17</b>
<b>Earnings per equity share</b>			
Basic (Rs)		9.48	15.67
Diluted (Rs)		9.48	15.67
Significant accounting policies and notes on accounts	29		

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

**FOR AND ON BEHALF OF THE BOARD**

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

STATEMENT OF CASH FLOW AS ON 31<sup>ST</sup> MARCH 2015

PARTICULARS	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>A. Cash Flow From Operating Activities</b>		
Profits before tax	4,604.52	6,045.87
Extraordinary Items	-	-
<b>Add:</b>		
Depreciation	4,434.72	4,097.01
Interest Received on Inter Corporate Deposits	(6.00)	-
Loss on sale of Fixed Assets	12.70	1.36
Finance Cost	7,568.34	5,431.32
	<u>12,009.76</u>	<u>9,529.69</u>
<b>Operating Profit before working Capital Changes</b>	<b>16,614.28</b>	<b>15,575.56</b>
<b>Working Capital Changes</b>		
(Increase)/Decrease in Inventories	1,805.98	186.42
(Increase)/Decrease in Trade Receivables	126.54	2,379.51
(Increase)/Decrease in Other Current Assets	181.84	(751.08)
Increase/(Decrease) in Trade Payables & Other Liabilities	3,317.92	3,335.08
(Increase)/Decrease in Working Capital	<u>5,432.28</u>	<u>5,149.93</u>
<b>Cash Generated from Operating Activities</b>	<b>22,046.56</b>	<b>20,725.49</b>
Tax Paid	(27.46)	(291.44)
	<u>(27.46)</u>	<u>(291.44)</u>
<b>Cash Used (-)/(+) generated for operating activities (A)</b>	<b>22,019.10</b>	<b>20,434.05</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets including CWIP	(18,212.87)	(25,331.47)
Proceeds from sale of Fixed Assets	14.58	26.92
<b>Net Cash Used in Investing Activities ( B )</b>	<b>(18,198.29)</b>	<b>(25,304.55)</b>
<b>C. Cash Flow From Financing Activities</b>		
Finance Cost	(7,568.34)	(5,431.32)
Interest Received on Inter Corporate Deposits	6.00	-
Proceeds / (Re payment) of Long term borrowings	(4,890.62)	4,090.36
Proceeds / (Re payment) of Short term borrowings	9,076.07	5,334.87
<b>Net Cash Used in Financing Activities ( C )</b>	<b>(3,376.89)</b>	<b>3,993.91</b>
<b>D. Net Increase (+)/ Decrease (-) in cash and cash equivalent (A+B+C)</b>	<b>443.92</b>	<b>(876.59)</b>
Cash and Cash Equivalent Opening Balance	245.44	1,122.03
Cash and Cash Equivalent Closing Balance	689.36	245.44

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

FOR AND ON BEHALF OF THE BOARD

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Notes to accounts.**

**1. Share Capital**

a) Authorised, Issued, Subscribed and paid-up capital and par value per share.

**Authorised Share Capital**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Equity Shares of ₹ 10 each (CY 11,50,00,000 shares of ₹ 10 each) (PY 11,50,00,000 shares of ₹ 10 each)	11,500.00	11,500.00
Preference Shares of ₹ 100 each (CY 2,56,40,000 shares of ₹ 100 each) (PY 2,56,40,000 shares of ₹ 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>

**Issued, Subscribed and paid up Capital**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Equity Shares of ₹ 10 each (CY 3,20,47,811 shares of ₹ 10 each) (PY 3,20,47,811 shares of ₹ 10 each)	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year.

Particulars	31 <sup>st</sup> March 15 No. of Shares	31 <sup>st</sup> March 14 No. of Shares
Shares outstanding as at the beginning of the year	3,20,47,811	3,20,47,811
Shares outstanding as at the end of the year	3,20,47,811	3,20,47,811

c) Shares in the Company held by each shareholder holding more than 5% shares.

Sr.	Name of the Shareholder	31 <sup>st</sup> March 15		31 <sup>st</sup> March 14	
		Number of Shares held in the Company	Percentage of Shares held	Number of Shares held in the Company	Percentage of Shares held
1	Mr. Sudip Dutta	1,82,65,709	57.00	1,87,55,913	58.52
2	M/s. Emerging India Focus Funds	21,45,765	6.70	21,46,465	6.70



d) Aggregate number of Equity Shares

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Allotment of shares as fully paid up pursuant to contracts without payments being received in cash	-	-	-	25,59,046	-
Allotment of fully paid up bonus shares	-	-	-	-	-

The Company has only one class of Equity Shares having par value of ₹ 10/- per shares. There is no restriction on payment of dividend and repayment of capital.

2. Reserves and Surplus

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Capital Reserve</b> Balance in Capital Reserve	<b>1,175.29</b>	<b>1,175.29</b>
<b>Securities Premium Reserve</b> Balance in Securities Premium Reserve	<b>45,336.81</b>	<b>45,336.81</b>
<b>Debenture Redemption Reserve</b> Opening Balance	<b>2,025.00</b>	<b>4,794.00</b>
<b>Add</b> : Transferred from Surplus	593.00	1,231.00
<b>Less</b> : Transferred to General Reserve	1,000.00	4,000.00
Closing Balance	<b>1,618.00</b>	<b>2,025.00</b>
<b>Revaluation Reserve</b> Balance in Revaluation Reserve	<b>897.59</b>	<b>897.59</b>
<b>General Reserve</b> Opening Balance	<b>8,650.00</b>	<b>4,650.00</b>
<b>Add</b> : Transferred from Surplus	-	-
<b>Add</b> : Transferred from Debenture Redemption Reserve	1,000.00	4,000.00
Closing Balance	<b>9,650.00</b>	<b>8,650.00</b>
<b>Surplus</b> Opening Balance	<b>19,251.15</b>	<b>15,459.98</b>
<b>Less</b> : Adjustment Related to Fixed Asset (Refer Note 11.02)	244.09	-
<b>Add</b> : Net Profit for the current period	3,038.09	5,022.17
<b>Amount available for appropriation</b>	<b>22,045.15</b>	<b>20,482.15</b>
Transfer to Debenture Redemption Reserve	593.00	1,231.00
Closing Balance	<b>21,452.15</b>	<b>19,251.15</b>
<b>Total</b>	<b>80,129.86</b>	<b>77,335.83</b>

### 3. Long Term Borrowings

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Secured</b>		
a) CY 400 (PY 400) 9.65% Redeemable Non-Convertible Debentures of ₹ 10.00 Lacs each *	2,000.00	3,000.00
b) Term loan		
- From Banks	11,663.74	15,564.27
- From Others- Vehicles	13.18	3.27
<b>Total</b>	<b>13,676.92</b>	<b>18,567.54</b>

\*Note : CY 100 : 9.65% Redeemable Non-Convertible Debentures of ₹ 10.00 Lacs each is shown the head "Current maturity of long term debts" vide note no. 09.

Terms of Repayment

Sr.	Particulars	Nature of Loan	EMI / EQI ₹ in Lacs	Terms of Payment	Rate of Int as on 31.03.15	Nature of Security as on	Month & Year of Maturity
1	9.65% Redeemable Non Convertible Debentures	Normal Capital Expenditure and General Corporate Purposes	1,000.00	3 Annual Installments from 29/07/14	9.65%	First charge on Land at Mehasana and Fixed Asset situated at Daman Bhimpore to the extent ₹ 5000 Lacs	Jul-17
2	The Shamrao Vithal Co.op Bank Ltd	Term Loan	46.65	43 EMI Overdue Amount ₹ 128.40 Lacs	13.00%	First Charge on Plant & Machinery (Caster II and Ancillaries) valued at ₹ 8066 lacs and Fixed Assets at Goa valued at ₹ 2418 lacs	Oct-18
3	Axis Bank Limited	Term Loan	250.00	14 QI Overdue Amount ₹ 370.95 Lacs	12.15%	First charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village Daman	Jul-18
4	State Bank of Patiala	Term Loan	417.00	7 QI Overdue Amount ₹ 551.90 Lacs	14.45%	First Pari Passu Charge on Fixed Assets of Company	Jan-17
5	State Bank of India	Term Loan	150.00 225.00 250.00	14 QI 10 QI 2 QI Overdue Amount ₹ 252.95 Lacs	14.20%	Hypothecation of Stock, receivables and other Current Assets	Mar-21
6	State Bank of Bikaner & Jaipur	Term Loan	75.00 112.50 125.00	13 QI 10 QI 2 QI Overdue Amount ₹ 160.93 Lacs	13.45%	Sharing of charges with State Bank of India for Hoera Property	Apr-21
7	IFCI Ltd.	Corporate Loan	140.00 231.19	11 QI 1 QI	15.20%	First Pari Passu Charge on Land & Bldg	Jun-18
8	Hero Fin Corp	Corporate Loan	34.32	60 EMI	13.25%	Charge of kandivali office Owned by promoter	Apr-20
9	Kotak Mahindra Prime Honda Jazz	Vehicle Loan	0.22	4 EMI	11.79%	Respective Vehicle Under Loan	Jul-15

10	Kotak Mahindra Prime Sail	Vehicle Loan	0.20	13 EMI	11.62%	Respective Vehicle Under Loan	Apr-16
11	Kotak Mahindra Prime Rexton	Vehicle Loan	0.71	24 EMI	10.82%	Respective Vehicle Under Loan	Mar-17
12	Kotak Mahindra Prime XUV	Vehicle Loan	0.46	24 EMI	10.91%	Respective Vehicle Under Loan	Mar-17

#### 4. Deferred Tax Liability

Deferred Tax Liability	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Deferred Tax Liability Adjustment of Fixed Asset to Reserve (Refer Note 11.02)	5,025.99 (125.69)	3,460.97 -
<b>Total</b>	<b>4,900.30</b>	<b>3,460.97</b>

#### 5. Other Long term liabilities

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Deferred Sales Tax Liability	2,102.62	2,102.62
<b>Total</b>	<b>2,102.62</b>	<b>2,102.62</b>

#### 6. Long Term Provisions

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Provision for Taxes – (Net)	1,524.06	1,533.72
Provision for Indirect Taxes	3,760.11	3,760.11
<b>Total</b>	<b>5,284.17</b>	<b>5,293.83</b>

#### CURRENT LIABILITIES.

#### 7. Short Term Borrowings

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Secured</b> Loan from Banks - repayable on demand *	27,150.19	19,335.28
<b>Unsecured</b> Loan from Director - repayable on demand (Refer Note 29.07)	1,428.81	700.00
Loan From Others	499.35	-
<b>Total</b>	<b>29,078.35</b>	<b>20,035.28</b>

\*Note : Cash Credit and Other facilities from the companies bankers are secured by first charges on the current assets of the Company and second charge on the entire fixed assets of the Company.

**8. Trade Payables**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Trade Payable		
- Trade Payable	14,982.56	13,136.90
- Micro Small and Medium Enterprises	5.58	0.27
<b>Total</b>	<b>14,988.14</b>	<b>13,137.17</b>

**9. Other Current Liabilities**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Capital Creditors	161.53	1,273.51
Current Maturity of Long term Debts	5,795.70	4,724.54
Advance From Customers	1,427.38	257.67
Investor Education and Protection Fund		
- Unclaimed Dividends	2.39	2.52
Other Liabilities (Includes Statutory Dues and Other accruals)	5,401.63	4,986.94
<b>Total</b>	<b>12,788.63</b>	<b>11,245.18</b>

**10. Short Term Provisions**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Provision for Employee benefits	462.08	493.27
Provision for Income Tax (Net)	2,013.31	1,074.77
Provision for Wealth Tax	1.39	2.66
<b>Total</b>	<b>2,476.78</b>	<b>1,570.70</b>

## 11. Schedule of Fixed Assets and Depreciation

### 11.01 Schedule of Fixed Assets for Current year

₹ in Lacs

Sr.	Particulars	Gross Block				Depreciation					Net Block	
		Op. Bal As at 01/04/2014	Addition During the year	Sales During the year	Gross Block as on 31/03/2015	On Opening As at 01/04/2014	Earning as per On Additions	Note Below	On Sale	As at 31/03/2015	As at 01/04/2014	as on 31/03/2015
	<b>Tangible</b>											
1.	Factory Freehold Land	1,068.65	-	-	1,068.65	-	-	-	-	-	1,068.65	1,068.65
2.	Factory Leasehold Land	7.56	-	-	7.56	2.86	0.30	-	-	3.16	4.70	4.40
3.	Air Conditioner	31.02	-	-	31.02	7.44	6.48	1.63	-	15.56	23.57	15.46
4.	Computers System	149.73	6.82	0.54	156.02	116.50	24.38	5.70	0.54	146.05	33.23	9.97
5.	Electrical Installation	628.27	76.53	-	704.79	188.04	186.38	35.20	-	409.62	440.22	295.17
6.	Factory Building	5,748.41	671.14	-	6,419.55	2,390.49	330.80	60.72	-	2,782.01	3,357.91	3,637.54
7.	Furniture & Fixtures	593.00	91.89	-	684.88	259.72	137.47	12.88	-	410.07	333.27	274.81
8.	Office Equipments	282.54	1.61	-	284.15	250.69	3.54	21.87	-	276.10	31.85	8.05
9.	Factory Equipments	523.59	2.21	-	525.80	189.25	76.85	-	-	266.10	334.34	259.70
10.	IT Equipments	263.43	-	-	263.43	263.43	-	-	-	263.43	-	-
11.	Lab & Test Equipments	17.67	-	-	17.67	17.67	-	-	-	17.67	-	-
12.	Plant & Machinery	85,310.24	25,454.91	-	1,10,765.15	25,115.53	3,533.26	207.47	-	28,856.26	60,194.71	81,908.89
13.	Vehicle	571.69	42.90	54.98	559.60	271.75	110.34	24.30	27.17	379.23	299.93	180.37
		95,195.81	26,348.00	55.52	1,21,488.29	29,073.41	4,409.79	369.78	27.70	33,825.27	66,122.40	87,663.02
	<b>Intangible</b>											
14.	Computer Software	103.66	2.01	-	105.67	40.87	24.93	-	-	65.80	62.80	39.87
		103.66	2.01	-	105.67	40.87	24.93	-	-	65.80	62.80	39.87
	<b>Total</b>	<b>95,299.47</b>	<b>26,350.01</b>	<b>55.52</b>	<b>1,21,593.96</b>	<b>29,114.27</b>	<b>4,434.72</b>	<b>369.78</b>	<b>27.70</b>	<b>33,891.07</b>	<b>66,185.20</b>	<b>87,702.89</b>

**11.02** During the first three quarters while publishing financial results effect to Schedule II of the Companies Act, 2013 was not given. During this quarter depreciation for the entire year has been calculated as per Schedule II to the Companies Act, 2013. In respect of assets where the remaining useful life is NIL as on 1<sup>st</sup> April, 2014 the residual value of the said assets has been adjusted against the opening balance of retained earnings (net of deferred tax of ₹ 125.69 lakhs) amounting to ₹ 244.09 lakhs. Depreciation for the year ended 31<sup>st</sup> March, 2015 is lower by ₹ 764.50 lakhs due to this revision.

### 11.03 Capital Work in Progress-Current Year and Previous Year

₹ in Lacs

Particulars	Gross Block				Net Block	
	Opening As at 1 <sup>st</sup> April 2014	Additions as on 31 <sup>st</sup> March 2015	Transfer	Gross Block March 2015	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Capital Work in Progress						
- Tangible	18,651.65	17,905.26	26,094.50	10,462.41	10,462.41	18,651.65
- Intangible	130.21	52.64	-	182.85	182.85	130.21
<b>Total</b>	<b>18,781.86</b>	<b>17,957.90</b>	<b>26,094.50</b>	<b>10,645.26</b>	<b>10,645.26</b>	<b>18,781.86</b>
Previous Year						
- Tangible	11,728.05	24,719.86	17,796.26	18,651.65	-	-
- Intangible	-	130.21	-	130.21	-	-
<b>Total</b>	<b>11,728.05</b>	<b>24,850.07</b>	<b>17,796.26</b>	<b>18,781.86</b>	<b>-</b>	<b>-</b>



## 11.04 Schedule of Fixed Assets for Previous year

₹ in Lacs

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 <sup>st</sup> April 13	Additions	Sales / Adjustment	As at 31 <sup>st</sup> March 14	As at 1 <sup>st</sup> April 13	For the Period	Sales / Adjustment	As at 31 <sup>st</sup> March 14	As at 31 <sup>st</sup> March 14	As at 31 <sup>st</sup> March 13
<b>Tangible</b>										
Factory Freehold Land	981.91	86.74	-	1,068.65	-	-	-	-	1,068.65	981.91
Factory Leasehold Land	7.57	-	-	7.57	2.63	0.23	-	2.86	4.69	4.94
Factory Building	5,742.31	6.10	-	5,748.41	2,198.63	191.86	-	2,390.49	3,357.92	3,543.68
Plant & Machinery	68,718.83	18,074.51	-	86,793.34	21,985.30	3,783.33	-	25,768.63	61,024.70	46,733.51
Computers/IT Equipments	404.59	8.58	-	413.17	357.13	22.81	-	379.94	33.23	47.46
Furniture & Fixtures	584.09	8.91	-	593	222.59	37.13	-	259.72	333.28	361.50
Vehicle	591.15	7.47	26.92	571.70	238.72	55.81	22.77	271.76	299.93	352.43
<b>Total</b>	<b>77,030.45</b>	<b>18,192.31</b>	<b>26.92</b>	<b>95,195.84</b>	<b>25,005.00</b>	<b>4,091.17</b>	<b>22.77</b>	<b>29,073.40</b>	<b>66,122.40</b>	<b>52,025.43</b>
<b>Intangible</b>										
Computer Software	42.43	61.23	-	103.66	35.02	5.84	-	40.86	62.80	7.41
<b>Total</b>	<b>42.43</b>	<b>61.23</b>	<b>-</b>	<b>103.66</b>	<b>35.02</b>	<b>5.84</b>		<b>40.86</b>	<b>62.80</b>	<b>7.41</b>
<b>Total</b>	<b>77,072.88</b>	<b>18,253.54</b>	<b>26.92</b>	<b>95,299.50</b>	<b>25,040.02</b>	<b>4,097.01</b>	<b>22.77</b>	<b>29,114.26</b>	<b>66,185.20</b>	<b>52,032.84</b>
Previous Year	68,076.86	9,026.18	30.16	77,072.88	21,649.93	3,401.24	11.14	25,040.02	52,032.84	46,426.91

## 12. Non-Current Investments

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Unquoted – Trade</b>		
Shares of Shamrao Vithal Co.op Bank Limited 6,175 (PY 6,175) ordinary shares of ₹ 25 each fully paid up	1.54	1.54
Shares of Flex Art Foil Limited 2,00,00,000 (PY 2,00,00,000) ordinary shares of ₹ 10 each fully paid up of which 1,60,00,000 (PY 1,60,00,000) each are received by way of bonus shares	400.00	400.00
Shares of Ess Dee Aluminium PTE Limited 22,01,000 (PY 22,01,000) ordinary shares of SGD 1 each fully paid up.	904.17	904.17
<b>Total</b>	<b>1,305.71</b>	<b>1,305.71</b>

### 13. Long Term Loans & Advances (Unsecured Considered Good)

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Capital Advances	-	118.34
Security Deposits	274.94	281.47
Deposit with Related Parties	900.00	900.00
Loans & Advances Related Parties	1,363.12	979.49
Others	106.02	-
<b>Total</b>	<b>2,644.08</b>	<b>2,279.30</b>

### 14. Other Non-Current Assets

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Long Term Deposits	2,428.89	2,787.93
MAT credit Entitlement	966.00	-
In Deposit with Bank (Original Maturity for more than 12 months)	1,295.23	873.31
<b>Total</b>	<b>4,690.12</b>	<b>3,661.24</b>

Deposit with Bank include ₹ 1295.23 Lacs (PY ₹ 873.32 lacs) representing margin money for letter of credit and bank guarantees issued.

## CURRENT ASSETS

### 15. Inventories

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
(At lower of cost or net realizable value)		
Raw Material	4,913.50	5,409.30
Raw Material In Transit	1.24	185.53
Work in Progress	555.15	1,064.83
Finished Goods	156.21	724.07
Stores and Spares	1,500.51	1,548.87
<b>Total</b>	<b>7,126.61</b>	<b>8,932.60</b>

**16. Trade Receivables**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Outstanding for a period exceeding six months		
Secured Considered Good	–	--
Unsecured considered Good	2,025.73	1,692.49
<b>Total</b>	<b>2,025.73</b>	<b>1,692.49</b>
<b>Other Debts</b>		
Secured Considered Good	–	--
Unsecured considered Good	45,414.52	45,874.30
<b>Total</b>	<b>45,414.52</b>	<b>45,874.30</b>
<b>Total</b>	<b>47,440.25</b>	<b>47,566.79</b>

**17. Cash and Bank Balances**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	19.31	6.18
Cheques in Hand <sup>6</sup>	19.19	-
<b>Balances with Banks</b>		
On current accounts	50.87	239.26
<b>Other bank Balances</b>		
In unclaimed dividend account	2.39	2.52
<b>Total</b>	<b>691.76</b>	<b>247.96</b>

Section 205 of the Companies Act 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF), Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.

**18. Short term loans and advances**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Unsecured considered good</b>		
Advance to Material Suppliers / Contractors	213.97	634.98
Prepaid Expenses	75.55	51.91
Loans and Advance to employee	9.06	4.14
Deposit with Government, Public bodies and Others	1,745.34	1,604.07
Inter Corporate deposits	4,298.50	4,493.82
<b>Total</b>	<b>6,342.42</b>	<b>6,788.92</b>

### 19. Other Current Assets

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Interest Accrued but not due	21.46	6.18
Others	19.99	198.14
<b>Total</b>	<b>41.45</b>	<b>204.32</b>

### 20. Revenue from Sale of Goods

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Sale of Products	80,517.62	72,572.80
Other Operating Revenues	417.87	856.35
Less :Excise Duty	3,655.92	6,166.58
<b>Total</b>	<b>77,279.57</b>	<b>67,262.56</b>

### 21. Other Income

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Dividend Received	0.19	2.96
Export Incentives	100.30	155.91
Interest on Fixed Deposits	84.75	74.69
Provision for Employee Benefits no longer required	188.38	-
Others	27.45	27.84
<b>Total</b>	<b>401.07</b>	<b>261.40</b>

### 22. Cost of Material Consumed

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Opening Stock	8,208.53	8,679.94
Add : Purchases	48,330.50	40,094.31
Total	56,539.04	48,774.25
Less :Closing Stock	6,970.40	8,208.53
<b>Total</b>	<b>49,568.64</b>	<b>40,565.72</b>

### 23. Changes in inventories of finished goods

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Opening Stock of Finished Goods	724.07	439.08
Closing stock of Finished Goods	156.21	724.07
<b>(Accretion) / Decretion in Stock</b>	<b>567.86</b>	<b>(284.99)</b>

**24. Manufacturing Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Freight Carriage	202.96	285.79
Power and Fuel	2,990.79	3,190.09
Labour Charges	235.59	353.11
Factory Expenses	721.94	408.17
Repairs to Machinery	132.65	257.61
<b>Total</b>	<b>4,283.93</b>	<b>4,494.77</b>

**25. Employee Benefit Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Salary, Wages and Allowances	2,736.89	2,837.53
Staff Welfare and other benefits	112.46	118.99
Contribution to Provident & other Fund	289.04	203.79
<b>Total</b>	<b>3,138.39</b>	<b>3,160.31</b>

**26. Finance Cost**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Bank Interest	7,103.70	4,676.97
Bank Commission and other Charges	464.64	754.35
<b>Total</b>	<b>7,568.34</b>	<b>5,431.32</b>

**27. Other Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Audit Fees	22.00	22.00
Advertisements Expenses	12.41	15.02
Bad Debts	150.41	8.66
ICD Written Off	176.32	25.00
Carriage Outward	361.00	690.34
Commission on Sales	130.66	159.17
Foreign Exchange Loss	249.74	759.64
Legal & Professional Charges	685.48	425.56
Rates and Taxes	123.05	106.51
Rent	188.38	189.75
Insurance Charges	90.43	96.45
Interest on Deferred Sales Tax	231.78	204.12
Postage and Telephone	44.05	51.81
Conveyance and Travelling	195.60	189.38
Other Expenses	852.96	1,070.55
<b>Total</b>	<b>3,514.27</b>	<b>4,013.96</b>

## 28. Tax Expenses

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Current Tax Expenses</b>		
- Current tax	966.00	1,366.22
- MAT Credit Entitlement	(966.00)	-
- Wealth tax	1.39	2.66
- Deferred tax	1,565.01	1,677.74
- Adjustment of earlier years (Net)	-	(2,022.93)
<b>Total</b>	<b>1,566.40</b>	<b>1,023.69</b>



**Note : 29 Other Disclosures**

**29.01 : Significant accounting policies**

**1. System of Accounting:**

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standard) Rules 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular no. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs). The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements. The difference between actual results and estimates are recognized in the period in which the results are known.

**2. Revenue Recognition:**

Revenue is recognized on transfer of all significant risks and rewards of ownership to the buyer. Domestic sales are accounted on dispatch of products to customers and export sales are accounted on the basis of dates of bill of lading. Export incentives / interest income and income on investments are accounted on accrual basis.

**3. Fixed Assets, Capital Work-in-Progress and Depreciation:**

a. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs, including interest and finance costs incurred till the asset is commissioned.

b. Capital Work-in-Progress:

Capital work-in-progress includes the cost of fixed assets that are not ready for their intended use and is stated upto the amount expended till the date of balance sheet.

c. Depreciation:

Depreciation on assets has been provided based on useful lives prescribed in Schedule II of the Companies Act, 2013 on straight line basis. However, in respect of the following asset categories, the depreciation is provided based on useful lives being different than as prescribed in Schedule II-

Sr.	Nature of Asset	Assets name	Useful life as per Schedule II- (Years)	Revised Useful life adopted based on technical evaluation (Years)
1	Plant & Machinery	Diesel Generator	15	10
2	Plant & Machinery	Caster-1	15	14
3	Plant & Machinery	Slitter and Rewinder / Chiller new / Ink Mixing / Thermal Lamination / Crane and material handling / Separator	15	20
4	Plant & Machinery	Annealing furnace / Thermal Lamination / Crane and material handling / Separator / Furnace / Grinder	15	25
5	Plant & Machinery	Rolling Mill - Old and New / Caster -2	15	30
6	Plant & Machinery	Sheet Mill	15	35
7	Plant & Machinery	Roll Grinding	15	40

The company has carried out assessment of useful lives of these assets and based on technical justification, different useful lives have been arrived at in respect of above assets. The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the business specific environment & usage, consumption pattern of the assets, past performance of similar assets and peer industry comparison duly supported by technical assessment by a Chartered Engineer.

Leasehold land is amortized over the period of lease. Software is amortised over a period of five years.

Depreciation for additions to/deletions from fixed assets is calculated on pro rata basis.

#### **4. Inventories:**

Inventories are valued at the lower of cost or net realizable value. Cost of inventories comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average method .

#### **5. Taxation**

Income tax comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

#### **6. Foreign Exchange Transactions:**

Transactions in foreign currency are recorded at exchange rates prevailing on the dates of respective transactions. The difference in translation and realized gains and losses on foreign exchange transactions are recognized in the Profit and Loss Account.

#### **7. Employee Benefits:**

Short-term employee benefits (i.e. benefits payable within one year) are recognized in the period in which the employee service is rendered.

Year's accrued liability on account of leave encashment benefit (only for employees of erstwhile India Foils Ltd (IFL)) payable to employees under defined benefit plan is ascertained on the basis of actuarial valuation made on the Balance Sheet date and provided in the accounts. Gratuity is considered accrued and accounted for as per actuarial valuation done by SBI Life Insurance Company Ltd. under the Group Gratuity scheme and leave encashment is accounted for as per actuarial valuation done by an actuary.

Contributions towards provident funds are recognized as expense.

Contribution to Provident Fund in respect of certain employees of erstwhile IFL is made to the Trusts administered by the Company, and in respect of other employees is made to the office of the Employees' Provident Fund Commissioner, under Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The interest rate payable to the members of the Trusts administered by the Company is not lower than the rate of interest declared annually by the Central Government under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, is made good by the Company.

Year's accrued liability on account of Pension Scheme for certain employees of erstwhile IFL under defined benefit plan upto 31<sup>st</sup> December, 2000 is ascertained and provided for on the basis of actuarial valuation made on the Balance Sheet date. The said Pension Scheme was amended from defined benefit plan to defined contribution plan effective 1<sup>st</sup> January 2001 and the benefits under the defined benefit plan were frozen as on 31<sup>st</sup> December 2000. Year's accrued liability in respect of the aforesaid defined contribution plan is ascertained as per the Company's policy and charged as expense for the year.

**8. Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of a qualifying assets are capitalized as part of cost of such assets till such time as the assets is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

**9. Financial Derivatives Hedging Transactions.**

In respect of derivatives contracts, premium paid and gains / losses on settlement are recognized in the Profit and Loss account.

**10. Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**11. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal \ external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. A previously recognized impairment loss if further provided or reversed depending on changes in circumstances.

**12. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss 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 equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**13. Leases**

Operating lease payments are recognized as expenses on a straight line basis over the term of lease.

**29.02 Contingent Liabilities**

₹ in Lacs

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
<b>Contingent Liability</b>		
a) Claims against the Company not acknowledged as debt	1,403.21	1,347.95
b) Guarantees		
- given for bank loans taken by its subsidiaries	2,700.00	4,502.99
- Others	270.00	275.45
<b>Commitments</b>		
Capital Commitment	7,659.00	8,946.00
<b>Total</b>	<b>12,032.21</b>	<b>15,072.39</b>

Under the provisions of section 132 of Income Tax Act, 1961, Income Tax Authorities had carried out search and seizure proceedings at the premises of the company on 28<sup>th</sup> March, 2014 when they sought certain clarifications and documents in regard to the tax liability, if any, of the company. All relevant material was produced and provided to the IT officials. There is no undisclosed income tax evasion, levy of penalty for any previous years or current year and there will not be revision in income booked in the earlier accounting years. The matter shall be resolved as per provision of the Income tax law.

**29.03** Suppliers/service providers covered under Micro, Small and Medium Enterprises (MSME) Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to Micro and Small Enterprises as at 31<sup>st</sup> March 2015 are as under.

₹ in Lacs

	<b>Description</b>	<b>31<sup>st</sup> March, 2015</b>	31 <sup>st</sup> March, 2014
1.	The Principal amount remaining unpaid to supplier as at the end of accounting year	5.58	0.27
2.	The Interest due thereon remaining unpaid to supplier as at the end of the year	Nil	Nil
3.	The amount of interest paid in terms of Sec 16 along with the amount of payment made to the supplier beyond the appointment day during the year	Nil	Nil
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	Nil	Nil
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil

**29.04 Payment to Auditors**

₹ in Lacs

<b>Particulars</b>	<b>31<sup>st</sup> March 15</b>	31 <sup>st</sup> March 14
Audit Fees	22.00	22.00
Tax Audit Fees	6.00	4.80
Other Services and Certification Fees	16.24	18.37
<b>Total</b>	<b>44.24</b>	<b>45.17</b>

## 29.05 Employee Benefit Plans ( Accounting Standard – 15)

Particulars Ess Dee Aluminium Limited Units in West Bengal	Gratuity (Funded)		Pension (Funded) Frozen as on 31st December 2000)		Leave Encashment	
	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14
<b>The major categories of plan assets as a percentage of total plan</b>						
Qualifying Insurance Policy						
<b>Changes in the present value of the obligation</b>						
1 Present Value of obligation 01.04.14	343.89	276.00	21.62	21.12	76.38	63.95
2 Interest Cost	27.51	24.02	1.73	1.85	5.85	5.05
3 Current Service Cost	26.07	23.21	-	-	8.70	13.5
4 Past Service Cost	-	-	-	-	-	-
5 Benefits Paid	-	2.96	-	-	6.57	12.47
6 Actuarial (gain) / loss on Obligation	15.53	23.62	1.02	(1.35)	7.14	6.35
7 Present Value of obligation 31.03.15	413.00	343.89	24.36	21.62	91.49	76.38
<b>Changes in the Fair Value Of Assets</b>						
1 Fair value of plan Assets 01.04.14	199.28	186.68	3.87	3.62	NA	NA
2 Expected Return on Plan assets	17.94	12.60	0.35	0.24	NA	NA
3 Contribution	-	2.96	-	-	NA	NA
4 Benefits Paid	-	2.96	-	-	NA	NA
5 Actuarial gain (Loss) on Plan Assets	-	-	-	-	NA	NA
6 Fair value of plan Assets 31.03.15	217.22	199.28	4.21	3.87	NA	NA
<b>Reconciliation of the present value of the defined benefit obligation &amp; the fair market value of plan assets</b>						
1 Present Value of obligation at the end of the year	413.00	343.89	24.36	21.62	91.49	76.38
2 Fair value of plan Assets at the end of the year	217.22	199.28	4.21	3.87	91.49	76.38
3 Assets / (Liabilities) recognized in the balance sheet	(195.78)	(144.61)	(20.15)	(17.75)	-	-
<b>Profit &amp; Loss Expenses</b>						
1 Current Service Cost	26.07	23.21	-	-	8.70	13.50
2 Interest Cost	27.51	24.02	1.73	1.85	5.85	5.05
3 Expected Return on Plan assets	17.94	12.60	0.35	0.24	-	-
4 Net Actuarial gain (loss) recognized in the year	15.53	23.62	-	(1.35)	7.14	6.35
5 Past Service Cost	-	-	-	-	-	-
6 Expenses Recognized in the statement of profit & Loss	51.17	58.25	2.40	0.25	21.68	24.90
<b>Actuarial Assumptions</b>						
1 Discount Rate	8.00%	8.75%	8.00%	8.75%	8.00%	8.75%
2 Expected Rate of salary Increase	7.00%	7.00%	NA	7.00%	7.00%	7.00%
3 Expected Return on Assets	9.00%	6.75%	9.00%	6.75%	NA	NA
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	16.14	18.15	7.00	8.00	16.14	18.15

ESS DEE ALUMINIUM LIMITED-Daman & Goa Units	Gratuity (Funded ) ₹ in Lacs		Leave Encashment ₹ in Lacs	
	31.03.15	31.03.14	31.03.15	1.03.14
<b>The major categories of plan assets as a percentage of total plan</b>				
Qualifying Insurance Policy				
<b>Changes in the present value of the obligation</b>				
1 Present Value of obligation 01.04.14	93.88	94.58	21.15	16.38
2 Interest Cost	7.26	7.05	1.58	1.28
3 Current Service Cost	37.91	24.30	6.83	4.09
4 Past Service Cost	-	-	-	-
5 Benefits Paid	6.36	12.85	2.77	(2.78)
6 Actuarial (gain) / loss on Obligation	42.70	(19.21)	(6.67)	2.19
7 Present Value of obligation 31.03.15	<b>175.39</b>	<b>93.88</b>	<b>20.13</b>	<b>21.15</b>
<b>Changes in the Fair Value Of Assets</b>				
1 Fair value of plan Assets 01.04.14	124.89	94.93	N/A	N/A
2 Expected Return on Plan assets	9.99	8.54	N/A	N/A
3 Contribution	19.74	31.99	N/A	N/A
4 Benefits Paid	6.36	12.85	N/A	N/A
5 Actuarial gain (Loss) on Plan Assets	2.10	2.27	N/A	N/A
6 Fair value of plan Assets 31.03.15	<b>150.36</b>	<b>124.89</b>	N/A	N/A
<b>Profit &amp; Loss Expenses</b>				
1 Current Service Cost	37.91	24.3	6.83	4.09
2 Interest Cost	7.26	7.05	1.58	1.28
3 Expected Return on Plan assets	9.99	8.54	-	-
4 Net Actuarial gain (loss) recognized in the year	40.60	(21.47)	(6.67)	2.19
5 Past Service Cost	-	-	-	-
6 Expected Recognized in the statement of profit & Loss	<b>75.77</b>	<b>1.33</b>	<b>1.74</b>	<b>4.78</b>
<b>Actuarial Assumptions</b>				
1 Discount Rate	8.00%	8.00%	8.00%	8.00%
2 Expected Rate of salary Increase	9.00%	9.00%	7.00%	6.50%
3 Expected Return on Assets	8.00%	9.00%	N/A	6.50%
4 Attrition Rate	12.00%	12.00%	-	-
5 Mortality Post-retirement	Ultimate	Ultimate	Ultimate	Ultimate

Gratuity	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Defined Benefit Obligation	175.39	93.88	94.58	66.36	53.06
Plan Asset	150.36	124.89	94.93	92.67	72.23
Surplus / Deficits	(25.02)	31.01	0.34	26.30	19.16
Experience Adjustment on Plan Liabilities	42.70	(19.21)	0.07	0.55	(8.83)
Experience Adjustment on Plan Assets	3.35	1.32	(0.96)	0.70	(0.12)

## 29.06 Segment Information (Accounting Standard – 17)

The Company's entire activity is of advanced packaging solutions. As such there is only one segment viz; advanced packaging solutions, accordingly, no disclosure is required to be made under AS 17, segment reporting.



**29.07 Related Party Disclosures (Accounting Standard – 18)**

List of Related Parties and Relationship with whom transactions during the year 2014-15

Sr.	Particulars	Particulars
A	Subsidiaries	Flex Art Foil Limited Ess Dee Aluminium PTE Limited
B	Key Management Personnel	Mr. Sudip Dutta - Chairman Mr. Bijoy Kumar Pansari - (Resigned wef 14.08.2014) Mr. Ashis Bhattacharya - Managing Director wef 14.08.2014 Ms. Vinaya Desai - Whole Time Director Mr. Satyabrata Ray - Whole Time Director wef 14.08.2014 Mr. Subir Ray - CFO Mr. Haresh Vala - CS
C	Relative of Key Management Personnel	Ms. Aarti Dutta
D	Enterprises over which key management	Vyoma Investment & Finance Co Pvt Ltd Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Pvt Ltd Ess Dee Infraventure Pvt Limited

The following transactions were carried out with the related parties in the ordinary business course

Nature of transaction	Subsidiaries		Key Management Personnel		Relative of Key Management Personnel	
	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs
<b>Sale of Material / Finished Goods</b> FlexArt Foil Ltd.	4,382.14	10,140.44	-	-	-	-
<b>Total</b>	<b>4,382.14</b>	<b>10,140.44</b>	-	-	-	-
<b>Purchase of Material / Finished Goods</b> FlexArt Foil Ltd.	246.02	733.13	-	-	-	-
<b>Total</b>	<b>246.02</b>	<b>733.13</b>	-	-	-	-
<b>Rent Paid</b> Mr. Sudip Dutta Ms. Aarti Dutta	- -	- -	140.88 -	140.88 -	- 24.00	- 24.00
<b>Total</b>	-	-	<b>140.88</b>	<b>140.88</b>	<b>24.00</b>	<b>24.00</b>
<b>Salary</b> Mr. Sudip Dutta Mr. Bijoy kumar Pansari Mr. Satyabrata Ray Mr. Ashis Bhattacharya	- - - -	- - - -	- 31.16 20.90 47.90	- 84.00 - 47.90	- - - -	- - - -

Ms. Vinaya desai	-	-	20.77	16.77	-	-
Mr. Subir Ray	-	-	27.84	34.11	-	-
Mr. Haresh Vala	-	-	15.95	14.56	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>164.52</b>	<b>197.34</b>	<b>-</b>	<b>-</b>
<b>Investments as on 31/03/2015</b>						
Flex Art Foil Ltd.	400.00	400.00	-	-	-	-
Ess Dee Aluminium Pte Ltd.	904.17	904.17	-	-	-	-
<b>Total</b>	<b>1,304.17</b>	<b>1,304.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loan</b>						
Mr. Sudip Dutta	-	-	1,428.81	700.00	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,428.81</b>	<b>700.00</b>	<b>-</b>	<b>-</b>
<b>Loans Given</b>						
Ess Dee Aluminium Pte Ltd.	1,363.12	979.48	-	-	-	-
<b>Total</b>	<b>1,363.12</b>	<b>979.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deposits Given</b>						
Mr. Sudip Dutta	-	-	900.00	900.00	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>900.00</b>	<b>900.00</b>	<b>-</b>	<b>-</b>
<b>Credit Balances as on 31/03/2015</b>						
Mr. Sudip Dutta	-	-	1,494.25	777.63	-	-
Mr. Bijoy kumar Pansari	-	-	-	4.94	-	-
Mr. Ashis Bhattacharya.	-	-	2.51	2.14	-	-
Ms. Vinaya desai	-	-	1.09	0.89	-	-
Mr. Satyabrata Ray	-	-	1.87	-	-	-
Mr. Haresh Vala	-	-	1.06	-	-	-
Ms. Aarti Dutta	-	-	-	-	33.56	15.46
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,500.78</b>	<b>785.60</b>	<b>33.56</b>	<b>15.46</b>
<b>Debit Balances as on 31/03/2015</b>						
Mr. Sudip Dutta	-	-	900.00	900.00	-	-
Mr. Subir Ray	-	-	0.40	-	-	-
Flex Art Foil Ltd.	1,575.36	4,811.25	-	-	-	-
Ess Dee Aluminium Pte Ltd.	1,363.12	979.48	-	-	-	-
<b>Total</b>	<b>2,938.48</b>	<b>5,790.73</b>	<b>900.40</b>	<b>900.00</b>	<b>-</b>	<b>-</b>

**29.08 Leases (Accounting Standard – 19)**

Operating Lease

The Company has leased facilities under non-cancelable operating leases. The future lease payments in respect of these leases as at 31st March 2015 and 31st March 2014 are Minimum Lease payments.

	Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
1.	Not later than one year	0.30	0.30
2.	Later than one year but not later than five years	1.20	1.20
3.	Later than five years.	2.89	3.19

**29.09 Earnings per Share (EPS) : (Accounting Standard – 20)**

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
	Basic and Diluted	Basic and Diluted
<b>Earnings</b> Net profit / (Loss) for the period (₹ in Lacs)	3,038.09	5,022.17
<b>Shares</b> Number of shares at the beginning of the period	3,20,47,811	3,20,47,811
Add : Shares issued during the period	-	-
Total number of equity shares outstanding at the end of the period	3,20,47,811	3,20,47,811
<b>Weighted average number of equity shares outstanding during the period - Basic and Diluted</b>	3,20,47,811	3,20,47,811
Earnings per share of par value ₹ 10 /– Basic and diluted (₹)	<b>9.48</b>	<b>15.67</b>

**29.10 Deferred Tax Assets and Liabilities (Accounting Standard – 22)**

Deferred Tax Liability / (Asset) at the yearend comprise timing differences on account of :

Deferred Tax Liability / (Assets)	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
Opening Balance	3,460.97	1,783.23
Add : Depreciation	2,405.33	1,677.74
Less : Unabsorbed depreciation and losses	(966.00)	NIL
<b>Net Deferred Tax Liability</b>	<b>4,900.30</b>	<b>3,460.97</b>

**29.11 Foreign Currency earnings and outgoings**

₹ in Lacs

Particulars	2014-15	2013-14
<b>A) Value of Import</b>		
i) Raw Material	2,213.06	9,268.88
ii) Stores & mfg	104.43	392.4
iii) Capital	-	786.41
<b>B) Expense in foreign currency</b>		
I Royalty	-	4.25
ii) Other matters		
a) Travelling	7.83	7.00
b) Export Comission	21.68	71.02
<b>C) Total value of all imported raw material, spare parts and components consumed</b>	<b>2,430.02</b>	<b>9,523.64</b>
<b>D) Total value of all indigeneous raw material, spare parts and components similarly consumed</b>	<b>47,138.62</b>	<b>31,042.07</b>
<b>Total</b>	<b>49,568.63</b>	<b>40,565.71</b>
<b>E) Percentage of each to total consumption</b>		
- Imported	4.90%	23.48%
- Indigenious	95.10%	76.52%
<b>F) Earning in foreign exchange</b>		
i) FOB value of Export goods	4,522.86	5,247.30

**29.12 Hedging and Derivatives:**

 The Following are the outstanding forward exchange contracts entered into by the Company as at 31<sup>st</sup> March 15.

Category	Currency	Cross Currency	Amount in USD	Buy / Sell	Purpose
Forward Contract	- USD	- INR	Nil (PY 31.30)	- Sell	- Hedging

**Unhedged Foreign currency exposure**

 The Company has the following un-hedged exposure in foreign currency at the year ended 31<sup>st</sup> March 15.

Particulars	31 <sup>st</sup> March, 2015					
	USD	EURO	GBP	JPY	CHF	₹ in Lacs
Sundry Debtors	3,98,370.04	0	0	0	0	249.34
Sundry Creditors	53,24,424.59	4,20,100.08	0	0	0	3,616.21
Advance received from Customers	1,08,567.69	1,09,910.93	0	0	0	142.15
Advance paid to Creditors	2,59,140.51	0	0	0	2,167.23	163.58

The Company has the following un-hedged exposure in foreign currency at the year ended 31<sup>st</sup> March 14.

Particulars	31 <sup>st</sup> March, 2014					
	USD	EURO	GBP	JPY	CHF	₹ in Lacs
Sundry Debtors	9,84,628.83	0	0	0	0	608.98
Sundry Creditors	1,12,04,079.00	3,73,336.80	0	0	0	7,052.50
Advance received from Customers	13,173.52	1,09,595.18	0	0	0	96.44
Advance paid to Creditors	0	0	0	0	0	0

**29.13 Information on Raw Material Consumed, Opening Stock of Finished Goods, Stock of Finished Goods and Net Sales :**

**a) Raw Material Consumed**

₹ in Lacs

No	Particulars	Amount
1	Aluminium Ingot and Foil	34,927.07 (PY 29,170.11)
2	PVC Resin	282.68 (PY 2,160.44)
3	Others	14,358.89 (PY 9,235.16)
	<b>Total</b>	<b>49,568.64</b> (PY 40,565.71 )

**b) Net Sales, Opening Inventory and Closing Inventory**

₹ in Lacs

	Particulars	Net Sales	Opening Inventory	Closing Inventory
1.	Aluminium Packaging	<b>69,075.78</b> (PY 59,706.21)	<b>666.19</b> (PY 419.30)	<b>134.69</b> (PY 666.19)
2.	PVC Packaging	<b>636.09</b> (PY 4,176.20)	<b>57.88</b> (PY 19.78)	<b>21.52</b> (PY 57.88)
3.	Others	<b>7,567.70</b> (PY 3,380.15)	- -	- -
	<b>Total</b>	<b>77,279.57</b> (PY 67,262.56)	<b>724.07</b> (PY 439.08)	<b>156.21</b> (PY 724.07 )

**29.14 Details of loans given, investments made guarantee given or security provided and the purpose for which the same is provided. It also includes the proposed utilisation of the same by the recipient.**

Particulars	Name of the Recipient	FY 2014-15 (₹ in Lacs)	FY 2013-14 (₹ in Lacs)	Purpose	Proposed Utilisation
Loans Given	Ess Dee Aluminium Pte Ltd - Singapore	1,368.12	979.48	Business	For business
Investments made	Ess Dee Aluminium Pte Ltd - Singapore	904.17	904.17	To setup a Wholly Owned Subsidiary	For Business
	Flex Art Foil Limited	400.00	400.00	To setup a Wholly Owned Subsidiary	For Business
Corporate Guarantee Given	Ess Dee Aluminium Pte Ltd - Singapore	NIL	1,802.99	To obtain loan from bank	For Business
	Flex Art Foil Limited	2,700.00	2,700.00	To obtain loan from bank	For Business

Ess Dee Aluminium Pte Ltd the wholly owned subsidiary has been established to support and facilitate the foreign business of the group with the added objective of reducing the cost of financing at a consolidation level. Though the subsidiary has not been able to commence these operations, the Company is in the process of strengthening infrastructure for this purpose. Hence the management is confident of the success of these operations from the next financial year.

**29.15 Previous year figures have been accordingly re-grouped and reclassified**

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

**FOR AND ON BEHALF OF THE BOARD**

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Ess Dee Aluminium Limited

### 1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Ess Dee Aluminium Limited** ("the Company") and its subsidiaries, hereinafter referred to as "the Group" (Refer Note 1 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2015, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information hereafter referred to as consolidated financial statements.

### 2. Management's responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, particularly Accounting Standard 21, Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
- 3.2 We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- 3.3 We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 3.4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on whether the Company has in place an adequate internal financial control systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 3.5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the above consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

### 5. Emphasis of Matters

We invite attention to Note no. 29.03 of the financial statements regarding the contingent liability with regard to proceedings under the Income tax Act, 1961 including non-filing of return for the financial year 2013-14. The



Company has been advised by its tax consultants that the possibility of a liability higher than what has been provided is remote.

Our opinion is not modified in respect of this matter.

## 6. Other Matters

We have relied on the unaudited financial statements of one subsidiary of the Company, Ess Dee Aluminium Pte Ltd, included in the consolidated financial results, whose financial statements reflect total assets of ₹ 607.40 lacs as at March 31, 2015 and as well as total revenue of ₹ 410.71 lacs for the year then ended. These financial statements as approved by the Board of Directors of the said subsidiary have been furnished to us by the Management of the Company and our report insofar as it relates to these amounts included in the consolidated financial statements is based solely on such approved financial statements.

## 7. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Companies Act 2013, subject to our comment in Other Matters above, based on our audit reports of the Holding Company and one subsidiary 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 purpose of our audit
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, aforesaid consolidated financial statements comply with the Accounting Standards referred to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of assertions made in the separate financial statement of the subsidiary and on the basis of written representations received from the directors of the Holding Company as on March 31, 2015 and taken on records by Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act
8. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and subject to our comment in Other Matters above and by placing reliance on the audit reports on the separate financial statements of the company and its subsidiary:
- (i) The Group has disclosed the impact of pending litigations in its financial statements. - Refer note no. 29.03 of financial statements
  - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There were no delays in transferring amounts to the Investor Education and Protection Fund during the year by the Company
9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books of account and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For M P Chitale & Co.**  
Chartered Accountants  
ICAI FR No. 101851W

**Ashutosh Pednekar**  
Partner  
ICAI M No. 041037  
Place: Mumbai  
Date : May 27, 2015

**Annexure to the Independent Auditors' Report**

**(Referred to in paragraph 9 of our report of even date)**

The observations in this Annexure are on the basis of the post eliminated transactions that appear in the consolidated financial statements and are based on our observations in the respective annexures of the audit reports to the standalone financial statements of the Company, Ess Dee Aluminium Limited and its subsidiary, Flex Art Foil Limited. The overseas subsidiary financial statements are unaudited and this Annexure does not include any observation regarding the overseas subsidiary.

- i. (a) The Company has maintained unit wise fixed assets records and / or compiled item wise list showing particulars of all its fixed assets. The aggregate value shown by these records agrees with the gross value of fixed assets as per the books of account of the Company. However, these are not proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Based on the information and explanations furnished to us, the Company has not physically verified fixed assets during the year as per its cycle of verification. Accordingly, we are unable to state whether material discrepancies were noticed.
- ii. (a) As explained to us inventories have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management needs to be strengthened to make it reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory except for stores and spares. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account
- iii. The Company has granted an interest free unsecured loan whose balance as on March 31, 2015 is ₹ 1363.12 lacs to its wholly owned overseas subsidiary, Ess Dee Aluminium Pte Limited, Singapore a party covered in the register maintained under Section 189 of the Companies Act, 2013. This transaction is eliminated in the preparation of the consolidated financial statements. Further, based on the unaudited financial statements of Ess Dee Aluminium Pte Ltd there is a loan granted to a director of the Company who is also a director of that subsidiary. This transaction is not required to be entered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the matters referred to in clauses iii(a) and iii(b) are not applicable to these transactions.
- iv. In our opinion and according to the information and explanations given to us, subject to our remarks in clause (i) and (ii) above there are adequate internal control systems commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.
- v. According to the information and explanations given to us the Company has not accepted any deposits.
- vi. We have broadly reviewed the cost records maintained by the Company relating to the manufacturing activities pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service tax, Customs Duty, Excise Duty and cess with the appropriate authorities, though there have been delays in few cases. There are no undisputed statutory dues outstanding as

of March 31, 2015 for a period of more than six months *except payment of income tax of ₹ 1181.32 lacs for the financial year 2013-14 and ₹ 1180.80 lacs for the year financial year 2014-15. Further, the following are not paid :*

*Dues of Deferred Sales Tax, aggregating ₹ 2,020.83 lacs, as set out below, which is outstanding as at the end of the year:*

<b>Period to which the amount relates</b>	<b>Due Date</b>	<b>Amt (₹ in Lacs)</b>
Quarter ended 30.09.96	31.10.05	12.98
Quarter ended 31.12.96	31.01.06	25.62
Quarter ended 31.03.97	30.04.06	31.45
Quarter ended 30.06.97	31.07.06	29.76
Quarter ended 30.09.97	31.10.06	42.45
Quarter ended 31.12.97	31.01.07	51.39
Quarter ended 31.03.98	30.04.07	51.58
Quarter ended 30.06.98	31.07.07	33.74
Quarter ended 30.09.98	31.10.07	48.82
Quarter ended 31.12.98	31.01.08	41.61
Quarter ended 31.03.99	30.04.08	53.02
Quarter ended 30.06.99	31.07.08	65.44
Quarter ended 30.09.99	31.10.08	79.66
Quarter ended 31.12.99	31.01.09	89.31
Quarter ended 31.03.00	30.04.09	84.82
Quarter ended 30.06.00	31.07.09	68.94
Quarter ended 30.09.00	31.10.09	67.52
Quarter ended 31.12.00	31.01.10	71.84
Quarter ended 31.03.01	30.04.10	71.55
Quarter ended 30.06.01	31.07.10	76.21
Quarter ended 30.09.01	31.10.10	68.58
Quarter ended 31.12.01	31.01.11	56.70
Quarter ended 31.03.02	30.04.11	53.37
Quarter ended 30.06.02	31.07.11	59.68
Quarter ended 30.09.02	31.10.11	61.58
Quarter ended 31.12.02	31.01.12	45.93
Quarter ended 31.03.03	30.04.12	30.45
Quarter ended 30.06.03	31.07.12	35.84
Quarter ended 30.09.03	31.10.12	39.05
Quarter ended 31.12.03	31.01.13	39.16
Quarter ended 31.03.04	30.04.13	39.57
Quarter ended 30.06.04	31.07.13	46.95
Quarter ended 30.09.04	31.10.13	43.41
Quarter ended 31.12.04	31.01.14	66.77
Quarter ended 31.03.05	30.04.14	60.46
Quarter ended 30.06.05	31.07.14	53.54
Quarter ended 30.09.05	31.10.14	63.48
Quarter ended 31.12.05	31.01.15	58.60

*Note: Interest due on above ₹ 1130.93 lacs*

*Municipal taxes in respect of property at Gopalpur since 2012, amount not ascertained.*

(b) The disputed statutory dues that have not been deposited on account of appeal matters pending before the appropriate authorities are as under:

In respect of Ess Dee Aluminium Limited

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the disputes are pending
West Bengal Sales Tax Act/ West Bengal Value Added Tax Act/ Central Sales Tax Act	Sales Tax	1,710.41	1982-1984, 1986-1988, 1993-94, 1999-2001 & 2003-04	Revision Board (Tribunal)
		451.39	2002-03 to 2003-04	WB Taxation Tribunal
		(103.44)	2004-05 to 2010-11	Sr. Joint Commissioner (Appeals)/ Deputy Commissioner (Appeals)
		584.25	2011-12	Central Audit Cell
Goa Sales Tax/VAT/ Central Sales Tax	Sales Tax	119.93	2007-08 to 2010-11	Commissioner Appeals
	<b>Total</b>	<b>2,762.54</b>		
Central Excise Act	Excise Duty	1,319.56	1986 to 2014	Commissioner of Central Excise
Central Excise Act	Excise Duty	133.58	2006-07 to Oct 2009	Commissioner of Central Excise
Central Excise Act	Excise Duty	379.63	2007-08 to Oct 2013	Ahmedabad Tribunal
Central Excise Act	Service Tax	2.38	Jul 12 to Mar 14	Dy. Commissioner of Central Excise
Central Excise Act	Excise Duty	39.82	Nov 13 to Jul 14	Commissioner of Central Excise
	<b>Total</b>	<b>1,874.97</b>		

In respect of Flex Art Foil Limited

Statute	Amount (₹ in Lacs)	Financial year to which the amount pertains	Forum where dispute is pending
Goa Value Added Tax Act	16.10	2006-07, 2008-09 to 2010-11	Commissioner (Appeal)
Maharashtra Value Added Tax Act	7.36	2010-11	Commissioner (Appeal)
Central Sales Tax Act	39.51	2008-09 to 2010-11	Commissioner (Appeal)
Central Sales Tax Act	8.20	2010-11	Commissioner (Appeal)
Central Excise Act	4.43	2007-08	Commissioner (Appeal)
Central Excise Act	17.75	2005-06 to 2013-14	Dy. Commissioner

- c) The amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and the Rules made there under, have been transferred to the Fund within time
- viii. The Company has no accumulated losses as at the financial year end. There were no cash losses incurred in the financial year or the previous financial year.
- ix. The Company has not defaulted in repayment of dues to debenture holders.

**Ess Dee Aluminium Limited:**

According to the information and explanation given to us by the management, the Company had delayed for repayments of dues (including interest) to domestic financial institutions and banks. The delayed principal amount and the interest aggregates to ₹ 3268.00 lakhs and ₹ 2172.63 lakhs respectively, and delays range from one day to sixty nine days. Further in case of a bank the Company has delayed in repayment of EMIs of ₹ 559.76 lakhs for a period from 43 to 46 days.

**Flex Art Foil Limited:**

The Company has not issued any debentures. According to the information and explanation given to us by the management, the Company had delayed repayments of principal amount and interest aggregating to ₹ 87.50 lakhs and Rs 7.46 lakhs respectively, and the delay is for one day.

- x. According to the information and explanations given to us, the Company has given guarantee for bank loans taken by its subsidiaries on such terms and conditions which are prima facie not prejudicial to the interest of the Company.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purposes for which the loans were obtained.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For M P Chitale & Co.**

Chartered Accountants  
ICAI FR No. 101851W

**Ashutosh Pednekar**

Partner  
ICAI M No. 041037  
Place: Mumbai  
Date : May 27, 2015

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015

PARTICULARS	Note No.	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	3,204.78	3,204.78
b. Reserves and Surplus	2	87,930.61	84,456.96
<b>2. Non-Current Liabilities</b>			
a. Long-term borrowings	3	14,376.22	19,715.56
b. Deferred Tax Liabilities (Net)	4	5,211.42	3,753.06
c. Other Long Term liabilities	5	2,102.62	2,102.62
d. Long term provisions	6	5,284.17	5,293.83
<b>3. Current Liabilities</b>			
a. Short Term borrowings	7	31,700.70	22,520.88
b. Trade payables	8	16,343.25	13,854.94
c. Other current liabilities	9	14,658.94	12,217.28
d. Short-term provisions	10	2,766.04	1,693.83
<b>TOTAL</b>		<b>1,83,578.75</b>	<b>1,68,813.74</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
a. Fixed Assets	11		
(i) Tangible assets		92,021.83	70,836.11
(ii) Intangible assets		41.12	62.80
(iii) Capital Work in Progress		11,083.59	18,781.86
(iv) Intangible assets under Progress		306.72	-
b. Non-Current Investment	12	2.07	2.07
c. Long Term loans and advances	13	1,420.42	1,442.17
d. Other non-current assets	14	4,724.82	3,772.21
<b>2. Current Assets</b>			
a. Inventories	15	9,584.13	11,900.47
b. Trade receivables	16	56,392.39	52,863.07
c. Cash and Bank Balances	17	729.69	517.09
d. Short term loans and advances	18	6,738.74	7,417.43
e. Other-current assets	19	533.22	1,281.46
<b>TOTAL</b>		<b>1,83,578.75</b>	<b>1,68,813.74</b>
Significant accounting policies and notes on accounts	29		

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

**FOR AND ON BEHALF OF THE BOARD**

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>31<sup>st</sup> March 15 ₹ in Lacs</b>	<b>31<sup>st</sup> March 14 ₹ in Lacs</b>
<b>REVENUE</b>			
I Revenue from operations	20	85,592.30	71,936.42
II Other Income	21	823.10	335.05
<b>Total Revenue</b>		<b>86,415.40</b>	<b>72,271.47</b>
<b>EXPENSES</b>			
III Cost of materials consumed	22	54,353.52	41,557.03
IV Changes in inventories of finished goods	23	564.87	(337.88)
V Manufacturing expenses	24	4,657.26	4,841.35
VI Employee benefit expenses	25	4,314.34	4,515.47
VII Finance costs	26	8,121.58	6,440.90
VIII Depreciation and amortization expenses	11	4,740.54	4,337.16
IX Other expenses	27	4,022.46	4,488.64
<b>Total Expenses</b>		<b>80,774.57</b>	<b>65,842.67</b>
<b>Profit Before Tax (PBT)</b>		<b>5,640.83</b>	<b>6,428.80</b>
Tax Expenses	28		
Current Tax		1,276.39	1,619.99
Mat Credit Entitlement		(966.00)	-
Deferred Tax		1,589.52	1,744.48
Adjustment of Earlier Years (Net)		-	(2,022.93)
<b>Profit After Tax (PAT)</b>		<b>3,740.92</b>	<b>5,087.26</b>
<b>Earnings per equity share</b>			
Basic (Rs)		11.67	15.87
Diluted (Rs)		11.67	15.87
Significant accounting policies and notes on accounts	29		

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

**FOR AND ON BEHALF OF THE BOARD**

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary



STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

PARTICULARS	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>A. Cash Flow From Operating Activities</b>		
Profits before tax	5,640.84	6,428.82
Extraordinary Items		
<b>Add:</b>		
Depreciation	4,740.54	4,337.16
Interest Received on Inter Corporate Deposits	(6.00)	-
Loss on sale of Fixed Assets	34.35	1.36
Finance Cost	8,121.58	6,011.39
	<u>12,890.47</u>	<u>10,349.91</u>
<b>Operating Profit before working Capital Changes</b>	<b>18,531.31</b>	<b>16,778.73</b>
<b>Working Capital Changes</b>		
(Increase)/Decrease in Inventories	2,316.35	258.69
(Increase)/Decrease in Trade Receivables	(3,529.32)	(3,515.07)
(Increase)/Decrease in Other Current Assets	1,399.19	(725.86)
Increase/(Decrease) in Trade Payables & Other Liabilities	4,778.72	9,045.09
(Increase)/Decrease in Working Capital	<u>4,964.94</u>	<u>5,062.85</u>
<b>Cash Generated from Operating Activities</b>	<b>23,496.25</b>	<b>21,841.58</b>
Tax Paid	(95.58)	(438.66)
	<b>(95.58)</b>	<b>(438.66)</b>
<b>Cash Used (-)/(+) generated for operating activities (A)</b>	<b>23,400.67</b>	<b>21,402.92</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets including CWIP	(18,984.23)	(25,335.12)
Proceeds from sale of Fixed Assets	50.94	26.92
Capital and Foreign fluctuation reserve on consolidation	(12.55)	69.17
<b>Net Cash Used in Investing Activities (B)</b>	<b>(18,945.84)</b>	<b>(25,239.03)</b>
<b>C Cash Flow From Financing Activities</b>		
Finance Cost	(8,121.58)	(6,011.39)
Interest received on Inter Corporate Deposits	6.00	-
Proceeds / (Re payment) of Long term borrowings	(5,339.33)	3,964.35
Proceeds / (Re payment) of Short term borrowings	9,212.82	4,986.91
<b>Net Cash Used in Financing Activities (C)</b>	<b>(4,242.09)</b>	<b>2,939.87</b>
<b>D Net Increase (+)/Decrease (-) in cash and cash equivalent (A+B+C)</b>	<b>212.73</b>	<b>(896.23)</b>
Cash and Cash Equivalent Opening Balance	514.57	1,410.80
Cash and Cash Equivalent Closing Balance	727.30	514.57

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27<sup>th</sup> May 2015.

FOR AND ON BEHALF OF THE BOARD

**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

**Notes to accounts.**

**1. Share Capital**

a) Authorised, Issued, Subscribed and paid-up capital and par value per share.

**Authorised Share Capital**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Equity Shares of ₹ 10 each (CY 11,50,00,000 shares of ₹ 10 each) (PY 11,50,00,000 shares of ₹ 10 each)	11,500.00	11,500.00
Preference Shares of ₹ 100 each (CY 2,56,40,000 shares of ₹ 100 each) (PY 2,56,40,000 shares of ₹ 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>

**Issued, Subscribed and paid up Capital**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Equity Shares of ₹ 10 each (CY 3,20,47,811 shares of ₹ 10 each) (PY 3,20,47,811 shares of ₹ 10 each)	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year.

Particulars	31 <sup>st</sup> March 15 No. of Shares	31 <sup>st</sup> March 14 No. of Shares
Shares outstanding as at the beginning of the year	3,20,47,811	3,20,47,811
Shares outstanding as at the end of the year	3,20,47,811	3,20,47,811

c) Shares in the Company held by each shareholder holding more than 5% shares.

Sr. No.	Name of the Share Holder	31 <sup>st</sup> March 15		31 <sup>st</sup> March 14	
		Number of Shares held in the Company	Percentage of Shares held	Number of Shares held in the Company	Percentage of Shares held
1	Mr. Sudip Dutta	1,82,65,709	57.00	1,87,55,913	58.52
2	M/s. Emerging India Focus Funds	21,45,765	6.70	21,46,465	6.70

d) Aggregate number of Equity Shares

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Allotment of shares as fully paid up pursuant to contracts without payments being received in cash	-	-	-	25,59,046	-
Allotment of fully paid up bonus shares	-	-	-	-	-

The Company has only one class of Equity Shares having par value of ₹ 10/- per shares. There is no restriction on payment of dividend and repayment of capital.

2. Reserves and Surplus

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Capital Reserve</b>	<b>1,331.19</b>	<b>1,331.19</b>
<b>Foreign Currency Translation Reserve</b>	<b>(294.88)</b>	<b>(206.23)</b>
<b>Securities Premium Reserve</b>	<b>45,336.81</b>	<b>45,336.81</b>
<b>Revaluation Reserve</b>	<b>897.59</b>	<b>897.59</b>
<b>Debenture Redemption Reserve</b>		
Opening Balance	2,025.00	4,794.00
<b>Add:</b> Transferred from Surplus	593.00	1,231.00
<b>Less:</b> Transferred to General Reserve	1,000.00	4,000.00
<b>Total</b>	<b>1,618.00</b>	<b>2,025.00</b>
<b>General Reserve</b>		
Opening Balance	8,650.00	4,650.00
<b>Add:</b> Transferred from surplus.	-	-
<b>Add:</b> Transferred from Debenture Redemption Reserve	1,000.00	4,000.00
<b>Total</b>	<b>9,650.00</b>	<b>8,650.00</b>
<b>Surplus</b>		
Opening Balance	24,504.62	20,648.03
<b>Less:</b> Adjustment Related to Fixed Asset (Refer Note)	254.73	-
<b>Add:</b> Foreign Currency Translation	-	-
<b>Add:</b> Net Profit for the current period	3,740.92	5,087.26
<b>Add:</b> Prior Period Item	-	0.29
<b>Amount available for appropriation</b>	<b>27,990.81</b>	<b>25,735.58</b>
Transfer to Debenture Redemption Reserve	593.00	1,231.00
<b>Total</b>	<b>27,397.81</b>	<b>24,504.58</b>
<b>Capital Reserve on Consolidation</b>	<b>1,994.09</b>	<b>1,918.02</b>
<b>Total</b>	<b>87,930.61</b>	<b>84,456.96</b>

### 3. Long Term Borrowings

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Secured</b>		
a) CY 400 (PY 400) 9.65% Redeemable Non-Convertible Debentures of ₹ 10.00 Lacs each *	2,000.00	3,000.00
b) Term loan		
- From Banks	12,307.10	16,622.19
- From Others- Vehicles	69.12	93.37
<b>Total</b>	<b>14,376.22</b>	<b>19,715.56</b>

\*Note : CY 100 : 9.65% Redeemable Non-Convertible Debentures of ₹ 10.00 Lacs each is shown the head "Current maturity of long term debts" vide note no. 09.

Terms of Repayment

Sr.	Particulars	Nature of Loan	EMI / EQI ₹ in Lacs	Terms of Payment	Rate of Int as on 31.03.15	Nature of Security as on	Month & Year of Maturity
1	9.65% Redeemable Non Convertible Debentures	Normal Capital Expenditure and General Corporate Purposes	1,000.00	3 Annual Installments from 29/07/14	9.65%	First charge on Land at Mehasana and Fixed Asset situated at Daman Bhimpore to the extent ₹ 5000 Lacs	Jul-17
2	The Shamrao Vithal Co.op Bank Ltd	Term Loan	46.65	43 EMI Overdue Amount ₹ 128.40 Lacs	13.00%	First Charge on Plant & Machinery (Caster II and Ancillaries) valued at ₹ 8066 lacs and Fixed Assets at Goa valued at ₹ 2418 lacs	Oct-18
3	The Shamrao Vithal Co.op Bank Ltd	Term Loan	21.52	34 EMI	14.25%	First Charge on on Land at Bengaluru and fixed Assets situated at Bengaluru	Jan-18
4	Axis Bank Limited	Term Loan	250.00	14 QI Overdue Amount ₹ 370.95 Lacs	12.15%	First charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village Daman	Jul-18
5	Axis Bank Limited	Term Loan	87.50	7 QI Overdue for 1 day ₹ 94.96 Lacs	12.50%	Charges on Commercial Property of the promoter at Vidyasagar, Malad East, Mumbai-97	Dec-16
6	State Bank of Patiala	Term Loan	417.00	7 QI Overdue Amount ₹ 551.90 Lacs	14.45%	First Pari Passu Charge on Fixed Assets of Company	Jan-17
7	State Bank of India	Term Loan	150.00 225.00 250.00	14 QI 10 QI 2 QI Overdue Amount ₹ 252.95 Lacs	14.20%	Hypothecation of Stock, receivables and other Current Assets	Mar-21

8	State Bank of Bikaner & Jaipur	Term Loan	75.00 112.50 125.00	13 QI 10 QI 2 QI Overdue Amount ₹ 160.93 Lacs	13.45%	Sharing of charges with State Bank of India for Hoera Property	Apr-21
9	IFCI Ltd.	Corporate Loan	140.00 231.19	11 QI 1 QI	15.20%	First Pari Passu Charge on Land & Bldg, P&M at Kamarhati	Jun-18
10	Hero Fin Corp	Corporate Loan	34.32	60 EMI	13.25%	Charge of kandivali office Owned by promoter	Apr-20
11	Kotak Mahindra Prime Honda Jazz	Vehicle Loan	0.22	4 EMI	11.79%	Respective Vehicle Under Loan	Jul-15
12	Kotak Mahindra Prime Sail	Vehicle Loan	0.20	13 EMI	11.62%	Respective Vehicle Under Loan	Apr-16
13	Kotak Mahindra Prime Rexton	Vehicle Loan	0.71	24 EMI	10.82%	Respective Vehicle Under Loan	Mar-17
14	Kotak Mahindra Prime XUV	Vehicle Loan	0.46	24 EMI	10.91%	Respective Vehicle Under Loan	Mar-17
15	May bank	Vehicle Loan	0.80	82 EMI	3.58%	Respective Vehicle Under Loan	Jan-22

#### 4. Deferred Tax Liability

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Deferred Tax Liability - Relating to Fixed Assets Adjustment of Fixed Asset to Reserve (Refer Note 11.02)	5,342.57 (131.16)	3,753.06 -
<b>Total</b>	<b>5,211.41</b>	<b>3,753.06</b>

#### 5. Other Long term liabilities

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Deferred Sales Tax Liability	2,102.62	2,102.62
<b>Total</b>	<b>2,102.62</b>	<b>2,102.62</b>

**6. Long Term Provisions**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Provision for Taxes – (Net)	1,524.06	1,533.72
Provision for Indirect Taxes	3,760.11	3,760.11
<b>Total</b>	<b>5,284.17</b>	<b>5,293.83</b>

**CURRENT LIABILITIES**

**7. Short Term Borrowings**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Secured</b>		
Loan repayable on demand from Banks	29,772.54	21,820.88
<b>Unsecured</b>		
Loan from Directors-repayable on demand (Refer Note No.29.08)	1,428.81	700.00
Loan from Others	499.35	-
<b>Total</b>	<b>31,700.70</b>	<b>22,520.88</b>

\*Note : Cash Credit and Other facilities from the companies bankers are secured by first charges on the current assets of the Company and second charge on the entire fixed assets of the Company.

**8. Trade Payables**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Trade Payable	16,337.69	13,854.67
- Micro Small and Medium Enterprises	5.56	0.27
<b>Total</b>	<b>16,343.25</b>	<b>13,854.94</b>

**9. Other Current Liabilities**

	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Capital Creditors	188.30	1,300.28
Current Maturity of Long term debts	6,427.71	5,017.94
Advance from Customers	1,761.74	262.35
Investor Education and Protection Fund		
- Unclaimed Dividends	2.39	2.52
Other Liabilities (Includes Statutory Dues and Other Accruals)	6,278.80	5,634.19
<b>Total</b>	<b>14,658.94</b>	<b>12,217.28</b>



## 10. Short Term Provisions

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Provision for Employee benefits.	465.36	498.57
Provision for Income Tax (Net)	2,299.29	1,192.60
Provision for Wealth Tax	1.39	2.66
<b>Total</b>	<b>2,766.04</b>	<b>1,693.83</b>

## 11. Schedule of Fixed Assets and Depreciation

### 11.01 Schedule of Fixed Assets for Current year

₹ in Lacs

Sr.	Particulars	Gross Block			Depreciation					Net Block		
		Op. Bal As at 01/04/2014	Addition During the year	Sales During the year	Gross Block as on 31/03/2015	On Opening As at 01/04/2014	Earning as per On Additions	Note Below	On Sale	As at 31/03/2015	As at 01/04/2014	as on 31/03/2015
	<b>Tangible</b>											
1.	Factory Freehold Land	1,284.64	-	-	1,284.64	-	-	-	-	-	1,284.64	1,284.64
2.	Factory Leasehold Land	457.45	-	-	457.45	41.81	-	5.55	-	47.36	415.63	410.08
3.	Air Conditioner	49.77	-	-	49.77	12.57	1.63	11.74	-	25.94	37.20	23.82
4.	Computers System	176.98	8.36	0.54	184.80	137.44	6.27	28.81	0.54	171.99	39.54	12.82
5.	Electrical Installation	824.41	76.53	-	900.94	228.72	35.20	225.63	-	489.54	595.69	411.39
6.	Factory Building	6,976.04	671.14	-	7,647.18	2,568.26	60.72	376.73	-	3,005.71	4,407.78	4,641.47
7.	Furniture & Fixtures	776.15	92.09	-	868.24	321.25	12.88	181.93	-	516.07	454.90	352.18
8.	Office Equipments	306.07	1.61	-	307.68	260.19	33.49	5.63	-	299.32	45.88	8.36
9.	Factory Equipments	624.35	3.56	-	627.92	208.69	-	83.32	-	292.02	415.66	335.90
10.	IT Equipments	263.43	-	-	263.43	263.43	-	-	-	263.43	-	-
11.	Lab & Test Equipments	17.67	-	-	17.67	17.67	-	-	-	17.67	-	-
12.	Plant & Machinery	88,256.31	25,465.06	-	1,13,721.36	25,563.21	207.47	3,667.56	-	29,438.24	62,693.10	84,283.13
13.	Vehicle	794.18	42.90	132.78	704.29	348.10	28.23	128.23	58.31	446.25	446.08	258.04
		1,00,807.46	26,361.24	133.32	1,27,035.37	29,971.35	385.90	4,715.14	58.85	35,013.54	70,836.11	92,021.83
	<b>Intangible</b>											
14.	Computer Software	110.76	3.73	-	114.49	47.97	-	25.4	-	73.37	62.8	41.12
		110.76	3.73	-	114.49	47.97	-	25.4	-	73.37	62.8	41.12
	<b>Total</b>	<b>1,00,918.22</b>	<b>26,364.97</b>	<b>133.32</b>	<b>1,27,149.86</b>	<b>30,019.32</b>	<b>385.90</b>	<b>4,740.54</b>	<b>58.85</b>	<b>35,086.91</b>	<b>70,898.90</b>	<b>92,062.95</b>

**11.02** During the first three quarters while publishing financial results effect to Schedule II of the Companies Act, 2013 was not given. During this quarter depreciation for the entire year has been calculated as per Schedule II to the Companies Act, 2013. At a consolidated level, in respect of assets where the remaining useful life is NIL as on 1st April, 2014 the residual value of the said assets has been adjusted against the opening balance of retained earnings (net of deferred tax of ₹ 131.17 lakhs) amounting to ₹ 254.73 lakhs. Depreciation for the year ended 31<sup>st</sup> March, 2015 is lower by ₹ 684 lakhs due to this revision at a consolidated level.

## 11.03 Capital Work in Progress-Current Year and Previous Year

₹ in Lacs

Particulars	Gross Block				Net Block	
	Opening As at 1 <sup>st</sup> April 2014	Additions	Transfer	Gross Block As on 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Capital Work in Progress						
- Tangible	18,651.65	18,526.44	26,094.50	11,083.59	11,083.59	18,651.65
- Intangible	130.21	176.51	-	306.72	306.72	130.21
<b>Total</b>	<b>18,781.86</b>	<b>18,702.95</b>	<b>26,094.50</b>	<b>11,390.31</b>	<b>11,390.31</b>	<b>18,781.86</b>
Previous Year						
- Tangible	11,728.05	25,341.04	17,796.26	19,272.83	621.18	-
- Intangible	-	254.08	-	254.08	123.87	-
<b>Total</b>	<b>11,728.05</b>	<b>25,595.12</b>	<b>17,796.26</b>	<b>19,526.91</b>	<b>745.05</b>	<b>-</b>

## 11.04 Schedule of Fixed Assets for Previous year

₹ in Lacs

Description	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 <sup>st</sup> April 13	Additions	Sales / Adjustment	As at 31 <sup>st</sup> March 14	As at 1 <sup>st</sup> April 13	For the Period	Sales / Adjustment	As at 31 <sup>st</sup> March 14	As at 31 <sup>st</sup> March 14	As at 31 <sup>st</sup> March 13
<b>Tangible</b>										
Factory Freehold Land	1,197.91	86.74	-	1,284.65	-	-	-	-	1,284.65	1,197.91
Factory Leasehold Land	457.45	-	-	457.45	36.34	5.47	-	41.81	415.64	421.11
Factory Building	6,969.65	6.38	-	6,976.03	2,335.39	232.86	-	2,568.25	4,407.78	4,634.26
Plant & Machinery	72,010.19	18,077.13	8.74	90,078.58	22,353.53	3,939.31	2.25	26,290.59	63,787.99	49,656.66
Computers/IT Equipments	429.83	10.59	-	440.42	375.51	25.82	-	401.33	39.09	54.32
Furniture & Fixtures	762.02	14.13	-	776.15	272.68	48.58	-	321.26	454.89	489.34
Vehicle	813.63	7.47	26.92	794.18	291.6	79.28	22.77	348.10	446.07	522.02
<b>Total</b>	<b>82,640.68</b>	<b>18,202.44</b>	<b>35.66</b>	<b>1,00,807.46</b>	<b>25,665.05</b>	<b>4,331.32</b>	<b>25.02</b>	<b>29,971.34</b>	<b>70,836.11</b>	<b>56,975.62</b>
<b>Intangible</b>										
Computer Software	49.53	61.23	-	110.76	42.13	5.84	-	47.97	62.8	7.41
<b>Total</b>	<b>49.53</b>	<b>61.23</b>	<b>-</b>	<b>110.76</b>	<b>42.13</b>	<b>5.84</b>	<b>-</b>	<b>47.97</b>	<b>62.8</b>	<b>7.41</b>
<b>Grand Total</b>	<b>82,690.21</b>	<b>18,263.67</b>	<b>35.66</b>	<b>1,00,918.22</b>	<b>25,707.18</b>	<b>4,337.16</b>	<b>25.02</b>	<b>30,019.31</b>	<b>70,898.91</b>	<b>56,983.03</b>
Previous Year	73,047.07	9,951.63	308.49	82,690.21	22,111.33	3,613.04	17.19	25,707.18	56,983.03	50,935.74

## 12. Non-Current Investments

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Unquoted</b>		
Shares of Shamrao Vithal Co.op Bank Limited 8,275 (PY 8,275) ordinary shares of ₹ 25 each fully paid up	2.07	2.07
<b>Total</b>	<b>2.07</b>	<b>2.07</b>

### 13. Long Term Loans & Advances (Unsecured Considered Good)

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Capital Advances	-	118.34
Security Deposits	289.40	286.24
Deposit with Related Parties	1,025.00	1,025.00
Others	106.02	12.59
<b>Total</b>	<b>1,420.42</b>	<b>1,442.17</b>

### 14. Other Non-Current Assets

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Advance Payment of Taxes (Net)	-	70.83
Long Term Deposits	2,428.89	2,787.93
MAT credit Entitlement	966.00	-
In Deposit with Bank (Original Maturity for more than 12 months)	1,329.93	913.45
<b>Total</b>	<b>4,724.82</b>	<b>3,772.21</b>

Balance with scheduled banks include ₹ 1329.93 lacs (PY ₹ 913.45 lacs) representing margin money for letter of credit and bank guarantees issued.

## CURRENT ASSETS

### 15. Inventories

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
(at lower of cost or net realizable value)		
Raw Material	5,603.58	6,382.69
Raw Material In Transit	1.54	186.55
Work in Progress	555.15	1,064.84
Finished Goods	191.84	776.18
Stores and Spares	3,232.02	3,490.21
<b>Total</b>	<b>9,584.13</b>	<b>11,900.47</b>

### 16. Trade Receivables

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Outstanding for a period exceeding six months</b>		
Unsecured considered good	2,532.37	2,241.28
<b>Total</b>	<b>2,532.37</b>	<b>2,241.28</b>
<b>Other Debts</b>		
Unsecured considered good.	53,860.02	50,621.79
<b>Total</b>	<b>53,860.02</b>	<b>50,621.79</b>
<b>Total</b>	<b>56,392.39</b>	<b>52,863.07</b>

**17. Cash and Bank Balances**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	30.10	17.17
Cheques in Hand	619.19	-
<b>Balances with Banks</b>		
On current accounts	78.01	497.39
<b>Other bank Balances</b>		
In unclaimed dividend account	2.39	2.52
<b>Total</b>	<b>729.69</b>	<b>517.09</b>

Section 205 of the Companies Act 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF), Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.

**18. Short term loans and advances**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Unsecured considered good	-	-
Advance to material supplier / contractors	215.23	674.93
Prepaid Expenses	116.16	88.51
Loans and Advance to employee	17.87	17.50
Deposit with Government, Public bodies and others	2,006.59	1,977.57
Inter Corporate deposits	4382.90	4658.92
<b>Total</b>	<b>6,738.74</b>	<b>7,417.43</b>

**19. Other Current Assets**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Interest Accrued but not due	21.46	6.45
Advance to Director	483.95	989.60
Others	27.81	222.41
<b>Total</b>	<b>533.22</b>	<b>1,218.46</b>

**20. Revenue from Sale of Goods**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Sale of Products	93,567.10	88,022.75
Other Operating Revenues	479.42	1,000.92
<u>Less:</u>		
Inter Company Sales	4,628.16	10,873.57
Excise Duty	3,826.06	6,213.68
<b>Total</b>	<b>85,592.30</b>	<b>71,936.42</b>

## 21. Other Income

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Dividend Received	0.25	3.02
Foreign Exchange Earnings	6.78	-
DEPB Export Incentives	100.30	155.91
Interest on Fixed Deposits	87.97	76.76
Provision for Employee Benefits No Longer Required	190.64	-
Others	437.16	99.36
<b>Total</b>	<b>823.10</b>	<b>335.05</b>

## 22. Cost of Material Consumed

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Opening Stock	11,124.30	11,720.09
Add : Purchases	52,621.52	40,961.24
Total	63,745.82	52,681.33
Less : Closing Stock	9,392.30	11,124.30
<b>Total</b>	<b>54,353.52</b>	<b>41,557.03</b>

## 23. Changes in inventories of finished goods

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Opening Stock of Finished Goods	776.18	439.08
Closing Stock of Finished Goods	191.84	776.18
Stock Reserve	19.47	0.78
<b>(Accretion) / Decretion in Stock</b>	<b>564.87</b>	<b>(337.88)</b>

## 24. Manufacturing Expenses

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Freight Carriage	229.49	303.22
Power and Fuel	3,209.83	3,356.30
Labour Charges	310.13	442.07
Factory Expenses	755.40	450.83
Repairs to Machinery	152.41	288.93
<b>Total</b>	<b>4,657.26</b>	<b>4,841.35</b>

**25. Employee Benefit Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Salary, Wages and Allowances	3,853.44	4,109.75
Staff Welfare and other benefits	129.23	141.29
Contribution to Provident & other Funds	331.67	264.43
<b>Total</b>	<b>4,314.34</b>	<b>4,515.47</b>

**26. Finance Cost**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Bank Interest	7,631.72	5,664.86
Bank Commission and other Charges	489.86	776.03
<b>Total</b>	<b>8,121.58</b>	<b>6,440.90</b>

**27. Other Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
Audit Fees	29.86	29.89
Advertisement Expenses	12.46	15.20
Bad Debts	194.94	8.95
ICD Written off	176.32	25.00
Carriage Outward	414.63	786.86
Commission on Sales	130.66	159.17
Foreign Exchange Loss on trade purchases	249.74	771.36
Legal & Professional Charges	717.36	457.82
Rates and Taxes	143.15	131.92
Rent	274.44	270.13
Insurance Charges	108.28	114.83
Interest on Deferred Sales Tax	231.78	204.12
Postage and Telephone	55.07	70.35
Conveyance and Travelling	221.86	223.10
Other Expenses	1,061.91	1,219.94
<b>Total</b>	<b>4,022.46</b>	<b>4,488.64</b>

**28. Tax Expenses**

Particulars	31 <sup>st</sup> March 15 ₹ in Lacs	31 <sup>st</sup> March 14 ₹ in Lacs
<b>Current Tax Expenses</b>		
- Current tax	1275.00	1,617.33
- Mat Entitlement	(966.00)	
- Wealth tax	1.39	2.66
- Deferred tax (credit)/expenses	1,589.52	1,744.48
- Adjustment of Earlier Years	-	(193.62)
<b>Total</b>	<b>1,899.91</b>	<b>3,170.85</b>

**Note : 29 Other Disclosures**

**29.01 : Significant accounting policies**

**1. System of Accounting:**

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standard) Rules 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular no. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs). The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements. The difference between actual results and estimates are recognized in the period in which the results are known.

**2. Revenue Recognition:**

Revenue is recognized on transfer of all significant risks and rewards of ownership to the buyer. Domestic sales are accounted on dispatch of products to customers and export sales are accounted on the basis of dates of bill of lading. Export incentives / interest income and income on investments are accounted on accrual basis.

**3. Fixed Assets, Capital Work-in-Progress and Depreciation:**

a. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs, including interest and finance costs incurred till the asset is commissioned.

b. Capital Work-in-Progress:

Capital work-in-progress includes the cost of fixed assets that are not ready for their intended use and is stated upto the amount expended till the date of balance sheet.

c. Depreciation:

Depreciation on assets has been provided based on useful lives prescribed in Schedule II of the Companies Act, 2013 on straight line basis. However, in respect of the following asset categories, the depreciation is provided based on useful lives being different than as prescribed in Schedule II-

Sr.	Nature of Asset	Assets name	Useful life as per Schedule II- (Years)	Revised Useful life adopted based on technical evaluation (Years)
1	Plant & Machinery	Diesel Generator	15	10
2	Plant & Machinery	Caster-1	15	14
3	Plant & Machinery	Slitter and Rewinder / Chiller new / Ink Mixing / Thermal Lamination / Crane and material handling / Separator	15	20
4	Plant & Machinery	Annealing furnace / Thermal Lamination / Crane and material handling / Separator / Furnace / Grinder	15	25
5	Plant & Machinery	Rolling Mill - Old and New / Caster -2	15	30
6	Plant & Machinery	Sheet Mill	15	35
7	Plant & Machinery	Roll Grinding	15	40



**Flex Art Foil Limited**

Sr.	Nature of Asset	Assets name	Useful life as per Schedule II- (Years)	Revised Useful life adopted based on technical evaluation (Years)
1	Plant & Machinery	Core Cutting Machine / Slitters Doctoring /Utility	15	10
2	Plant & Machinery	Core Cutting Machine / Slitters Doctoring /Utility/ Lab equipment	15	20
3	Plant & Machinery	Printing Machine 1/2/3/4 / Utility / AHU / Slitter / Lab & Equipment	15	25

The company has carried out assessment of useful lives of these assets and based on technical justification, different useful lives have been arrived at in respect of above assets. The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the business specific environment & usage, consumption pattern of the assets, past performance of similar assets and peer industry comparison duly supported by technical assessment by a Chartered Engineer.

Leasehold land is amortized over the period of lease. Software is amortised over a period of five years.

Depreciation for additions to/deletions from fixed assets is calculated on pro rata basis.

**4. Inventories:**

Inventories are valued at the lower of cost or net realizable value. Cost of inventories comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average method.

**5. Taxation**

Income tax comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

**6. Foreign Exchange Transactions:**

Transactions in foreign currency are recorded at exchange rates prevailing on the dates of respective transactions. The difference in translation and realized gains and losses on foreign exchange transactions are recognized in the Profit and Loss Account.

**7. Employee Benefits:**

Short-term employee benefits (i.e. benefits payable within one year) are recognized in the period in which the employee service is rendered.

Year's accrued liability on account of leave encashment benefit (only for employees of erstwhile India Foils Ltd (IFL)) payable to employees under defined benefit plan is ascertained on the basis of actuarial valuation made on the Balance Sheet date and provided in the accounts. Gratuity is considered accrued and accounted for as per actuarial valuation done by SBI Life Insurance Company Ltd. under the Group Gratuity scheme and leave encashment is accounted for as per actuarial valuation done by an actuary.

Contributions towards provident funds are recognized as expense.

Contribution to Provident Fund in respect of certain employees of erstwhile IFL is made to the Trusts administered by the Company, and in respect of other employees is made to the office of the Employees' Provident Fund

Commissioner, under Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The interest rate payable to the members of the Trusts administered by the Company is not lower than the rate of interest declared annually by the Central Government under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, is made good by the Company.

Year's accrued liability on account of Pension Scheme for certain employees of erstwhile IFL under defined benefit plan upto 31<sup>st</sup> December, 2000 is ascertained and provided for on the basis of actuarial valuation made on the Balance Sheet date. The said Pension Scheme was amended from defined benefit plan to defined contribution plan effective 1st January 2001 and the benefits under the defined benefit plan were frozen as on 31<sup>st</sup> December 2000. Year's accrued liability in respect of the aforesaid defined contribution plan is ascertained as per the Company's policy and charged as expense for the year.

#### **8. Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of a qualifying assets are capitalized as part of cost of such assets till such time as the assets is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

#### **9. Financial Derivatives Hedging Transactions**

In respect of derivatives contracts, premium paid and gains / losses on settlement are recognized in the Profit and Loss account.

#### **10. Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **11. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal \ external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. A previously recognized impairment loss if further provided or reversed depending on changes in circumstances.

#### **12. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss 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 equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **13. Leases**

Operating lease payments are recognized as expenses on a straight line basis over the term of lease.

## 29.02 Subsidiary

The Consolidated Financial statement presents the consolidated account of Ess Dee Aluminium Limited with its following subsidiary.

Name of the Subsidiary	Proportion of ownership	Year Ending	Audited By
Flex Art Foil Limited	100%	31.03.2015	M/s M.P.Chitale & Co.
Ess Dee Aluminium Pte Ltd (Consolidated on unaudited basis)	100%	31.03.2015	D Arumugam & Co., Singapore

Additional Statutory information disclosed in separate financial statements of the parent and its subsidiary having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements, in view of the general clarification issued by the Institute of Chartered Accountants of India.

## 29.03 Contingent Liabilities

₹ in Lacs

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
<b>Contingent Liability</b>		
a) Claims against the company not acknowledged as debt	1,471.77	1,382.68
b) Guarantees		
- given for bank loans taken by its subsidiaries	2,700.00	4,548.31
- Others	315.32	275.45
<b>Commitments</b>		
Capital Commitment	8,210.00	8,946.00
<b>Total</b>	<b>12,697.09</b>	<b>15,152.44</b>

Under the provisions of section 132 of Income Tax Act, 1961, Income Tax Authorities had carried out search and seizure proceedings at the premises of the company on 28<sup>th</sup> March, 2014 when they sought certain clarifications and documents in regard to the tax liability, if any, of the company. All relevant material was produced and provided to the IT officials. There is no undisclosed income tax evasion, levy of penalty for any previous years or current year and there will not be revision in income booked in the earlier accounting years. The matter shall be resolved as per provision of the Income tax law.

**29.04** Suppliers/service providers covered under Micro, Small and Medium Enterprises (MSME) Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small & Medium Enterprises as at 31<sup>st</sup> March 2015 are as under.

₹ in Lacs

	Description	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
1	The Principal amount remaining unpaid to supplier as at the end of accounting year	5.58	0.27
2	The Interest due thereon remaining unpaid to supplier as at the end of the year	Nil	Nil
3	The amount of interest paid in terms of Sec 16 along with the amount of payment made to the supplier beyond the appointment day during the year	Nil	Nil
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	Nil	Nil
5	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil

**29.05 Payment to Auditors**

₹ in Lacs

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
Audit Fees	29.86	29.89
Tax Audit Fees	8.00	6.30
Other Services and Certification Fees	18.84	27.12
<b>Total</b>	<b>56.73</b>	<b>63.31</b>

## 29.06 Employee Benefits ( Accounting Standard - AS 15)

Particulars Ess Dee Aluminium Limited Units in West Bengal	Gratuity (Funded)		Pension (Funded) Frozen as on 31 <sup>st</sup> December 2000)		Leave Encashment	
	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14	₹ in Lacs 31.03.15	₹ in Lacs 31.03.14
<b>The major categories of plan assets as a percentage of total plan</b>						
Qualifying Insurance Policy						
<b>Changes in the present value of the obligation</b>						
1 Present Value of obligation 01.04.14	343.89	276.00	21.62	21.12	76.38	63.95
2 Interest Cost	27.51	24.02	1.73	1.85	5.85	5.05
3 Current Service Cost	26.07	23.21	-	-	8.70	13.50
4 Past Service Cost	-	-	-	-	-	-
5 Benefits Paid	-	2.96	-	-	6.57	12.47
6 Actuarial (gain) / loss on Obligation	15.53	23.62	1.02	(1.35)	7.14	6.35
7 Present Value of obligation 31.03.15	413.00	343.89	24.36	21.62	91.49	76.38
<b>Changes in the Fair Value Of Assets</b>						
1 Fair value of plan Assets 01.04.14	199.28	186.68	3.87	3.62	NA	NA
2 Expected Return on Plan assets	17.94	12.60	0.35	0.24	NA	NA
3 Contribution	-	2.96	-	-	NA	NA
4 Benefits Paid	-	2.96	-	-	NA	NA
5 Actuarial gain (Loss) on Plan Assets	-	-	-	-	NA	NA
6 Fair value of plan Assets 31.03.15	217.22	199.28	4.21	3.87	NA	NA
<b>Reconciliation of the present value of the defined benefit obligation &amp; the fair market value of plan assets</b>						
1 Present Value of obligation at the end of the year	413.00	343.89	24.36	21.62	91.49	76.38
2 Fair value of plan Assets at the end of the year	217.22	199.28	4.21	3.87	91.49	76.38
3 Assets / (Liabilities) recognized in the balance sheet	(195.78)	(144.61)	(20.15)	(17.75)	-	-
<b>Profit &amp; Loss Expenses</b>						
1 Current Service Cost	26.07	23.21	-	-	8.70	13.50
2 Interest Cost	27.51	24.02	1.73	1.85	5.85	5.05
3 Expected Return on Plan assets	17.94	12.60	0.35	0.24	-	-
4 Net Actuarial gain (loss) recognized in the year	15.53	23.62	-	(1.35)	7.14	6.35
5 Past Service Cost	-	-	-	-	-	-
6 Expenses Recognized in the statement of profit & Loss	51.17	58.25	2.40	0.25	21.68	24.90
<b>Actuarial Assumptions</b>						
1 Discount Rate	8.00%	8.75%	8.00%	8.75%	8.00%	8.75%
2 Expected Rate of salary Increase	7.00%	7.00%	NA	7.00%	7.00%	7.00%
3 Expected Return on Assets	9.00%	6.75%	9.00%	6.75%	NA	NA
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	16.14	18.15	7.00	8.00	16.14	18.15

ESS DEE ALUMINIUM LIMITED-Daman & Goa Units	Gratuity (Funded ) ₹ in Lacs		Leave Encashment ₹ in Lacs	
	31.03.15	31.03.14	31.03.15	1.03.14
<b>The major categories of plan assets as a percentage of total plan</b>				
Qualifying Insurance Policy				
<b>Changes in the present value of the obligation</b>				
1 Present Value of obligation 01.04.14	93.88	94.58	21.15	16.38
2 Interest Cost	7.26	7.05	1.58	1.28
3 Current Service Cost	37.91	24.30	6.83	4.09
4 Past Service Cost	-	-	-	-
5 Benefits Paid	6.36	12.85	2.77	(2.78)
6 Actuarial (gain) / loss on Obligation	42.70	(19.21)	(6.67)	2.19
7 Present Value of obligation 31.03.15	<b>175.39</b>	<b>93.88</b>	<b>20.13</b>	<b>21.15</b>
<b>Changes in the Fair Value of Assets</b>				
1 Fair value of plan Assets 01.04.14	124.89	94.93	N/A	N/A
2 Expected Return on Plan assets	9.99	8.54	N/A	N/A
3 Contribution	19.74	31.99	N/A	N/A
4 Benefits Paid	6.36	12.85	N/A	N/A
5 Actuarial gain (Loss) on Plan Assets	2.10	2.27	N/A	N/A
6 Fair value of plan Assets 31.03.15	<b>150.36</b>	<b>124.89</b>	N/A	N/A
<b>Profit &amp; Loss Expenses</b>				
1 Current Service Cost	37.91	24.30	6.83	4.09
2 Interest Cost	7.26	7.05	1.58	1.28
3 Expected Return on Plan assets	9.99	8.54	-	-
4 Net Actuarial gain (loss) recognized in the year	40.60	(21.47)	(6.67)	2.19
5 Past Service Cost	-	-	-	-
6 Expected Recognized in the statement of profit & Loss	<b>75.77</b>	<b>1.33</b>	<b>1.74</b>	<b>4.78</b>
<b>Actuarial Assumptions</b>				
1 Discount Rate	8.00%	8.00%	8.00%	8.00%
2 Expected Rate of salary Increase	9.00%	9.00%	7.00%	6.50%
3 Expected Return on Assets	8.00%	9.00%	N/A	6.50%
4 Attrition Rate	12.00%	12.00%	-	-
5 Mortality Post-retirement	Ultimate	Ultimate	Ultimate	Ultimate

Gratuity	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Defined Benefit Obligation	175.39	93.88	94.58	66.36	53.06
Plan Asset	150.36	124.89	94.93	92.67	72.23
Surplus / Deficits	(25.05)	31.01	0.34	26.30	19.16
Experience Adjustment on Plan Liabilities	42.70	(19.21)	0.07	0.55	(8.83)
Experience Adjustment on Plan Assets	3.35	1.32	(0.96)	0.70	(0.12)

FLEX ART FOIL LIMITED - All Units	Gratuity (Funded ) ₹ in Lacs		Leave Encashment ₹ in Lacs	
	31.03.15	31.03.14	31.03.15	1.03.14
<b>The major categories of plan assets as a percentage of total plan</b>				
Qualifying Insurance Policy	100%	100%	100%	100%
<b>Changes in the present value of the obligation</b>				
1 Present Value of obligation 01.04.14	47.12	59.13	6.19	5.40
2 Interest Cost	3.25	4.61	0.49	0.43
3 Current Service Cost	15.06	7.40	1.13	1.09
4 Past Service Cost	-	-	-	-
5 Benefits Paid	13.04	3.02	0.24	(0.76)
6 Actuarial (gain) / loss on Obligation	48.01	(21.01)	(3.81)	0.01
7 Present Value of obligation 31.03.15	<b>100.39</b>	<b>47.12</b>	<b>3.75</b>	<b>6.19</b>
<b>Changes in the Fair Value Of Assets</b>				
1 Fair value of plan Assets 01.04.14	74.98	45.99	NA	-
2 Expected Return on Plan assets	6.75	4.14	NA	-
3 Contribution	23.58	25.67	NA	-
4 Benefits Paid	13.04	3.02	NA	-
5 Actuarial gain (Loss) on Plan Assets	(0.23)	2.19	NA	-
6 Fair value of plan Assets 31.03.15	<b>92.05</b>	<b>74.98</b>	NA	-
<b>Profit &amp; Loss Expenses</b>				
1 Current Service Cost	15.06	7.40	1.13	1.10
2 Interest Cost	3.25	4.61	0.49	0.43
3 Expected Return on Plan assets	6.75	4.14	-	-
4 Net Actuarial gain (loss) recognized in the year	48.24	(23.21)	(3.81)	0.01
5 Past Service Cost	-	-	-	-
6 Expected Recognized in the statement of profit & Loss	<b>59.79</b>	<b>(15.33)</b>	<b>(2.20)</b>	<b>0.79</b>
<b>Actuarial Assumptions</b>				
1 Discount Rate	8.00%	8.00%	8.00%	8.00%
2 Expected Rate of salary Increase	9.00%	9.00%	NA	-
3 Expected Return on Assets	9.00%	9.00%	7.00%	6.50%
4 Attrition Rate	12.00%	12.00%	NA	-
5 Mortality Post-retirement	Ultimate	Ultimate	Ultimate	Ultimate

Gratuity	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Defined Benefit Obligation	100.39	47.12	59.13	37.13	32.43
Plan Asset	92.05	74.98	45.99	47.67	41.15
Surplus / Deficits	8.34	(27.87)	(13.14)	10.53	8.72
Experience Adjustment on Plan Liabilities	-	NA	12.84	(3.86)	(3.92)
Experience Adjustment on Plan Assets	-	NA	(0.32)	(0.01)	(0.02)



## 29.07 Segment Information (Accounting Standard – 17)

The Company's entire activity is of advanced packaging solutions. As such there is only one segment viz; advanced packaging solutions, accordingly, no disclosure is required to be made under AS 17, segment reporting.

## 29.08 Related Party Disclosures (Accounting Standard – 18)

List of Related Parties and Relationship with whom the transactions were held during the year 2013-14

Sr.	Particulars	Particulars
A	Key Management Personnel	Mr. Sudip Dutta - Chairman Mr. Bijoy Kumar Pansari - (Resigned wef 14.08.2014) Mr. Ashis Bhattacharya - Managing Director wef. 14.08.2014 Ms. Vinaya Desai - Whole Time Director Mr. Satyabrata Ray - Whole Time Director wef 14.08.2014 Mr. Subir Ray - CFO Mr. Ravi Kanwar Krishan Khurana - CFO Mr. Haresh Vala - CS Mr. Vishal Totla - CS - (Resigned wef 08.11.2013) Mr. Sunny Makwana - CS (wef 23.12.2013) (Resigned wef 27.02.2015)
B	Relative of Key Management Personnel	Ms. Aarti Dutta
C	Enterprises over which key management Personnel and their relatives are able to exercise significant influence	Vyoma Investment & Finance Co Pvt Ltd Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Pvt Ltd Ess Dee Infraventure Pvt Limited

The following transactions were carried out with the related parties in the ordinary course of business.

₹ in Lacs

Nature of transaction	Key Management Personnel		Relative of Key Management Personnel	
	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs
<b>Rent Paid</b>				
Mr. Sudip Dutta	171.12	171.12	-	-
Ms. Aarti Dutta	-	-	30.00	30.00
<b>Total</b>	<b>171.12</b>	<b>171.12</b>	<b>30.00</b>	<b>30.00</b>
<b>Salary</b>				
Mr. Sudip Dutta	567.78	577.20	-	-
Mr. Bijoy kumar Pansari	31.16	84.00	-	-
Mr. Satyabrata Ray	20.90	-	-	-
Mr. Ashis Bhattacharya.	47.90	47.90	-	-
Ms. Vinaya desai	20.77	16.77	-	-
Mr. Subir Ray	27.84	34.11	-	-
Mr. Haresh Vala	15.95	14.56	-	-
Mr. Vishal Totla	-	3.23	-	-
<b>Total</b>	<b>732.30</b>	<b>777.77</b>	<b>-</b>	<b>-</b>

<b>Unsecured Loan</b> Mr. Sudip Dutta	1428.81	700.00	-	-
<b>Total</b>	<b>1428.81</b>	<b>700.00</b>	<b>-</b>	<b>-</b>
<b>Deposits Given</b> Mr. Sudip Dutta Ms. Aarti Dutta	1000.00	1000.00	- 25.00	- 25.00
<b>Total</b>	<b>1000.00</b>	<b>1000.00</b>	<b>25.00</b>	<b>25.00</b>
<b>Loan Given</b> Sudip Dutta	483.95	989.59	-	-
<b>Total</b>	<b>483.95</b>	<b>989.59</b>	<b>-</b>	<b>-</b>
<b>Credit Balances as on 31/03/2015</b> Mr. Sudip Dutta Mr. Bijoy kumar Pansari Mr. Ashis Bhattacharya. Ms. Vinaya desai Mr. Satyabrata Ray Mr. Haresh Vala Ms. Aarti Dutta	1883.35 - 2.51 1.09 1.87 1.06 -	841.00 4.94 2.14 0.89 - - -	- - - - - - 35.08	- - - - - - 18.91
<b>Total</b>	<b>1889.88</b>	<b>848.97</b>	<b>35.08</b>	<b>18.91</b>
<b>Debit Balances as on 31/03/2015</b> Mr. Sudip Dutta Mr. Subir Ray Ms. Aarti Dutta	1483.95 0.40 -	1989.59 - -	- - 25.00	- - 25.00
<b>Total</b>	<b>1484.35</b>	<b>1989.59</b>	<b>25.00</b>	<b>25.00</b>

## 29.08 Leases (Accounting Standard – 19)

### Operating Lease

The Company has leased facilities under non-cancelable operating leases. The future lease payments in respect of these leases as at 31<sup>st</sup> March 2014 and 31<sup>st</sup> March 2013 are minimum lease payments.

₹ in Lacs

	<b>Particulars</b>	<b>31<sup>st</sup> March 15</b>	<b>31<sup>st</sup> March 14</b>
1.	Not later than one year	5.54	5.54
2.	Later than one year but not later than five years	22.16	22.16
3.	Later than five years	382.37	387.91

### 29.09 Earnings per Share (EPS) : (Accounting Standard – 20)

Particulars	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
	Basic and Diluted	Basic and Diluted
<b>Earnings</b> Net profit / (Loss) for the period (₹ in Lacs)	3,740.92	5,087.26
<b>Shares</b> Number of shares at the beginning of the period	3,20,47,811	3,20,47,811
Add : Shares issued during the period	-	-
Total number of equity shares outstanding at the end of the period	3,20,47,811	3,20,47,811
<b>Weighted average number of equity shares outstanding during the period - Basic and Diluted</b>	3,20,47,811	3,20,47,811
Earnings per share of par value ₹ 10/- Basic and diluted (₹)	<b>11.87</b>	<b>15.87</b>

### 29.10 Deferred Tax Assets and Liabilities (Accounting Standard – 22)

Deferred Tax Liability / (Asset) at the yearend comprise timing differences on account of :

Deferred Tax Liability / (Assets)	31 <sup>st</sup> March 15	31 <sup>st</sup> March 14
Opening Balance	3,753.07	2,008.59
Add : Depreciation	2,424.34	1,744.48
Less : Unabsorbed depreciation and losses	(966.00)	NIL
<b>Net Deferred Tax Liability</b>	<b>5,211.41</b>	<b>3,753.07</b>

### 29.11 Hedging and Derivatives:

The following are the outstanding forward exchange contracts entered into by the Company as at 31<sup>st</sup> March 15.

Category	Currency	Cross Currency	Amount in USD (in Lacs)	Buy / Sell	Purpose
Forward Contract	- USD	- INR	CY Nil (PY 31.30)	- Sell	- Hedging

#### Unhedged Foreign currency exposure:

The Company has the following un-hedged exposure in foreign currency at the year ended 31<sup>st</sup> March 15.

Particulars	31 <sup>st</sup> March 2015					
	USD	EURO	GBP	JPY	CHF	₹ in Lacs
Sundry Debtors	3,98,370.04	0	0	0	0	249.34
Sundry Creditors	53,24,424.59	4,20,100.08	0	0	0	3,616.21
Advance received from Customers	1,08,567.69	1,09,910.93	0	0	0	142.15
Advance paid to Creditors	2,59,140.51	0	0	0	2,167.23	163.58

The Company has the following un-hedged exposure in foreign currency at the year ended 31<sup>st</sup> March 14.

Particulars	31 <sup>st</sup> March 2014					
	USD	EURO	GBP	JPY	CHF	₹ in Lacs
Sundry Debtors	9,84,628.83	0	0	0	0	608.98
Sundry Creditors	1,12,04,079.00	3,73,336.80	0	0	0	7,052.50
Advance received from Customers	13,173.52	1,09,595.18	0	0	0	96.44
Advance paid to Creditors	0	0	0	0	0	0

**29.12 Information on Raw Material Consumed, Opening Stock of Finished Goods, Stock of Finished Goods and Net Sales :**

**a) Raw Material Consumed**

₹ in Lacs

No	Particulars	Amount
1	Aluminium Ingot and Foil	35,823.25 (PY 28,772.90)
2	PVC Resin	282.68 (PY 2,160.44)
3	Others	18,247.59 (PY 10,623.69)
	<b>Total</b>	<b>54,353.52</b> (PY 41,557.03)

**b) Net Sales, Opening Inventory and Closing Inventory**

₹ in Lacs

	Particulars	Net Sales	Opening Inventory	Closing Inventory
1	Aluminium Packaging	77,388.51 (PY 64,380.07)	718.30 (PY 419.30)	170.32 (PY 718.30)
2	PVC Packaging	636.09 (PY 4,176.20)	57.88 (PY 19.78)	21.52 (PY 57.88)
3	Others	7,567.70 (PY 3,380.15)	- -	- -
	<b>Total</b>	<b>85,592.30</b> (PY 71,936.42)	<b>776.18</b> (PY 439.08)	<b>191.84</b> (PY 776.18)

**29.13** Details of loans given, investments made guarantee given or security provided and the purpose for which the same is provided. It also includes the proposed utilisation of the same by the recipient.

Particulars	Name of the Recipient	FY 2014-15 (₹ in Lacs)	FY 2013-14 (₹ in Lacs)	Purpose	Proposed Utilisation
Corporate Guarantee Given	Ess Dee Aluminium Pte Ltd - Singapore	NIL	1,802.99	To obtain loan from bank	For business
Corporate Guarantee Given	Flex Art Foil Limited	2,700.00	2,700.00	To obtain loan from bank	For business

**29.14** Information relating to Net assets and Share in Profit or loss of Subsidiaries

Name of the Entity in the	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹ in lacs)	As % of Consolidated Net Assets	Amount (₹ in lacs)
Parent Company Ess Dee Aluminium Limited	91.44% (PY 91.88%)	83,334.64 (PY 80,540.62)	81.21% (PY 98.72%)	3038.09 (PY 5,022.17)
Indian Subsidiary Flex Art Foil Ltd	11.33% (PY 10.60%)	10,327.64 (PY 9,289.05)	28.05% (PY 16.46%)	1,049.23 (PY 837.44)
Foreign Subsidiary Ess Dee Aluminium Pte Limited - Singapore	(1.72%) (PY -1.32%)	(1,569.30) (PY -1,153.32)	(9.26%) (PY 15.18%)	(346.40) (PY -772.35)
Less : Elimination	1.05% (PY 1.16%)	957.59 (PY 1,014.61)	- -	- -

**29.15** Previous year figures have been accordingly re-grouped and reclassified

As per report attached

**For M.P. Chitale & Co.**  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 27th May 2015.

**FOR AND ON BEHALF OF THE BOARD**

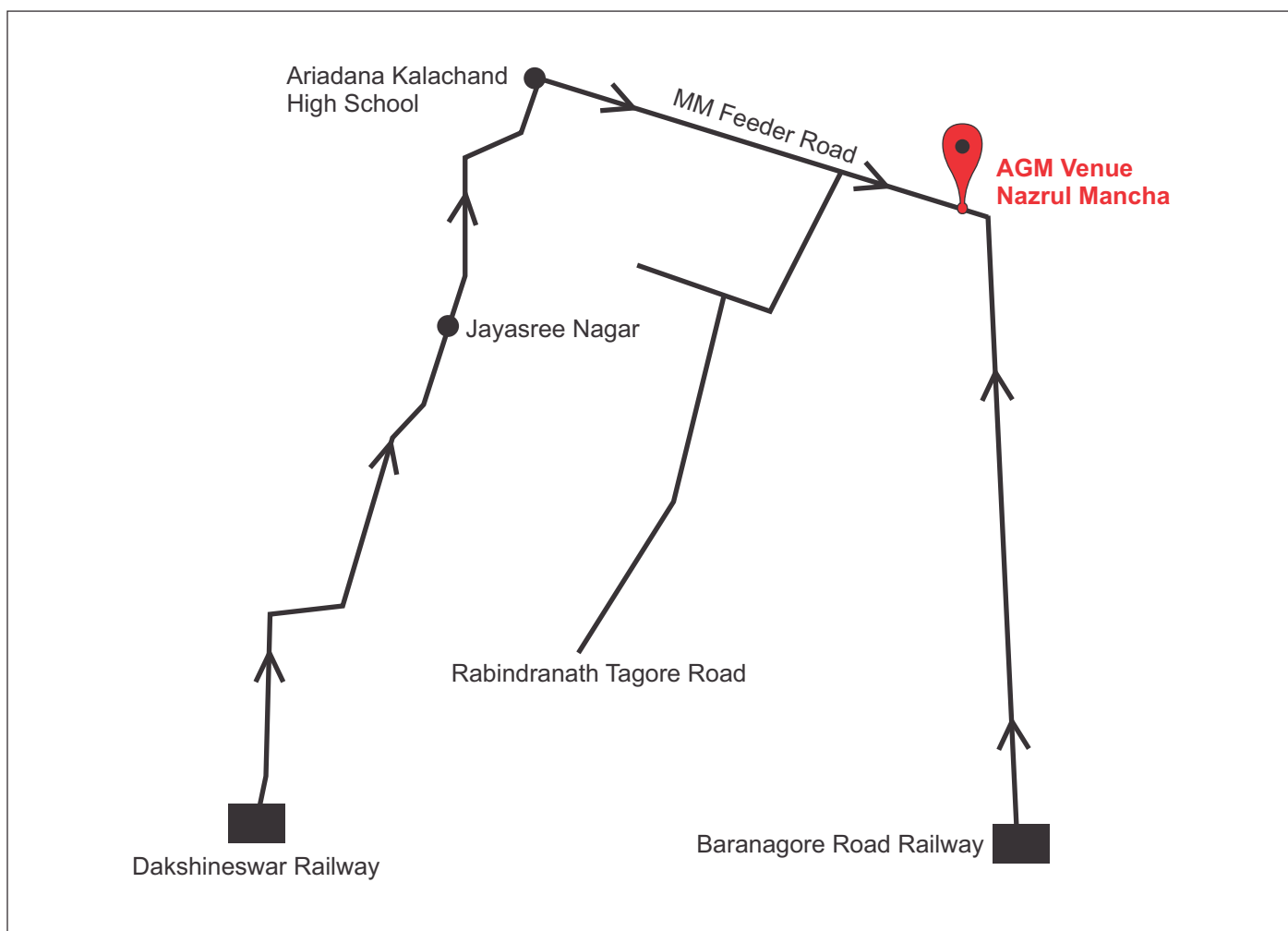
**Ashis Bhattacharya**  
Managing Director  
(DIN: 06500105)

**Vinaya Desai**  
Whole Time Director  
(DIN: 00211349)

**Subir Ray**  
Chief Financial Officer

**Manoj Jain**  
Company Secretary

### ROUTE MAP OF AGM VENUE



**ESS DEE ALUMINIUM LIMITED**

**Reg. Off. : 1, Sagore Dutta Ghat Road, Kamarhati, Kolkata - 700 058, West Bengal**  
**CIN : L27203WB2004PLC170941**  
**Tel.: +91-22-6690 8200 Fax.: +91-22-6690 8395 Email: investorservice@essdee.in**  
**Website : www.essdee.in**

**11<sup>th</sup> ANNUAL GENERAL MEETING**

**ATTENDANCE SLIP**  
**(to be handed over at the Registration Counter)**

DP Id\* .....

Folio No.....

Client Id\* .....

No. of Shares held.....

(\*Applicable for investors holding shares in electronic form)

I / We hereby record my / our presence at the 11<sup>th</sup> Annual General Meeting of the Company held on Tuesday, 29<sup>th</sup> day of September, 2015 at 10.00 a.m. at Nazrul Mancha, 1, M.M. Feeder Road, Kolkata – 700 056.

Name of the Shareholder : 1) .....

and Joint Holder(s) 2) .....

(in block letters) 3) .....

Address : .....

Name of the Proxy .....

(to be filled only when a proxy attends the meeting)

\_\_\_\_\_  
Signature of the Proxy

\_\_\_\_\_  
Signature of Shareholder / Joint Holder

**Note:**

1. Please fill the Attendance Slip and hand it over at the Registration Counter at the venue.



**ESS DEE ALUMINIUM LIMITED**

**Reg. Off. : 1, Sagore Dutta Ghat Road, Kamarhati, Kolkata - 700 058, West Bengal**

**CIN : L27203WB2004PLC170941**

**Tel.: +91-22-6690 8200 • Fax.: +91-22-6690 8395 • Email: investorservice@essdee.in**

**Website : www.essdee.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)

Name of the member(s) :	
Registered address :	
Email Id :	
Folio No. / * Client Id :	
* DP Id :	

(\*Applicable for investors holding shares in electronic form)

I/We, being the member(s) of ..... equity shares of Ess Dee Aluminium Limited, hereby appoint :

1) Name .....

Address : .....

Email Id .....

Signature : .....or failing him / her

2) Name .....

Address : .....

Email Id .....

Signature : .....or failing him / her

3) Name .....

Address : .....

Email Id .....

Signature : .....

as my / our proxy to attend and vote (on a poll) for me / us on my / our behalf at the 11<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 29<sup>th</sup> day of September, 2015 at 10.00 a.m. at Nazrul Mancha, 1, M.M. Feeder Road, Kolkata – 700 056 and at any adjournment thereof, in respect of the resolutions set out in the AGM Notice convening the meeting as are indicated below:

<b>Resolutions</b>	<b>For</b>	<b>Against</b>
1. Consider and adopt: a) Audited Financial Statement, Reports of the Board of Directors and Auditors for the year 2015-16 b) Audited Consolidated Financial Statement 2. Appointment of Director in place of Mr. Ashis Bhattacharya (DIN: 06500105) who retires by rotation and being eligible, seek re-appointment 3. Ratification for Appointment of Auditors and fixing their remuneration 4. Appointment of Mr. Madan Mohan Jain as an Independent Director 5. Appointment of Mr. T.S. Bhattacharya as an Independent Director 6. Approval of the Remuneration of the Cost Auditors for the FY 2015-16		

Signed this ..... day of ....., 2015

Signature of shareholder

Signature of proxy holder(s)

Affix revenue stamp
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**Note: This form of proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**





**Corporate Office:**

**ESS DEE ALUMINIUM LIMITED**

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