



September 5, 2019

To,

BSE Limited,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001  
Scrip Code – 532787

The National Stock Exchange of India  
Limited  
Exchange Plaza,  
Plot No. C/1, Block – G  
Bandra Kuria Complex,  
Bandra – East  
Mumbai – 400051

Dear Sir / Madam,

**Sub: Annual Report for the Financial Year 2017-18**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2018-19 to be approved and adopted by the members as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, at the 15<sup>th</sup> Annual General Meeting of the Company proposed to be held on Sunday, September 29, 2019 at 2.00 p.m. at Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata - 723142, West Bengal.

The above is also uploaded on the Company's website viz. [www.essdee.in](http://www.essdee.in) and the portal of the stock exchange, where the securities of the Company are listed.

Thanking You,

Yours Faithfully

**For Ess Dee Aluminium Limited**

**Debdeep Bhattacharya**  
Whole time Director  
DIN: 00464686

**ESS DEE ALUMINIUM LIMITED**

ESS DEE HOUSE, Akurli Road, Kandivali (East), Mumbai - 400 101, INDIA  
Tel.: +91-22-6690 8200 • Fax : +91-22-6690 8395/96 • Web.: [www.essdee.in](http://www.essdee.in) • CIN : L27203WB2004PLC17093

**Registered Office :** 1, Sagore Dutta Ghat Road, Kamarhati, Kolkata - 700 058, West Bengal

# **ESS DEE ALUMINIUM LIMITED**

Regd Office : 1 Sagore Dutta Ghat Road, Kamarhati Kolkata 700058



**ANNUAL REPORT – 2018-19**

## **ANNUAL REPORT – 2018-19**

### Contents

General Information .....	01
Chairman Statement.....	02
Notice to Shareholders .....	03
Directors' Report .....	07
Corporate Governance Report.....	20
Independent Auditor's Report (Standalone) .....	50
Standalone Financial Statements.....	66
Standalone Cash Flow Statement.....	68
Independent Auditor's Report (Consolidated).....	98
Consolidated Financial Statements.....	105
Consolidated Cash Flow Statement.....	109
Proxy Form and Attendance slip.....	136

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Sudip Dutta	Chairman
Mr. Gautam Mukherjee	Independent Director
Mr. Dilip Phatarphekar	Independent Director
Mr. Madan Mohan Jain	Independent Director ( <i>Resigned w.e.f. June 13, 2019</i> )
Mr. Debdeep Bhattacharya	Whole Time Director

### CORPORATE IDENTITY NUMBER

L27203WB2004PLC170941

### STATUTORY AUDITORS

Shah & Taparia,  
Chartered Accountants,  
12, 2<sup>nd</sup> Dhobitalao Lane, Navajeevan Wadi,  
Sonapur, Marine Lines, Mumbai - 400002

### INTERNAL AUDITOR

M. N. Kabra & Co.,  
Chartered Accountants,  
312, 2<sup>nd</sup> Floor, Swadesh Market,  
Kalbadevi Road, Mumbai-400002

### SECRETARIAL AUDITOR

Amit R. Dadheech & Associates,  
Company Secretary,  
Mumbai

### REGISTRAR AND TRANSFER AGENTS

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

### LENDERS

State Bank of India	Axis Bank Limited
IDBI Bank Limited	The Shamrao Vithal Co-operative Bank Limited
Bank of Baroda	Corporation Bank
Bank of Maharashtra	Union Bank of India
Life Insurance Corporation of India	IFCI Limited
Hero FinCorp Limited	

### 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, Kundalim Industrial Estate  
Kundalim, Goa - 403 115

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

## CHAIRMAN'S SPEECH

Dear Fellow Stakeholders,

The year gone by has continued to remain tough for your company. We witnessed negligible levels of activity with all manufacturing units shut down. This situation is expected to continue into FY2020 as our manufacturing units are still not operational. We have undertaken various measures to completely restructure the finances, to bring down debt to sustainable levels and to ensure adequate fund inflow to meet the project completion and working capital requirements over a longer horizon.

The restructuring process is time consuming as it involves locating potential equity partners with a shared and aligned vision, extensive discussions with the lenders and fulfilling the compliances to the various regulatory norms.

After two and a half decades of consistently exceeding expectations, we are now passing through turbulent times. Managing performance in such an unpredictable scenario and emerging successfully is a challenge, and I must take this opportunity to thank all stakeholders associated with this enterprise who have silently and actively supported the process.

Just to quickly re-cap, Ess Dee Aluminium had well and truly established itself as a market leader

1. With an integrated business model and eleven manufacturing units pan India deploying the hub and spoke model
2. Providing end to end comprehensive primary packaging solutions to the Health care, Food and FMCG segments
3. whilst ensuring compliance to global quality standards

During FY 2014, to counter the menace of spurious drugs, in keeping with our leadership status, we decided to invest heavily into upgradation and a paradigm shift in technology, automation, R&D, along with capacity expansion. This path would have propelled us to global recognition and acceptability. Unfortunately this vision and investment was not aligned with the Lender Banks leading to a debt trap, which in turn, adversely affected both project implementation and existing business.

Over the last 3 years we have been attempting a revival of the business by making several proposals to the lending institutions after intensive discussions with potential equity partners and other capital providers. We have still not been able to come to an amicable solution. We continue to make all efforts in that direction. We now hope to bring-in to your notice a comprehensive revival plan by the end of FY 2020, with a target to commence operations and complete the stalled transformational project in early calendar 2020. Further, on a regular basis we have reviewed the hygiene of our equipments besides sharing progress and our long-term plans with our marquee clientele. This gives us the confidence that we will move on to the path of sustainable and profitable growth within the shortest possible times once a settlement is arrived at with the lending institutions. Our enriched product portfolio will also help us expand our foot print globally. We firmly believe-in that there is light in spite of all the darkness

Although, the results may not be visible, it suffices to state that new ground is being covered every day in effecting a turnaround and reviving the fortunes of your company. We have also kept live the process of putting in place an experienced, effective and enabled team besides installing advanced Information Systems and review processes. We are filled with enthusiasm, hope and optimism. Our destination is very clear and together we will journey towards the setting new milestones at every stage.

As I end on that positive note, it will be amiss if I do not thank our dedicated staff members and numerous stakeholders including esteemed customers & bankers and all fellow shareholders for their help, counsel and support during these difficult times.

Sudip Dutta,  
Chairman

## NOTICE

NOTICE is hereby given that the 15<sup>th</sup> Annual General Meeting of the members of Ess Dee Aluminium Limited will be held on Sunday, September 29, 2019 at 2.00 p.m. at Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata - 723142 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt
  - (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2019, including the Audited Balance-sheet as at March 31, 2019, the statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditors' Report thereon and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 including the Audited Balance-sheet as at March 31, 2019, the statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditors' Report thereon.

Date: September 4, 2019  
Place: Kolkata  
Regd. Office: 1, Sagore Dutta Ghat Road  
Kamarhati Kolkata West Bengal-700058

By Order of the Board  
for **ESS DEE ALUMINIUM LIMITED**  
Sd/-  
**Debdeep Bhattacharya**  
(Whole Time Director)  
DIN: 00464686

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing the Proxy, in order to be effective, must be deposited at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising 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.
4. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified then SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on December 3, 2015 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization on or before April 01, 2019.
5. SEBI vide its circular no. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who hold securities of the company in physical form, to furnish to the company / its registrar and transfer agent, the details of their valid Permanent Account Number (PAN) and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Company or RTA. Members are requested to send copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of Members, duly attested by an authorised bank official. Members holding shares in dematerialized 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.

6. 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.
7. 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 30<sup>th</sup> September, 2018 (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. Kindly note that no claims will lie against the Company once the dividend amount is deposited in IEPF.
8. 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 2018-19 is 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 may also note that the Notice of the Meeting and the Annual Report 2018-19 will also be available on the Company's website [www.essdee.in](http://www.essdee.in) for their download.

9. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Tuesday, September 23, 2019 to Monday, September 29, 2019 (both days inclusive) for the purpose of compliance with the annual closure of Books as per Section 91 of the Companies Act, 2013.
10. 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.
11. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. In accordance with the Companies Act, 2013 read with the Rules and in support of the 'Green Initiative in Corporate Governance' the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialized format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their Email ID are requested to register their Email ID addresses with M/s Bigshare Services Private Limited, the Company's Registrars and Share Transfer Agents.

12. Route Map of Venue of the Meeting is attached with the Notice.

**13. 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.

**14. 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, 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 electronic voting systems from a place other than the 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.

**15. Instructions for members for voting electronically are as under:-**

- a) The voting period begins on September 26, 2019 at 9.00 a.m. and ends on September 28, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- d) Click on Shareholders.
- e) 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.
  - f) Next enter the Image Verification as displayed and Click on Login.
  - g) 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.
  - h) 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) 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. 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.
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. 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 (iv).

- i) After entering these details appropriately, click on "SUBMIT" tab.
- j) 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.
- k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the EVSN for the relevant <ESS DEE ALUMINIUM LIMITED> on which you choose to vote.
- m) 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.
- n) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o) 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.
- p) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

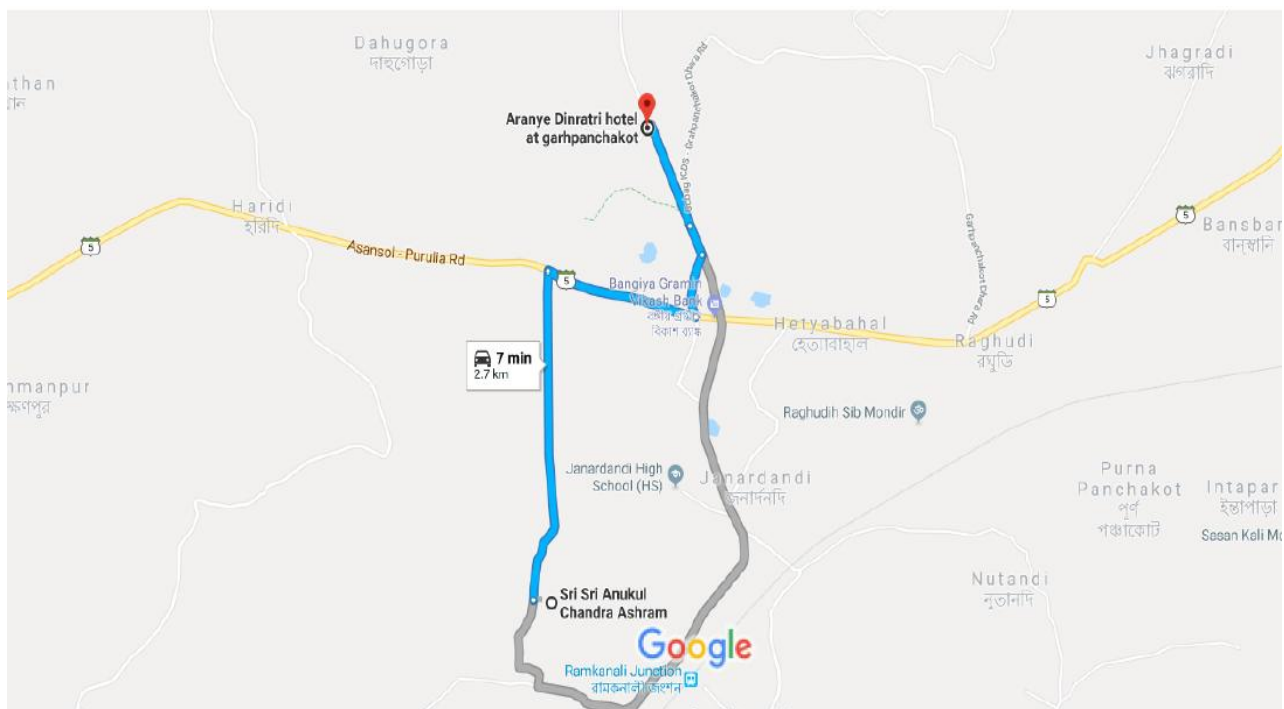


- q) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- r) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- t) 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 emailed 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.
- 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)

Date: September 4, 2019  
 Place: Kolkata  
 Regd. Office: 1, Sagore Dutta Ghat Road  
 Kamarhati Kolkata West Bengal-700058

**By Order of the Board  
 for ESS DEE ALUMINIUM LIMITED  
 Sd/-  
 Debdeep Bhattacharya  
 (Whole Time Director)  
 DIN: 00464686**

#### ROUTE MAP



## DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the Fourteenth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2019.

### 1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The financial highlights of the year are:

(Rs. in Lacs)

Particulars	Consolidated		Standalone	
	2019	2018	2019	2018
<b>Total Income</b>	<b>16.09</b>	<b>68.67</b>	<b>53.15</b>	<b>56.66</b>
<b>Total Expenditure</b>	<b>20,634.00</b>	<b>56,954.30</b>	<b>19,371.97</b>	<b>50,159.13</b>
<b>Profit/(Loss) before Tax</b>	<b>(20,617.91)</b>	<b>(56,885.63)</b>	<b>(19,318.82)</b>	<b>(50,102.47)</b>
Exceptional Items	(58,918.73)	-	(58,312.37)	-
Less Provision for Taxation	-	-	-	-
<b>Net Profit/(Loss) after Tax</b>	<b>(79,536.64)</b>	<b>(56,885.63)</b>	<b>(77,631.19)</b>	<b>(50,102.47)</b>
<b>Appropriation:</b>				
Transfer to General Reserve	--	--	--	--
Transfer to Debenture Redemption Reserve	--	--	--	--
Proposed Dividend	--	--	--	--
Dividend Distribution Tax	--	--	--	--
Earning Per Share (Rs.) Basic	(248.18)	(177.50)	(242.24)	(156.34)
Earning Per Share (Rs.) Diluted	(248.18)	(177.50)	(242.24)	(156.34)

### 2. PERFORMANCE REVIEW:

Your Company has done negligible production activity during the financial year ended March 31, 2019, owing to which there are no Income from Operations during the year under review. Further, the Overall Standalone Income has decreased to Rs. 53.15 lacs for the financial year ended March 31, 2019 as compared to last year's Standalone total income of Rs. 56.66. The Total Standalone Expenditure incurred during the financial year ended March 31, 2019 decreased to Rs. 19,371.97 as compared to Rs. 50,159.13 in the last financial year. The overall loss incurred by your Company in the current financial year has increased to Rs 77,631.19 lacs as compared to the Loss of Rs. 50,102.47 lacs in the previous financial year due to reduction in the expenditure of the Company.

The Overall Consolidated Income for the year under review has also decreased to Rs. 16.09 lacs as compared to last year's total income of Rs. 68.67 lacs. The consolidated total Expenditure for the financial year ended March 31, 2019 decreased to Rs. 20,634 lacs as compared to Rs. 56,954.30 lacs in the last financial year. The overall consolidated loss incurred by the Company in the current financial year increased to Rs. 79,536.64 lacs as compared to the Loss of Rs. 56,885.63 lacs in the previous year.

During the year the company has made provisions for Impairment of Fixed Assets, Provision for diminution in value of investment, Provision for doubtful debtors/Deposits/Advances to Suppliers and Provision for Balance written back for Creditors/Advance received from customers which is shown as exceptional items in the Profit & Loss Account.

### 3. SHARE CAPITAL:

During the year under review there was no change in the share capital of the Company and the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

Hence, the Authorised and Paid Up Share capital of the Company as on March 31, 2019 was Rs. 3,714,000,000/- and Rs. 32,04,78,110/- respectively Company during the period under review.

**4. TRANSFER TO RESERVE:**

During the year 2018-19, the Company has suffered losses and thus has not transferred any amount to reserves.

**5. DIVIDEND:**

In view of losses incurred during the period under review, the Company does not recommend any dividend on the equity shares for the financial year ended March 31, 2019.

**6. PUBLIC DEPOSIT:**

The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

**7. SUBSIDIARY AND ASSOCIATES**

**Flex Art Foil Limited (FAFL)**

Flex Art Foil Limited is the 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 the 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 December, 2011 (hereinafter referred as **Foreign Subsidiary**).

Information regarding the subsidiaries Companies for the financial year 2018-19 is annexed as (**Annexure-I**).

**8. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Change in Directors during the Financial Year ended March 31, 2019:-**

During the year under review, there was no appointment/resignation of Director or Key Managerial Personnel (KMP) in the Company. However, Mr. Madan Mohan Jain, Independent Director of the Company has resigned from the Board with effect from June 13, 2019.

**Independent Directors:-**

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulations 16 & 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further the Board of the company provides that none of the directors of the Company exceed the limit of directorship prescribed.

**Disqualification of Directors under Section 164 (2):-**

As per the provisions of Section 164(2) of the Companies Act, 2013, any person who is or has been a director of the Company who has failed to file the financial statements or annual returns for any continuous period of three financial years or has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall not be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

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 SEBI Listing Regulations, 2015.

All the Directors of your Company are disqualified under Section 164 (2) of the Companies Act, 2013 as the Company has defaulted in re-payment of Non-Convertible Debentures issued by the Company. As required by law, this position is also reflected in the Auditors' Report.

**Key Managerial Personnel:-**

Pursuant to the provisions of Section 2(51) and 203 of the Companies Act, 2013, Mr. Debdeep Bhattacharya (DIN.00464686) has been appointed as Key Managerial Personnel and Whole Time Director of the Company w.e.f May 30, 2016. Apart from Mr. Debdeep Bhattacharya, the Company has not appointed any other Key Managerial Personnel on the Board of the Company

**Following are the Details of Directors on the Board of the Company during the financial year ended March 31, 2019**

Sr. No.	Name of Directors	DIN	DATE OF APPOINTMENT
1.	Sudip Dutta	00017052	10/02/2004
2.	Dilip Phatarphekar	00002600	22/05/2006
3.	Gautam Mukherjee	00212505	22/05/2006
4.	Madan Mohan Jain	00003580	14/01/2010
5.	Debdeep Bhattacharya	00464686	30/05/2016

**9. NUMBER OF BOARD MEETING**

During the year under review, 5 (Five) Board Meetings and 4 (Four) Audit Committee meetings 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.

**10. POLICY ON DIRECTORS' 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 Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 are annexed as **(Annexure-E)** of this Report.

**11. VIGIL MECHANISM:**

The Company has a Whistle Blower Policy to report genuine concerns or grievances & to provide adequate safeguards against victimization of persons who may use such mechanism. The Whistle Blower Policy has been posted on the website of the Company at [www.essdee.in](http://www.essdee.in).

**12. ANTI SEXUAL HARASSMENT POLICY**

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. 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. 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.

**13. DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 14. BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 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:

##### Committee of the Board

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

##### Individual Directors

- a) **Independent Directors:-** in accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each Independent Director was evaluated by the entire Board of Directors on various parameters 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.

None of the Independent Directors have not entered into any transactions with promoter or promoter group, which hold(s) 10% or more shareholding during the financial year under review.

Mr. Gautam Mukherjee and Mr. Dilip Phatarphekar, Independent Directors of the Company are also Directors in M/s. Flex Art Foil Limited, unlisted material subsidiary of our Company.

- b) **Non Independent Director:-** The performance of each 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.

#### 15. FAMILIARIZATION PROGRAMME

The Company has established a Familiarization Programme for Independent Directors.

As per Reg. 25(7) of SEBI (LODR) in which the Board briefed them about the following points:

- a) Nature of the industry in which the Company operates
- b) Business model of the Company
- c) Roles, rights, responsibilities of independent directors
- d) Any other relevant information

#### 16. 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, 2019, 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, 2019 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 caused to prepare 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.

#### **17. COST AUDITORS**

Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time laid down the requirement for appointment of Cost Auditor. By virtue of having negligible turnover during the preceding financial year and since the Company is not meeting the threshold laid down under the Act, the Company has not appointed any Cost Auditor in the Company.

#### **18. 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. Amit R. Dadheech & Associates, a firm of Company Secretaries in Practice (CP No. 8952), to undertake the Secretarial Audit of the Company for the year 2018-19. The Secretarial Audit Report is annexed herewith as **(Annexure-F)**.

#### **Clarification in relation to the observation reported in Secretarial Audit Report is given below:**

1. The Company is under severe financial stress have virtually negligible level of production and operation being stalled at certain manufacturing units due to liquidity constraints and shall take necessary steps for payment of all the statutory dues to regulatory authorities like Income Tax, Service Tax, Customs, Provident Fund, ESIC etc.
2. The Company has been looking for various options for its revival and shall ensure to make the repayment of debts due to the secured as well as unsecured creditors of the Company including the banks/financial institutions.
3. Due to irregularity/delay in payments to the depositories and intermediaries like NDSL, CDSL, Registrar and Share Transfer Agent (R&T), certain reports have been released by them after the prescribed due date for filing the returns, which have caused delay in filing of certain forms/disclosures to Registrar of Companies, West Bengal and Stock Exchanges where the securities of the Company are listed i.e. BSE and NSE.
4. The Company is not a position to appoint a whole-time key managerial personnel and professional on the Board of the Company such as Company Secretary and Chief Financial Officer looking at the present financial condition of the Company. Also, due to default in repayment of Loans / Debt and classification of Company's account as Non Performing Asset (NPA), the Company is finding it difficult to identify and appoint a women director on the Board of the Company. Due to this deadlock, the Company has not been able to comply with the relevant provisions of SEBI (Listing and Disclosure Requirements) Regulations, 2015 and the Company is also not in the position to pay the huge penalties levied by the Stock Exchanges for the same.
5. In order to reduce the overheads and overall managerial remuneration, the Company is not a position to appoint Key Managerial Personnel on the Board of the Company and shall take necessary steps to appoint the same them after achieving financial stability.
6. Due to irregularity/delay in payments to the depositories and intermediaries like NDSL, CDSL, Registrar and Share Transfer Agent (R&T), certain reports have been released by them after the prescribed due date for filing the returns, which have caused delay in filing of certain forms/disclosures to Registrar of

Companies, West Bengal and Stock Exchanges where the securities of the Company are listed i.e. BSE and NSE.

7. The Company is foreseeing to re-commence the production at all the manufacturing units in the coming financial year.
8. The Company shall take necessary steps for meeting its CSR Obligation in the coming financial year after achieving financial stability.
9. The Company shall take necessary corrective steps to comply with the provisions of Section 197 & 198 read with Schedule V of the Companies Act, 2013
10. The Company is in the process of taking necessary steps for obtaining the possession of the corporate office of the Company by making the necessary payment to the Creditor of the Company.
11. The Company shall take necessary steps to transfer the said amount to Investor Education and Provident Fund (IEPF) in the due course of time

#### **19. 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 under Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 (SEBI Listing Regulations) is included in the Annual Report as **(Annexure-C)**.

#### **20. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

An Audit Committee of the Board of Directors of the Company has been constituted as per provisions of the Companies Act, 2013 and SEBI (LODR), 2015.

The Internal Audit Function is looked after internally by the finance and accounts department, and reviewed by the audit committee and the management at the regular intervals. The Internal Auditors Reports dealing with Internal Control Systems are considered by the Audit Committee and appropriate actions are taken, whichever necessary.

#### **21. 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 to the Financial Statements.

#### **22. PARTICULARS OF CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement (Regulations), 2015, 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.

However, there were no Related Party Transactions entered into by your Company during the year under review. 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 and thus is not provided hereunder.

#### **23. CORPORATE SOCIAL RESPONSIBILITY:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company is set out in **(Annexure-A)** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### **24. RISK MANAGEMENT:**

Pursuant to the requirement of Regulation 27 of SEBI Listing Regulations, the Company has a structured Risk Management Policy. The risk management process is designed to safeguard the organisation from various risks through timely and adequate actions. It is designed to anticipate, evaluate and mitigate risk in order to minimise its impact on the business. The potential risks are inventoried 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 Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, 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 inter-alia 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.

**25. PARTICULARS OF EMPLOYEES AND REMUNERATION:-**

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 remuneration paid to the Directors/ employees of your Company are set out as **(Annexure-D)**.

**26. 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 provided as **(Annexure-H)**. Further, we would like to inform that since there were no operations carried out by the Company during the financial year under review, there were no figures for energy and / or technology consumption or foreign exchange earnings and outgo to be reported.

**27. EXTRACT OF ANNUAL RETURN**

The annual report has been posted on the website of the Company at [www.essdee.in](http://www.essdee.in).

**28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report. **(Annexure-B)**

**29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year under review, there was 'Corporate Insolvency Resolution Process' (CIRP) initiated against the Company, on a petition filed by Cytech Coatings Private Limited, which was admitted vide an Order of the National Company Law Tribunal (NCLT), Kolkata dated June 18, 2018 under the provisions of the Insolvency and Bankruptcy Code 2016 ("Code / IBC"). The Hon'ble NCLT on June 18, 2018, appointed Mr. Rajendra K. Bhuta as Interim Resolution Professional (IRP) in terms of IBC, who was subsequently confirmed as Resolution Professional (RP) by Committee of Creditors (CoC), constituted under IBC. Mr. Rajendra K. Bhuta, in his capacity as RP, has taken control and custody of the management and operations of the company with effect from June 18, 2018.

However, the Company took necessary steps and settled the matter with the other party and as per the settlement; the disputed amount was deposited with the Registrar, NCLT, Kolkata Bench.

In effect, order(s), passed by the Adjudicating Authority appointing 'Resolution Professional', declaring moratorium, freezing of account, and all other order (s) passed by the Adjudicating Authority pursuant to impugned order and action, taken by the 'Resolution Professional', including the advertisement, published in the newspaper calling for applications all such orders and actions were declared illegal and are set aside. The application preferred by Respondent under Section 9 of the 'I&B Code' was dismissed.

**30. MATERIAL EVENTS AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY:**

The following material event and commitment occurred during the financial year ended March 31, 2019 and before the date of this report that have significant bearing on the financial position of the Company:



1. Most of the production facilities have faced challenges due to severe financial stress and liquidity constraint, resulting in all the manufacturing units becoming virtually non-operational during the period under review.
2. There were no operations carried out by the Company and thus no operational income was generated during the financial year under review.
3. Suspension of work at one of the manufacturing units of the Company situated at Kamarhati, Kolkata w.e.f. 01 July, 2016.
4. The Company has defaulted in repayment of Non-Convertible Debentures obtained from Life Insurance Corporation of India Limited, which has resulted into disqualification of Directors of the Company.
5. Most of the senior leadership team which was directly responsible for the Company's business affairs was responsible for overgrown debt burden and consequent financial stress and has left the company.
6. The Company has been looking for various options for its revival. A critical element of the revival plan is settlement of the debt burden and infusion of fresh capital to provide liquidity for re-starting the business. The Company is in discussions with all lenders for resolution of the problems including possible restructuring and one-time settlement. The Company has also sought for and received support from Institutional investors to help in the resolution plan.
7. The Company and the Prospective Investors (including the fund's manager and/or funds advised by SSG Capital Management and their associates) have continued to look for various options for revival and are in active discussions with existing as well as prospective lenders. Further, SSG Capital Management has, through its asset reconstruction entity in India, taken over the loans given by one bank and is in advanced stage of negotiations for similar restructuring/settling loans of other banks and lenders. The wholly owned subsidiary in Singapore, Ess Dee Aluminium PTE Ltd is the fulcrum and cornerstone of the revival activity and will continue to play a key and pivotal role in the revival process.

**31. Fraud Reported by auditors other than those which are reportable to the Central Government – 143(12)**

During the year under review, the Company has not reported any fraud mentioned under Section 143(12) of the Act.

**32. 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 to 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**

**Sd/-**

**Debdeep Bhattacharya**

**Whole Time Director**

**DIN: 00464686**

**September 4, 2019**

**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 Companies on the one hand and the society and the environment on the other. The Company is committed towards sustainability and in all business decisions takes into account its social and environmental impact.

Further, the Company is dedicated and committed towards social welfare and responsibility and is continuously striving to sketch down a brief map for carrying out the CSR Activities.

**Applicability:-**

The provision of Section 135 of the Companies Act, 2013 is applicable for any financial year to such class or classes of companies having:

- i. Net Worth rupees five hundred crore or more or;
- ii. Turnover of rupees one thousand crore or more or;
- iii. Net profit of rupees of five crore or more in any financial year.

The Company does not meet any of the aforesaid criteria laid down under Section 135 of the Companies Act, 2013, thus the compliance with the provisions of the Section 135 is not applicable to the Company. Accordingly the Company is not required to make any expenditure in connection to Corporate Social Responsibility rules framed by the Act. However, the Company already has in place the Corporate Social Responsibility Committee, which is responsible for implementation of CSR Policy framed by the Board. The Composition of the CSR Committee is given below:

**Composition of CSR Committee:**

Mr. Gautam Mukherjee, Independent Director is the Chairman of the Committee  
Mr. Debdeep Bhattacharya and;  
Mr. Dilip Phatarphekar is the other members of the Committee.

**Further, details required to be provided in terms of provisions of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as CSR Rules) are provided below:**

Prescribed CSR Expenditure (two per cent of Average Net Profit): **NA**

1. Details of CSR spent during the financial year: **NIL**
2. Total amount to be spent for the financial year: **NIL**
3. Amount unspent: Rs.309.94 Lacs
4. Manner in which the amount spent during the financial year: **Not Applicable**

The Company is required to spend cumulatively Rs.309.94 lacs towards CSR for the FY 2014-15 and 2015-16.

**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 has not made any expenditure in relation to CSR for the past financial year as Company was under process of identifying and finalising the desired proposal for CSR expenditure and the Company also going through severe financial stress. The Company hereby confirms to make the statutory expenditure in the terms of Section 135 of the Companies Act, 2013 for the past Financial Years as and when the eligible institute and activities falling under category of CSR activities are finalised and the Company comes out of the financial crunch and distress.

Further, we would like to state that due to erosion of substantial networth of the Company and continued financial distress, the Company does not cross the limit specified under the CSR Rules for the applicability of CSR provisions and thus the same is not applicable to the Company during the year.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Development Outlook

Ess Dee Aluminium is a fully integrated provider of comprehensive primary packaging solutions to the Healthcare, food and FMCG sectors. From our plants located pan India, we provide tailor made solutions that involve multiple processes like cold rolling of aluminium foil, lamination, extrusion, coating, printing, etc.

As per latest estimates, the Indian packaging industry is valued in excess of USD 33 Million with CARG @ 15 %. The per capita packaging consumption in India is quite low at 4.3 kgs, compared to countries like Germany and Taiwan where it is 42 kgs and 19 kgs respectively. This along with the projected growth of end use segments like FMCG, food and beverages, pharmaceuticals, provides immense opportunities for future growth. The environment friendly, barrier, dead fold, aesthetic and other properties of aluminium foil in isolation or in combination with various other substrates, polymers, resins and lacquers makes it a packaging material of choice.

According to the estimates of the World Packaging Organisation, the global packaging industry reports an annual turnover of about US\$500 billion with CARG @ 5 %. Packaging materials used in the food and beverage come in close contact with edible materials. 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. Customer convenience is the top priority for the vendors in the global packaging market. Several packaging companies are focusing on new packaging designs or redesigning the existing packaging especially in consumer goods. Consumers prefer such packaging that requires minimum time and effort to open, carry, and store such as zippers re-closure, tear notches, peel-off lids, hang hole features, and microwavable pouches. Such packaging designs are being increasingly produced to meet the growing consumer demand for food and beverage products. Global growth is being shaped by emerging market demands and an increased purchase of packaged goods- we see the global consumption for packaging shift eastwards, driven by the populous Asia Pacific region which provides strongest regional performance for packaging, underpinned by a rising wealth in the region.

We are principally aligned with the Health Care, FMCG and Food segments having very strong fundamentals and massive growth opportunities

### **Pharmaceuticals**

- Indian Pharmaceutical Industry is expected to expand at a Compound Annual Growth Rate (CAGR) of 15.92 per cent to US\$ 55 billion by 2020 from US\$ 20 billion in 2015.
- India's cost of production is nearly 33 per cent lower than that of the US.
- Labour costs are 50–55 per cent cheaper than in Western countries. The cost of setting up a production plant in India is 40 per cent lower than in Western countries.
- Cost-efficiency continues to create opportunities for Indian companies in emerging markets and Africa.
- India has a skilled workforce as well as high managerial and technical competence in comparison to its peers in Asia.
- India has the 2nd largest number of USFDA-approved manufacturing plants outside the US.
- India has 2,633 FDA-approved drug products and has over 546 USFDA-approved company sites, the highest number outside the US.
- The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others.
- Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants and anti-cancer that are on the rise.
- The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augur well for the pharmaceutical companies.

- The implementation of the Goods and Services Tax (GST) is expected to be a game-changer for the Indian Pharmaceuticals industry. It will lead to tax-neutral inter-state transactions between two dealers, thereby reducing the dependency on multiple states and increasing the focus on regional hubs. It is expected to result in an efficient supply chain management, which is expected to reduce its cost considerably. The cost of technology and investment is expected to reduce on account of tax credit which can be availed now on the duties levied on import of costly machinery and equipment.

### **FMCG and Food Sectors**

- Favourable demographics and rise in income level to boost FMCG market.
- FMCG market in India is expected to grow at a CAGR of 20.6 per cent and is expected to reach US\$ 103.7 billion by 2020 from US\$ 49 billion in 2016.
- Urbanization-Modern technology is now an integral part of nation's society today with high-end package usage increasing rapidly. As consumerism is rising, rural India is also slowly changing into more of an urban society. The liberalization of the Indian economy, coupled with globalisation and the influx of the multi-nationals, has improved the quality of all types of primary and secondary packaging. Also industrialization and expected emergence of the organized retail industry is fuelling the growth of packaging industry.
- Increasing Health Consciousness- As people are becoming more health conscious, there is a growing trend towards well packed, branded products rather than the loose and unpackaged formats. Today even a common man is conscious about the food intake he consumes in day-to-day life.
- Indian Economy Experiencing Good Growth Prospects-The Indian economy is growing at a promising rate, with growth of outputs in agriculture, industry and tertiary sectors. Overall economic growth has proved to be beneficial for the consumer goods market, with more and more products becoming affordable to a larger section of the population.
- Changing Food Habits amongst Indians- Changing lifestyles and lesser time to spend in kitchens are resulting in more incidence of eating away from homes resulting in explosive growth of restaurants and fast food outlets all over the country. Indians are trying out newer cuisines and also purchasing similar food items for their homes. Therefore, the review period has seen new products like pasta, soups, noodles and ready –to – eat products being launched in India, fuelling the growth of packaging industry in India.
- Personal health consciousness amongst Indians- With growing awareness towards contagious diseases like AIDS and other STDs awareness towards usage of contraceptives and disposables syringes have increased the demand for packaging required for the same.
- Rural Marketing Pushing Demand for Sachets- India comprises of a big rural market and there has been growing focus on rural marketing, whereby manufacturers are introducing low-priced goods in smaller pack sizes. Low priced sachets have proved to be extremely popular in smaller towns and villages, where people do not prefer to buy larger packs due to financial constraints
- Our focus is on aluminium foil based technologically superior barrier packaging solutions for household care, personal care, confectionery, prophylactic, food and beverages segments. Focus on protection, barrier, convenience, cost savings in materials, storage and transport, smaller units, aesthetics, environment friendly packaging

### **OPERATIONS**

Your Company operates in the single segment i.e. Advanced Primary Packaging Solutions. The Company's foil rolling capacity is 37,000 TPA. During the year the company has made provisions for Impairment of Fixed Assets

Due to extended financial stress our operations have come to a standstill although we continue to execute regular technical audits to assess the health of the equipment so that we can recommence expeditiously once the restructuring is in place.

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

### **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.

### **Strong Team :**

The Company is putting in to place an experienced, relevant and enabled management team along with an effective implementation team so that the turnaround can be affected in the shortest possible lead time post the restructuring. 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.

### **Strong Product development capabilities:**

Ess Dee has a track record of bringing in many firsts 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.

### **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.

### **Highly Focussed on Quality:**

Ess Dee has installed several online and standalone equipment for testing the quality of aluminium 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:

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.

### **Economic Headwinds:**

Pharmaceutical and FMCG represent the two major segments from which Ess Dee derive 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.

**Regulatory Risks:**

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

**Unorganised Market:**

The Packaging industry in India continues to be plagued by unorganised players and at present, the pharmaceutical packaging sector is largely serviced by large number of players in the unorganised sector, with low investment in infrastructure, technology, no investment in R&D, primarily owner driven small scale units. Ess Dee with its backward integrated business model, single window solution providing capability, 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 enhances 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 31st December, 2002 further amended by Circular No. CIR/MRD/DP/30/2010 dated 6th September, 2010 issued by the Securities and Exchange Board of India ("SEBI"), Reconciliation of Share Capital Audit has been 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 realised. The Company's actual results, performance or achievements might differ materially from those either expressed or implied herein.

**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is based on the principles of integrity, transparency, accountability and commitment to values. Ess Dee views its Corporate Governance policies not only to comply with the statutory requirements in letter and spirit, but also to aim at implementing the best practices, keeping in view the overall interest of all its stakeholders. Your Company takes Corporate Governance as a critical tool to enhance trust of its Customers, Employees, Investors, Government and the Community at large and achieve its goal of maximizing value for its stakeholders. The Company has adopted a Code of Conduct for its Directors, employees and officers as well as those of its subsidiaries.

The commitment of the Ess Dee Group to the highest standards of good corporate governance practices predates SEBI and the provisions of the recent SEBI Listing Regulations, 2015. Ethical dealings, transparency, Integrity, fairness, disclosure and accountability are the main thrust of the working of the Ess Dee Group.

In view of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company continuously follows the procedure of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability, trusteeship and checks at the different levels of the management of the Company.

**2. BOARD OF DIRECTORS**

At Ess Dee Aluminium Limited, the Board along with its Committees provides leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. We believe an active, well-informed board is vital to attain the highest standards of Corporate Governance. An independent and strong board is the utmost requirement of the Company so as to ensure that the best practices are adopted by the Company.

**3. BOARD PROCEDURES**

The members of the Board have been provided with the requisite information in the SEBI (LODR) Regulations, 2015, as applicable well before the Board Meeting and the same was dealt with appropriately. All the Directors who are in various committees are within the permissible limit of the SEBI (LODR) Regulations, 2015. However, the Directors of the Company are disqualified for appointment as director under any of the provisions of the Companies Act, 2013.

**A.COMPOSITION AND CATEGORY OF DIRECTORS**

Sr.	Name	Promoter & Chairman	Executive	Non-Executive	Independent	Non Independent
1.	Mr. Sudip Dutta	√		√		√
2.	Mr. Gautam Mukherjee			√	√	
3.	Mr.Dilip Phatarphekar			√	√	
4.	Mr.Madan Mohan Jain			√	√	
5.	Mr. Debdeep Bhattacharya		√			√

- No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.
- None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

**B. THE DETAILS OF THE DIRECTORS WITH REGARD TO ATTENDANCE AT THE BOARD MEETING HELD DURING THE FINANCIAL YEAR 2018-2019 AS FOLLOWS:-**

Sr. No.	Name of Director	No of Board Meetings held during the year	No of Board Meetings attended during the year
1.	Mr. Sudip Dutta	4	1
2.	Mr. Gautam Mukherjee	4	4
3.	Mr. Dilip Phatarphekar	4	1
4.	Mr. Madan Mohan Jain	4	4
5.	Mr. Debdeep Bhattacharya	4	4

**C. THE DETAILS OF THE DIRECTORS WITH REGARD TO HOLDING POSITION IN VARIOUS COMMITTEES FORMED BY THE COMPANY**

The Board of Directors has 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 their 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 five Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Finance Committee and Risk Management Committee.

Name of the Director	Designation	Total Directorship	Committee Membership	Chairman of Committees
<b>Executive Directors</b>				
Mr. Debdeep Bhattacharya	Whole Time Director	3	1	-
<b>Independent Director</b>				
Mr. Gautam Mukherjee	Independent Director	3	3	2
Mr. Dilip Phatarphekar	Independent Director	2	4	1
Mr. Madan Mohan Jain	Independent Director	2	3	1

**D.NO. OF BOARD MEETINGS**

During the year under review, 4 (Four) meetings of the Board of Directors were held on 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019. The gap between any two boards meetings did not exceeded one hundred and twenty days.

All the members of the Board were provided requisite information as required as per SEBI Listing Regulations, 2015 well before the Board Meeting.

**I. AUDIT COMMITTEE**

The Company has an Independent Audit Committee comprising of 3 (Three) Independent Directors: Mr. Gautam Mukherjee (Chairman), Mr. Dilip Phatarphekar and Mr. Madan Mohan Jain as on March 31, 2019. 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 provisions of SEBI Listing Regulations.

Four meetings of the Audit Committee were held during the financial year under review i.e. on 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019 The gap between two consecutive meetings did not exceed four months. The necessary quorum was present for all the meetings.

The Internal Auditors and the Statutory Auditors are invitees to the meeting. The Company Secretary acts as the Secretary to the Committee and attends 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 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 being 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 utilization 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 Vigil 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 SEBI Listing Regulations
- xiv) The Audit Committee has 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:**

<b>Sr. No.</b>	<b>Name of the Members</b>	<b>No. of Meetings Attended</b>
1.	Mr. Gautam Mukherjee	4
2.	Mr. Dilip Phatarphekar	1
3.	Mr. Madan Mohan Jain	4

## **II. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

As on March 31, 2019, the Stakeholders' Relationship Committee comprised of Mr. Madan Mohan Jain (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.

One meeting of the Committee was held during the financial year 2018-2019 on 14.11.2018.

There were no outstanding complaints as on March 31, 2019.

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

<b>Sr. No.</b>	<b>Name of the Members</b>	<b>No. of Meetings Attended</b>
1.	Mr. Dilip Phatarphekar	NIL
2.	Mr. Gautam Mukherjee	1
3.	Mr. Madan Mohan Jain	1

## **III. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of Independent Directors, namely Mr. Dilip Phatarphekar (Chairman), Mr. Madan Mohan Jain and Mr. Gautam Mukherjee as members as on March 31, 2019. 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, there were no Meetings of the Nomination and Remuneration Committee.

## Details of remuneration for the year ended March 31, 2019:

### a) Executive Directors

(Rs. in lacs)

Name	Designation	Salary	Allowances & Perquisites	Total	Relationship with any other Director
Mr. Debdeep Bhattacharya	Whole Time Director	NIL	NIL	NIL	None

### 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, 2019
Mr. Sudip Dutta	Nil	18,265,709
Mr. Gautam Mukherjee	22,500/-	Nil
Mr. Dilip Phatarphekar	Nil	Nil
Mr. Madan Mohan Jain	22,500/-	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.

## IV. FINANCE COMMITTEE

Mr. Sudip Dutta is the Chairman of the Committee and Mr. Dilip Phatarphekar, Director of the Company are the members of the Finance Committee of the Board of Directors of the Company.

No meetings of the Finance Committee were held during the financial year under review.

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

1. Borrowings from banks / financial institutions upto an aggregate limit of Rs. 500.00 crores.
2. Granting Loans to companies / firms / individual, whether subsidiaries / associates or otherwise, upto a limit of Rs. 10.00 crores per Company or firm and Rs. 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.

## 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. Dilip Phatarphekar and Mr. Debdeep Bhattacharya is the other members of the Committee.

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

No Meeting of the CSR Committee was held during the financial year under review.

**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.

**E. INDEPENDENT DIRECTORS AND ITS MEETING**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI LODR Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 27 of SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on November 14, 2018, 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 were present in the meeting.

**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
30.12.2016	12 <sup>th</sup> AGM	Nazrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056	11.00 a.m.	No
31.12.2017	13 <sup>th</sup> AGM	Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata – 723142, West Bengal	9.30 a.m.	No
30.09.2018	14 <sup>th</sup> AGM	Aranye Dinratri, Gobagh, Niturja, Purulia, Kolkata-723142, West Bengal	11.30 a.m.	No

**b) Extra Ordinary General Meetings:**

There was no Extra Ordinary General Meeting held during the financial year under review

**c) Postal Ballot :**

There was no Postal Ballot conducted for obtaining the approval of members of the Company during the financial year under review

**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 ESSDEE 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 Whole Time Director is given below:**

<p><b>To</b> <b>The Shareholders of Ess Dee Aluminium Limited</b></p> <p><b>Sub: Compliance with Code of Conduct</b></p> <p>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 March 31, 2019.</p> <p>September 4, 2019</p> <p style="text-align: right;"><b>Debdeep Bhattacharya</b> <b>Whole Time Director</b></p>
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## 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 is 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.

Accounting Standard 18 'Related Party Disclosures' are presented under Notes of the Balance Sheet:

No 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 during the financial year under review.

The Audit Committee has reviews the related party transactions as mandatorily required under SEBI Listing Regulations

**b. Compliance**

- i. The Company is not complied with certain applicable mandatory requirements of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and adoption of non-mandatory requirement under the said Regulation is 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 during the financial year under review
- iii. The Company has adopted a Vigil Mechanism in terms of provision of the Companies Act, 2013 and SEBI Listing Regulations

**c. Auditor’s Certificate on Corporate Governance**

The Company has obtained a certificate from the Practicing Company Secretary testifying to the compliance with the provisions relating to Corporate Governance laid out in Regulation 27 of the Listing Regulations, 2015. 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 ‘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: September 29, 2019

Time: 2.00 P.M.

Day: Sunday

Venue: Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata - 723142

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

September 27, 2019 before 2.00 PM at the registered office of the Company.

**(iii) Financial Year:**

The Company observes the period starting from April 01 to March 31 as its financial year.

Financial Calendar 2019-2020 (tentative) Schedule for the Board Meetings are as follows:

First Quarter ending June 30, 2019	On August 14, 2019
Second Quarter and Half yearly Results ending September 30, 2019	Before November 14, 2019
Third Quarter ending December 31, 2019	Before February 14, 2020
Fourth Quarter and Annual Results ending March 31, 2020	Before end of May 14, 2020

**(iv) Date of book closure:**

Monday, September 23, 2019 to Sunday, September 29, 2019 (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 (NSEIL). The Company debt securities are listed on Wholesale Debt Market (WDM) of BSE Ltd.

**(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

**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 March, 31 2019 are given as follows:

Month	BSE		NSE	
	High	Low	High	Low
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
April, 2018	62.10	46.25	62.40	43.15
May, 2018	57.00	35.20	57.00	34.90
June, 2018	36.00	27.15	36.45	27.00
July, 2018	29.45	19.20	28.60	20.05
August, 2018	31.65	22.00	33.95	23.20
September, 2018	27.00	17.10	27.40	16.95
October, 2018	17.90	12.10	17.45	12.05
November, 2018	21.56	13.00	21.40	12.65
December, 2018	21.00	17.10	21.05	16.90
January, 2019	22.85	14.20	24.30	14.00
February, 2019	16.00	10.35	15.90	10.60
March, 2019	17.30	12.80	17.30	12.95

Sources: BSE, NSE, Sensex and S &amp; 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. Madan Mohan Jain as Chairman, Mr. Dilip Phatarphekar 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 scrip form part of the SEBI's compulsory demat segment bearing ISIN No. INE825H01017.

**(x) Distribution of shareholding as on March 31, 2019:**

Holding	No. of Shareholders	Amt of Share Capital	Shareholding %
1-5000	13213	14464230	4.51
5001- 10000	1125	9007510	2.81
10001- 20000	578	8698060	2.71
20001- 30000	205	5216720	1.62
30001- 40000	125	4475710	1.39
40001- 50000	89	4224230	1.31
50001-100000	165	12045270	3.75
100001 & above	161	262346380	81.86
<b>Total</b>	<b>15661</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 i.e. 32,047,551 Shares (99.99%) is held in dematerialised forms as on March 31, 2019. The entire shareholdings of the Promoters of the Company are in demat form.

Trading in Equity Shares of the Company is permitted only in dematerialised 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 01 April, 2015	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 March, 2019 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,  
Kundalim Industrial Estate,  
Kundalim, 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: [cs@essdee.in](mailto:cs@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

**ADDITIONAL INFORMATION TO BE PROVIDED AS PER SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015****PARA A: DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT TO RELATED PARTY TRANSACTIONS**

SR.NO.	IN THE ACCOUNTS OF	DISCLOSURES OF AMOUNTS AT THE YEAR END AND THE MAXIMUM AMOUNT OF LOANS/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE YEAR.	REMARKS
1.	<b>Holding Company</b>	Loans and advances in the nature of loans to subsidiaries by name and amount. Loans and advances in the nature of loans to Associates by name and amount. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	Not Applicable
2.	<b>Subsidiary</b>	Loans and advances in the nature of loans to holding company by name and amount. _ Loans and advances in the nature of loans to associates by name and amount. _ Loans and advances in the nature of loans to Firms / companies in which directors are interested by name and amount.	No related party transactions were entered into by the Company during the year under review.
3.	<b>Holding Company</b>	Investments by the loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	Not Applicable

**DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

The listed entity need to disclose the following details and as long as there are shares in the demat suspense account or unclaimed suspense account:

SR.NO.	PARTICULARS	REMARKS
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL
5.	That the voting rights on these shares shall remain frozen till the Rightful owner of such shares claims the shares	NIL

**DECLARATION**

I, Debdeep Bhattacharya, Whole Time Director of Ess Dee Aluminium Limited (EDAL), hereby confirm pursuant to Regulation 34(3) read with Schedule V (D) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 that:

The Board of Directors of EDAL has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. [www.essdee.in](http://www.essdee.in). All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2019.

**FOR ESS DEE ALUMINIUM LIMITED**

**Sd/-**

Debdeep Bhattacharya  
Whole Time Director

Date: September 4, 2019  
Place: Mumbai

## REPORT OF AUDITORS ON CORPORATE GOVERNANCE

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 31 March, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. However, the Company has not appointed Women Director and other Key Managerial Personnel as required under Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. Further, the trading in securities of the Company has been suspended by Stock Exchanges and there has been freezing of demat accounts of Promoter and Promoter Group w.e.f July 5, 2019, due to non compliance with certain Regulations of SEBI (Listing and Disclosure Requirements) Regulations, 2015 requiring appointment of Whole-Time Company Secretary and Women Director on the Board of the Company and due to non payment of penalty levied for the same, pursuant to the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018.

We also wish to state there were instances where the investor grievances were pending for a period exceeding one month and there were NIL investor grievances pending against the Company as at March 31, 2019, as per the records maintained by the Registrar & Share Transfer Agent and reviewed by the Board.

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

**For Amit R. Dadheech & Associates**

**Sd/-**

**Amit Dadheech**

**M. No: 22889**

**Mumbai, September 4, 2019**

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

During the year under review, the Company has not paid any remuneration or salary to any employee / directors of the Company.

Thus, the percentage increase in remuneration of each Director and Key Managerial Personnel during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company cannot be provided since there were no remuneration / salary paid to any Employees or Directors or Key Managerial Personnel of the Company.

The details of remuneration to be paid to the Directors / KMP for the financial year ended March 31, 2019 is given below:

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director / KMP for the FY 2018-19	% increase in remuneration in the FY 2018-19	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. Sudip Bijoy Dutta (Chairman)	-	-	The Losses for the financial year ended March 31, 2019 has increased to 77,631.19 lacs as compared to Rs. 50,159.13 lacs in the last financial year due to reduction in the expenditure of the Company
2	Mr. Dilip Phatarphekar (Non-Executive Director)	-	-	
3	Mr. Madan Mohan Jain (Non-Executive Director)	-	-	
6	Mr. Gautam Mukherjee (Non-Executive Director)	-	-	
9	Mr. Debdeep Bhattacharya (Whole Time Director)	-	-	

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.

Further, since the Company has not paid any remuneration or salary to any employee / directors of the Company, information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in relation to the median remuneration and ratio of remuneration against the performance of the Company etc. cannot be provided.

- (i) The median remuneration of employees of the Company during the financial year – Not Applicable.
- (ii) There were 12 Permanent Employees on the rolls of Company as on March 31, 2019;
- (iii) Relationship between average increase in remuneration and company performance: -  
The Losses for the financial year ended March 31, 2019 increased to 77,631.19 lacs as compared to Rs. 50,159.13 in the last financial year i.e. for the FY 2017-18, whereas there was no remuneration paid during the year to the employees or directors.
- (iv) **Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:**  
There was no change in the total remuneration of Key Managerial Personnel during the Financial Year 2018-19, whereas the Company has suffered loss of 77,631.19 lacs as compared to Rs. 50,159.13 lacs in the last financial year
- (v) 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 Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (vi) 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;

**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 SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 entered into by the Company with the Stock Exchanges, as amended from time to time. The policy is 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 involves 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, SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, 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, Retirement 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 organisation. 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 being 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 familiarise 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 2019**  
**[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,  
 Ess Dee Aluminium Limited  
 1, Sagore Dutta Ghat Road,  
 Kamarhatti, Kolkata – 700 058,  
 West Bengal, India

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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Ess Dee Aluminium Limited** of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, 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, 2019 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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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; **During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**



**OTHER APPLICABLE LAWS:**

With respect to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws as applicable to the Company, subject to the observation stated below:

- i. Income tax Act, 1961 to the extent of Tax Deducted at source under various section and TDS returns filed.
- ii. Indirect Tax laws relating to collections, deductions, wherever applicable, payments made and returns filed.
- iii. 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 SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

**We further report that -**

The Board of Directors of the Company is not duly constituted as there is no Women Director on the Board of the Company. However, there is an optimum number of Independent Directors on the Board of the Company. 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:**

1. 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 and have serious concerns about the compliance mechanism followed by the Company.
2. 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 and would reiterate that the Company has defaulted in payment of statutory dues.
3. The Company has defaulted in repayment of Non-Convertible Debentures issued to Life Insurance Corporation of India, which has resulted in disqualification of all the Directors of the Company as per the provisions of section 164 of the Companies Act, 2013.
4. The Company has not complied with certain provisions of SEBI (Listing and Disclosure Requirements) Regulations, 2015 with respect to filing of disclosure / information within the stipulated time line.
5. The trading in securities of the Company has been suspended by Stock Exchanges and there has been freezing of demat accounts of Promoter and Promoter Group w.e.f July 5, 2019, due to non compliance with certain Regulations of SEBI (Listing and Disclosure Requirements) Regulations, 2015 requiring appointment of Whole-Time Company Secretary and Women Director on the Board of the Company and due to non payment of penalty levied for the same, pursuant to the SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018
6. The Company has not appointed Women director and other Key Managerial Personnel (KMP) i.e. Company Secretary and Chief Financial officer in terms of Section 149 and 203 of Companies Act, 2013 and SEBI (Listing and Disclosure Requirements) Regulations, 2015.
7. There has been delay in filing of forms and returns to the Registrar of Companies, West Bengal for which the Company has paid additional fees.

8. There has been a Suspension of Work at one of the manufacturing unit of the Company situated at Kamarhati, Kolkata w.e.f. July 01, 2016
9. The Company has not fulfilled its Corporate Social Responsibility obligations for the FY 2014-15 and 2015-16.
10. The Company has made provisions for payment of managerial remuneration to Whole Time Director of the Company in past financial years even in the event of inadequacy of profit without obtaining the approval from Central Government as per Section 197 & 198 read with Schedule V of Company Act, 2013.
11. The Corporate office of the Company situated at Mumbai have been seized by one of the creditor of the Company i.e. Hero Fincorp Limited w.e.f. June, 2018
12. The Company has not transferred the Unclaimed Dividend for the FY 2009-10 & 2010-11 to Investor Education and Protection Fund (IEPF) as per the provisions of Companies Act, 2013.

**For Amit R. Dadheech & Associates**

Place: Mumbai  
Date: September 4, 2019

**Amit R. Dadheech**  
**ACS: 22889**  
**C.P. No. 8952**

*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,  
Ess Dee Aluminium Limited  
1, Sagore Dutta Ghat Road,  
Kamarhatti, Kolkatta – 700 058

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) Wherever 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 Amit R. Dadheech & Associates**

Place: Mumbai  
Date: September 4, 2019

**Amit R. Dadheech**  
**ACS: 22889**  
**C.P. No. 8952**

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31.03.2019**  
**[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**

<b>CIN</b>	L27203WB2004PLC170941
<b>Registration Date</b>	10 February, 2004
<b>Name of the Company</b>	Ess Dee Aluminium Limited
<b>Category/sub category of the Company</b>	Company having Share Capital
<b>Address of the registered office and Contact details</b>	1, Sagore Dutta Ghat Road, Kamarhati, Kolkata-700058
<b>Whether Listed Company</b>	Yes (National Stock Exchange of India Limited (NSE) & BSE Limited)
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any.</b>	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:-

Sl. 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**

Sl. 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 – 400 101	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	100	2(87)

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

	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2018				No. of Shares held at the end of the year: 31/03/2019				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
<b>(A) Shareholding of Promoter and Promoter Group<sup>2</sup></b>										
<b>Indian</b>										

(a)	INDIVIDUAL / HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)									
(i)	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
<b>Foreign</b>										
(a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	18578663	0	18578663	57.97	18578663	0	18578663	57.97	0.00
(c)	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	18578663	0	18578663	57.97	18578663	0	18578663	57.97	0.00
	Total holding for promoters (A)=(A)(1) + (A)(2)	18578663	0	18578663	57.97	18578663	0	18578663	57.97	0.00
<b>(B) Public shareholding</b>										
<b>Institutions</b>										
(a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS	433	2	435	0.00	433	2	435	0.00	0.00
(c)	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S	113526	0	113526	0.35	154526	0	154526	0.48	0.13
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(i)	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(j)	FOREIGN PORTFOLIO INVESTOR	1268318	0	1268318	3.96	1072318	0	1072318	3.35	(0.61)
(k)	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (B)(1) :</b>	<b>1382277</b>	<b>2</b>	<b>1382279</b>	<b>4.31</b>	<b>1227277</b>	<b>2</b>	<b>1227279</b>	<b>3.83</b>	<b>(0.48)</b>
<b>Non-institutions</b>										
(a)	BODIES CORPORATE	1201145	7	1201152	3.75	1115491	7	1115498	3.48	(0.27)
(b)	INDIVIDUAL									
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	4672507	77	4672584	14.58	5285171	77	5285248	16.49	1.91
(ii)	(CAPITAL GREATER	4973601	0	4973601	15.52	4430871	0	4430871	13.83	(1.69)

	THAN Rs. 1 Lakh)									
(c)	ANY OTHERS (Specify)									
(i)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	CLEARING MEMBER	32637	0	32637	0.10	55320	0	55320	0.17	0.07
(iii)	NON RESIDENT INDIANS (NRI)	27292	0	27292	0.09	96181	0	96181	0.30	0.21
(iv)	NON RESIDENT INDIANS (REPAT)	796053	0	796053	2.48	831575	0	831575	2.59	0.11
(v)	NON RESIDENT INDIANS (NON REPAT)	362582	0	362582	1.13	406008	0	406008	1.27	0.14
(vi)	DIRECTORS RELATIVES	2251	0	2251	0.01	2251	0	2251	0.01	0.00
(vii)	EMPLOYEE	16645	0	16645	0.05	16645	0	16645	0.05	0.00
(viii)	OVERSEAS BODIES CORPORATES	0	174	174	0.00	0	174	174	0.00	0.00
(ix)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
(x)	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e)		1898	0	1898	0.01	2098	0	2098	0.01	0.00
	<b>SUB TOTAL (B)(2) :</b>	<b>12086611</b>	<b>258</b>	<b>12086869</b>	<b>37.72</b>	<b>12241611</b>	<b>258</b>	<b>12241869</b>	<b>38.20</b>	<b>0.48</b>
	<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>13468888</b>	<b>260</b>	<b>13469148</b>	<b>42.03</b>	<b>13468888</b>	<b>260</b>	<b>13469148</b>	<b>42.03</b>	<b>0.00</b>
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>(C)=(C)(1)</b>		<b>0</b>		<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total (A) + (B) + (C)</b>	<b>32047551</b>	<b>260</b>	<b>32047811</b>	<b>100.00</b>	<b>32047551</b>	<b>260</b>	<b>32047811</b>	<b>100.00</b>	<b>0.00</b>

ii) Shareholding of Promoters

Sr.No	NAME	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	AARTI SUDIP DUTTA	312954	0.97	0.00	312954	0.97	0.00	0.00
2	SUDIP DUTTA	435000	1.35	100.00	435000	1.35	100.00	0.00
3	SUDIP BIJAY DUTTA	872596	2.72	100.00	872596	2.72	100.00	0.00
4	SUDIP BIJAY DUTTA	16958113	52.91	0.00	16958113	52.91	0.00	0.00
		<b>18578663</b>	<b>57.97</b>		<b>18578663</b>	<b>57.97</b>		<b>0.00</b>

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

There is no change in the share holding of the promoters during the financial year under review.

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

Sr. No	NAME	No. of Shares at the begining/ End of the year	Date	Increase/Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	HYPNOS FUND LIMITED	927,434	31-Mar-18	0	Transfer	927,434	2.89
		927,434	30-Mar-19	0	Transfer	927,434	2.89
2	BALRAM BHARWANI	650,000	31-Mar-18	0	Transfer	650,000	2.03
			15-Jun-18	2425	Transfer	652,425	2.04
			13-Jul-18	3555	Transfer	655,980	2.05
			20-Jul-18	4030	Transfer	660,010	2.06
			27-Jul-18	12090	Transfer	672,100	2.10
			3-Aug-18	3764	Transfer	675,864	2.11
			28-Sep-18	136	Transfer	676,000	2.11
			15-Feb-19	1000	Transfer	677,000	2.11
			22-Feb-19	-1000	Transfer	676,000	2.11
		676,000	30-Mar-19	0	Transfer	676,000	2.11
3	SHAAJI PALLIYATH	657,229	31-Mar-18	0	Transfer	657,229	2.05
			20-Jul-18	12045	Transfer	669,274	2.09
		669,274	30-Mar-19	0	Transfer	669,274	2.09
4	MABLE RAJESH	281,047	31-Mar-18	0	Transfer	281,047	0.88
			6-Apr-18	4962	Transfer	286,009	0.89
			13-Apr-18	2367	Transfer	288,376	0.90
			20-Apr-18	2734	Transfer	291,110	0.91
			27-Apr-18	524	Transfer	291,634	0.91
			4-May-18	2232	Transfer	293,866	0.92
			11-May-18	-7559	Transfer	286,307	0.89
			18-May-18	3	Transfer	286,310	0.89
			25-May-18	694	Transfer	287,004	0.90
			8-Jun-18	-1594	Transfer	285,410	0.89
			15-Jun-18	1473	Transfer	286,883	0.90
			22-Jun-18	17	Transfer	286,900	0.90
			29-Jun-18	10	Transfer	286,910	0.90
			13-Jul-18	50	Transfer	286,960	0.90
			27-Jul-18	8050	Transfer	295,010	0.92
			10-Aug-18	-30000	Transfer	265,010	0.83
			17-Aug-18	-2934	Transfer	262,076	0.82
			24-Aug-18	-8152	Transfer	253,924	0.79
			31-Aug-18	-64955	Transfer	188,969	0.59
			7-Sep-18	-13839	Transfer	175,130	0.55
			14-Sep-18	-14385	Transfer	160,745	0.50

			21-Sep-18	-78911	Transfer	81,834	0.26
			28-Sep-18	-4276	Transfer	77,558	0.24
			5-Oct-18	-34758	Transfer	42,800	0.13
			12-Oct-18	-42800	Transfer	0	0.00
			26-Oct-18	50000	Transfer	50,000	0.16
			2-Nov-18	-50000	Transfer	0	0.00
			18-Jan-19	26676	Transfer	26,676	0.08
			25-Jan-19	-26676	Transfer	0	0.00
			8-Feb-19	23823	Transfer	23,823	0.07
			15-Feb-19	-23823	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
5	ANIE JOSEPH	250,000	31-Mar-18	0	Transfer	250,000	0.78
			26-Oct-18	-50000	Transfer	200,000	0.62
			11-Jan-19	-50000	Transfer	150,000	0.47
			18-Jan-19	-50000	Transfer	100,000	0.31
			8-Feb-19	-100000	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
6	RAJESH JOSEPH	432,152	31-Mar-18	0	Transfer	432,152	1.35
			6-Apr-18	193	Transfer	432,345	1.35
			13-Apr-18	595	Transfer	432,940	1.35
			20-Apr-18	45	Transfer	432,985	1.35
			27-Apr-18	40	Transfer	433,025	1.35
			4-May-18	35	Transfer	433,060	1.35
			18-May-18	90	Transfer	433,150	1.35
			15-Jun-18	-998	Transfer	432,152	1.35
			22-Jun-18	48	Transfer	432,200	1.35
			20-Jul-18	-8000	Transfer	424,200	1.32
			24-Aug-18	8000	Transfer	432,200	1.35
		432,200	30-Mar-19	0	Transfer	432,200	1.35
7	ANTARA INDIA EVERGREEN FUND LTD	185,884	31-Mar-18	0	Transfer	185,884	0.58
			30-Nov-18	-41000	Transfer	144,884	0.45
		144,884	30-Mar-19	0	Transfer	144,884	0.45
8	RAMESH KANCHARLA	176,300	31-Mar-18	0	Transfer	176,300	0.55
		176,300	30-Mar-19	0	Transfer	176,300	0.55
9	SADHANA RAMKRISHNA NIKAM	172,412	31-Mar-18	0	Transfer	172,412	0.54
			4-May-18	-10000	Transfer	162,412	0.51
		162,412	30-Mar-19	0	Transfer	162,412	0.51
10	MANISH PRAVIN SHETH	150,000	31-Mar-18	0	Transfer	150,000	0.47
			11-May-18	-14187	Transfer	135,813	0.42
			3-Aug-18	-813	Transfer	135,000	0.42
		135,000	30-Mar-19	0	Transfer	135,000	0.42

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

SN	Shareholding of each Directors and Key Managerial Personnel	Shareholding as on (01-04-2018)		Shareholding as on (31.03.2019)	
		No of Share	% of total Shareholding	No of Share	% of total shareholding
<b>(A)</b>	<b>DIRECTORS:</b>				
1	Mr. Sudip Dutta ( Chairman)	1,82,65,709	57.00	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)				
2	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)	----			
3	Mr. Dilip Sobhag Phatarphekar(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)	----			
4	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)	----			
5	Mr. Debdeep Bhattacharya (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)	----			

**V. Indebtedness**

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

(Rs.in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	74,387.80	1,655.80	1,873.40	77,917.00
ii) Interest due but not paid	19,772.00	-	-	19,772.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>94,159.80</b>	<b>1,655.80</b>	<b>1,873.40</b>	<b>97,689.00</b>
<b>Change in Indebtedness during the financial year</b>				
- Additions	15,597.50	-	-	15,597.50



- Deductions	-	-	-	-
<b>Net Change</b>	<b>13,559.81</b>	<b>-</b>	<b>-</b>	<b>13,559.81</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	74,387.80	1,655.80	1,873.40	77,917.00
ii) Interest due but not paid	33,167.19	-	-	33,167.19
iii) Interest accrued but not due	2,202.31	-	-	-
<b>Total (i+ii+iii)</b>	<b>109,757.30</b>	<b>1,655.80</b>	<b>1,873.40</b>	<b>113,286.50</b>

VI. Remuneration of Directors and other Key Managerial Personnel.

a. Remuneration of Managing Director/Whole Time Directors

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	NIL	NIL
	(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
3.	Sweat Equity	NA	NA
-	Commission	NA	NA
	-as %of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
Total (A)		NIL	NIL

b. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (In Rupees)
		Gautam Mukherjee	Dilip Phatarphekar	Madan Mohan Jain	
1.	Independent Directors				
	Fee for attending board/ committee meetings	22,500	Nil	22,500	45,000
	Commission	NA	NA	NA	NA
	Others, please specify	NA	NA	NA	NA
	Total (1)				
2.	Other Non-Executive Directors				
	Fee for attending board/ committee meetings	NA	NA	NA	NA
	Commission	NA	NA	NA	NA
	Others, please specify	NA	NA	NA	
	Total (2)	NA	NA	NA	NA
<b>Total (B)=(1+2)</b>		<b>22,500</b>	<b>Nil</b>	<b>22,500</b>	<b>45,000</b>

**C. Remuneration To Key Managerial Personnel:**

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of the Key Managerial Personnel		
		N.A	N.A	Total
1.	Gross salary	NIL	NIL	NIL
	(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	NA	NA	NA
	- others, specify...	NA	NA	NA
5.	Others, please specify			
	Total	NIL	NIL	NIL

**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:**

	<b>Current Year 2018-19</b>	<b>Previous Year 2017-18</b>
<b>A Power &amp; Fuel Consumption</b>		
<b>1 Electricity</b>		
a) Purchased		
Units (KWH)	NIL	NIL
Total Amount (Rs.)	NIL	NIL
Rate/Unit(Rs.)	NIL	NIL
<b>2 Furnace Oil/Diesel</b>		
Quantity in Ltrs.	NIL	NIL
Total Cost (Rs.)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
<b>3 Rolling Oil</b>		
Quantity in Ltrs.	NIL	NIL
Total amount (Rs.)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
<b>B Consumption per unit of production</b>		
Electricity (unit)	NIL	NIL
Coal (MT)	NIL	NIL
Furnace Oil (Ltrs.)	NIL	NIL
Rolling Oil (Ltrs.)	NIL	NIL

**II TECHNOLOGY ABSORPTION**

(A) Research and Development (R & D) – No Research and Development Activity carried out during the financial year under review.

1. Benefits derived as a result of the above R&D: - Not Applicable
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. – Not Applicable
2. During the year under review:
  - (a) Foreign exchange earnings by the Company were NIL (Previous Year Nil)
  - (b) Foreign exchange expenditure (which includes import of raw materials, spares and capital goods, commission on export and travelling expenditure) was NIL (Previous Year Nil)

(Annexure-I)

FORM AOC-1											Rs In Lacs			
SN	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turn over	Profit / Loss before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of Shareholding
1	Flex Art Foil Limited	Apr to Mar	INR	2,000.00	(7,963.27)	1,995.80	1,995.80	0.53	0.00	(2,879.72)	0.00	(2,879.72)	-	100%
2	Ess Dee Aluminium Pte Ltd	Apr to Mar	INR	1,077.53	(4,404.71)	42.92	42.92	-	0.00	(330.18)	0.00	(330.18)	-	100%
			USD	15.53	(63.49)	0.62	0.62			(4.76)		(4.76)		
	<b>Note-</b>	<b>Exchange Rate as on 31 Mar 2019</b>				<b>69.38</b>								

## **Independent Auditor's Report**

To The Members of **ESS DEE ALUMINIUM LIMITED**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of ESS DEE Aluminium Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for opinion**

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

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note no 2.1 in the financial statements, regarding preparation of financial results on a Going Concern basis for the reasons stated therein. The Company has incurred a loss of Rs. 776.31 crores during the year ended 31 March 2019. During the year the Company has made provision for Impairment of Property, Plant and Equipment, Impairment of Investments, Bad and Doubtful Debts and other balances to the extent of Rs 583.12 crores (Refer note no 31). These events and conditions, among others as explained in Note no 2.1 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### **Key audit matters**

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

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1	<p><b>Disclosures of contingent liabilities – claims, litigations and tax dues.</b></p> <p>The Company is exposed to different laws, regulations and interpretations thereof. The company is also subject to significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. As at 31st March, 2019, the Company has material contingent liabilities in respect of claims and litigations and dues pertaining to direct and indirect taxes [Refer Note 35 to the financial statements]. We considered this to be a key audit matter, since the accounting and disclosure of these contingent liabilities is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included among others:</p> <ol style="list-style-type: none"> <li>I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities;</li> <li>II. Analyzed significant changes/ update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change;</li> <li>III. Discussed the status of significant known actual and potential litigations with the management &amp; noted that information placed before the board for such cases and</li> <li>IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the financial statements.</li> </ol>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and report that fact.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore

the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) All the directors of the Company are disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act, due to failure by the Company to redeem debentures due on 31st July, 2015.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, during the year no remuneration has been paid by the Company to any of its Directors.
  - h) 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, as amended 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 on its financial position in its standalone financial (Refer Note No 35)
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

**For SHAH & TAPARIA**  
**Chartered Accountants**  
**(Firm Regn No 109463W)**

**BHARAT JOSHI**  
**Partner**  
**M. No. 130863**  
**Place: Mumbai**  
**Date: May 30, 2019**



## **Annexure 'A' to the Independent Auditor's Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ESS DEE Aluminium Limited of even date)

- i) a) The Company has maintained unit wise fixed assets records and / or compiled item wise lists showing particulars of all its fixed assets. The aggregate value shown by these records agrees with the gross values 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 the fixed assets during the year. Accordingly, we are unable to state whether material discrepancies were noticed.
- c) According to the information and explanations given to us title deeds of immovable properties, classified as fixed assets, are in the name of the company.
- ii) According to the information and explanations given to us due to the situation of financial stress, inventories have not been physically verified by the Management during the year as per its process of verification. Accordingly, we are unable to state whether material discrepancies were noted.
- iii) a) Based on the information and explanations furnished to us, we are of the opinion that the terms and conditions of unsecured loans granted to its overseas subsidiary, Ess Dee Aluminium Pte Ltd., Singapore a party covered in the register maintained u/s 189 of the Companies Act, 2013 is prima facie not prejudicial to the interest of the Company.
- b) In case of the above interest free loan to the overseas subsidiary, there is no stipulation regarding repayment of principal.
- c) In view of the above the question of the loan and the advances being overdue does not arise.
- iv) According to the information and explanations given to us and on the basis of representations of the management which we have relied upon, the loan to the overseas subsidiary is not covered by Section 185 or Section 186 of The Companies Act, 2013 and hence, this clause is not applicable.
- v) According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013.
- vi) According to the information and explanations given to us, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, we are of the opinion that the requirement of Cost Audit is not applicable to the Company.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases. The extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable is as under:-

**Statement of Arrears of Statutory Dues Outstanding for More than Six Months**

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (Rs. In Lakhs.)</b>	<b>Period to Which Amount relates</b>	<b>Due Date</b>	<b>Pymt Date</b>
EPFO	PF	5.36	February-16	15/03/2016	Nil
		18.93	March-16	15/04/2016	Nil
		18.02	April-16	15/05/2016	Nil
		17.60	May-16	15/06/2016	Nil
		16.90	June-16	15/07/2016	Nil
		6.64	July-16	15/08/2016	Nil
		1.99	August-16	15/09/2016	Nil
		8.01	September-16	15/10/2016	Nil
		2.54	October-16	15/11/2016	Nil
		1.65	November-16	15/12/2016	Nil
		33.78	December-16	15/01/2017	Nil
		16.10	January-17	15/02/2017	Nil
		2.65	February-17	15/03/2017	Nil
		13.93	March-17	15/04/2017	Nil
		17.53	Various Sates 17-18	Various Due Dates	Nil
		0.78	Various Dates 18-19	Various Due Dates	Nil
ESIC	ESIC	0.23	November-15	21/12/2015	Nil
		0.46	December-15	21/01/2016	Nil
		0.47	January-16	21/02/2016	Nil
		0.44	February-16	21/03/2016	Nil
		0.59	March-16	21/04/2016	Nil
		0.15	April-16	21/05/2016	Nil
		0.16	May-16	21/06/2016	Nil
		0.15	June-16	21/07/2016	Nil
		0.03	July-16	21/08/2016	Nil
		0.04	August-16	21/09/2016	Nil
		0.29	September-16	21/10/2016	Nil
		0.03	October-16	21/11/2016	Nil
		0.03	November-16	21/12/2016	Nil
		0.28	December-16	21/01/2017	Nil
		0.07	January-17	21/02/2017	Nil
		0.09	February-17	21/03/2017	Nil
		0.15	March-17	21/04/2017	Nil
		1.92	Various Dates 16-17	Various Due Dates	Nil
		2.73	Various Dates 17-18	Various Due Dates	Nil
		0.05	Various Dates 18-19	Various Due Dates	Nil
Sales Tax	Profession Tax	0.57	November-15	28/12/2015	Nil
		0.70	December-15	28/01/2016	Nil

		0.67	January-16	28/02/2016	Nil
		0.70	February-16	28/03/2016	Nil
		0.78	March-16	28/04/2016	Nil
		0.61	April-16	28/05/2016	Nil
		0.61	May-16	28/06/2016	Nil
		0.59	June-16	28/07/2016	Nil
		0.43	July-16	28/08/2016	Nil
		0.10	August-16	28/09/2016	Nil
		1.53	September-16	28/10/2016	Nil
		0.10	October-16	28/11/2016	Nil
		0.09	November-16	28/12/2016	Nil
		0.09	December-16	28/01/2017	Nil
		0.63	January-17	28/02/2017	Nil
		0.07	February-17	28/03/2017	Nil
		0.47	March-17	28/04/2017	Nil
		0.20	April-17	28/05/2017	Nil
		0.18	May-17	28/06/2017	Nil
		0.17	June-17	28/07/2017	Nil
		0.17	July-17	28/08/2017	Nil
		0.17	August-17	28/09/2017	Nil
		0.17	September-17	28/10/2017	Nil
		0.17	October-17	28/11/2017	Nil
		0.17	November-17	28/12/2017	Nil
		0.17	December-17	28/01/2018	Nil
		0.01	March-18	28/04/2018	Nil
		0.17	Various Dates 18-19	Various Due Dates	Nil
Sales Tax	Vat	4.40	July-15	Various Due Dates	Nil
		1.46	August-15		Nil
		0.21	September-15		Nil
		0.22	October-15		Nil
		0.72	December-15		Nil
		0.42	March-16		Nil
Sales Tax	Cst	0.05	July-15	Various Due Dates	Nil
		0.04	August-15		Nil
		0.05	September-15		Nil
		0.01	October-15		Nil
Income tax	TDS Contractor	0.01	October-15	07/11/2015	Nil
		.27	November-15	07/12/2015	Nil
		0.06	December-15	07/01/2016	Nil
		0.47	January-16	07/02/2016	Nil
		0.16	February-16	07/03/2016	Nil
		0.69	March-16	07/04/2016	Nil

		0.08	April-16	07/05/2016	Nil
		0.08	May-16	07/06/2016	Nil
		0.08	June-16	07/07/2016	Nil
		0.04	July-16	07/08/2016	Nil
		0.05	August-16	07/09/2016	Nil
		0.04	September-16	07/10/2016	Nil
		0.04	October-16	07/11/2016	Nil
		0.05	December-16	07/01/2017	Nil
		0.03	January-17	07/02/2017	Nil
		0.02	February-17	07/03/2017	Nil
		0.03	March-17	07/04/2017	Nil
		0.01	April-17	07/05/2017	Nil
		0.02	May-17	07/06/2017	Nil
		0.05	June-17	07/07/2017	Nil
		0.03	July-17	07/08/2017	Nil
		0.03	August-17	07/09/2017	Nil
		0.03	September-17	07/10/2017	Nil
		0.03	October-17	07/11/2017	Nil
		0.04	November-17	07/12/2017	Nil
		0.03	December-17	07/01/2018	Nil
		0.03	January-18	07/02/2018	Nil
		0.03	February-18	07/03/2018	Nil
		0.03	March-18	07/04/2018	Nil
Income Tax	Tds Professional	0.25	November-15	07/12/2015	Nil
		0.36	January-16	07/2/2016	Nil
		5.84	February-16	07/3/2016	Nil
		10.11	March-16	07/04/2016	Nil
		1.26	April-16	07/05/2016	Nil
		0.46	May-16	07/06/2016	Nil
		1.39	June-16	07/07/2016	Nil
		0.16	July-16	07/08/2016	Nil
		0.51	August-16	07/09/2016	Nil
		1.05	September-16	07/10/2016	Nil
		2.18	October-16	07/11/2016	Nil
		0.47	November-16	07/12/2016	Nil
		1.55	December-16	07/01/2017	Nil
		1.24	January-17	07/02/2017	Nil
		2.43	February-17	07/03/2017	Nil
		5.41	March-17	07/04/2017	Nil
		12.90	FY 2017-18	Various Due Dates	Nil
Income Tax	Tds Salary	4.94	November-15	07/12/2015	Nil
		8.01	December-15	07/01/2016	Nil

		5.82	January-16	07/02/2016	Nil
		5.92	February-16	07/03/2016	Nil
		12.91	March-16	07/04/2016	Nil
		0.08	April-16	07/05/2016	Nil
		0.09	May-16	07/06/2016	Nil
		0.10	June-16	07/07/2016	Nil
		3.77	July-16	07/08/2016	Nil
		2.01	August-16	07/09/2016	Nil
		1.97	September-16	07/10/2016	Nil
		1.90	October-16	07/11/2016	Nil
		1.93	November-16	07/12/2016	Nil
		1.85	December-16	07/01/2017	Nil
		2.01	January-17	07/02/2017	Nil
		1.99	February-17	07/03/2017	Nil
		7.44	March-17	07/04/2017	Nil
		13.00	FY 2017-18	Various Due Dates	Nil
		3.19	FY 2018-19	Various Due Dates	Nil
Income Tax	Tds Interest	1.05	November-15	07/12/2015	Nil
		2.52	January-16	07/02/2016	Nil
		2.48	February-16	07/03/2016	Nil
		4.29	March-16	07/04/2016	Nil
		0.56	April-16	07/05/2016	Nil
		2.37	May-16	07/06/2016	Nil
		25.02	June-16	07/07/2016	Nil
		0.61	July-16	07/08/2016	Nil
		2.26	August-16	07/09/2016	Nil
		3.82	September-16	07/10/2016	Nil
		0.58	October-16	07/11/2016	Nil
		2.14	November-16	07/12/2016	Nil
		3.62	December-16	07/01/2017	Nil
		0.55	January-17	07/02/2017	Nil
		2.03	February-17	07/03/2017	Nil
		3.41	March-17	07/04/2017	Nil
Income Tax	Tds Comission	0.37	November-15	07/12/2015	Nil
		0.14	June-16	07/07/2016	Nil
Excise	Service tax	1.04	January-16	06/02/2016	Nil
		0.71	February-16	06/03/2016	Nil
		0.66	March-16	06/04/2016	Nil
		3.63	September-16	06/10/2016	Nil
		0.83	December-16	06/01/2017	Nil
		9.05	March-17	06/04/2017	Nil
		0.93	June-17	06-07-17	Nil

Excise	Swachh Bharat	0.01	December-15	06/01/2016	Nil
	Cess	0.01	January-16	06/02/2016	Nil
Income Tax	Corporate Tax	1,077.43	FY 2013-14	Various Dates	Nil
Income Tax	Corporate Tax	939.92	FY 2014-15	Various Dates	Nil
Gopalpur Property	Municipal Taxes	Un ascertained	Since 2012	Various Dates	Nil
	<b>Total</b>	<b>2,430.04</b>			

Further, the following are not paid:-

*Dues of Deferred Sales Tax, aggregating Rs. 2102.62 lakhs, 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>Rs. In Lakhs</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

Period to which the amount relates	Due Date	Rs. In Lakhs
Quarter ended 31.03.06	30.04.16	78.02

Note: Interest due on above Rs.2139.07 Lakhs (P.Y. Rs 1887.21 lakhs)

b) As at the year-end, according to the records of the Company and information and explanations given to us, 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 (Rs. 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 to 1999-2001 & 2003- 04	Revision Board (Tribunal)
		451.39	2001-02 to 2002-03	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	Sales Tax	106.86	2007-08 to 2012-13	Commissioner Appeals
Central Sales Tax	Sales Tax	280.87	2007-08 to 2012-13	Commissioner Appeals
<b>Total ( A )</b>		<b>3,030.36</b>		
Central Excise (EDH)	Excise Duty	139.50	1996 to 2001	AC/DC/Comr. of Central Excise
Central Excise (EDH)	Excise Duty	355.44	Apr 2011 to 2012-13	Comr. of C. Ex.
Central Excise (EDK)	Excise & Service Tax	605.81	1999 to 2014	Comr./Comr. (App)/Tribunal
Central Excise (EDK)	Excise & Service Tax	66.34	2010-11 to Sep 15	AC/JC/Comr. (Appeals)
Central Excise (EDT)	Excise Duty	558.30	1996 to 2002	Comr. & HC
Central Excise (ED1)	Excise Duty	133.58	2006-Oct.2009	Commissioner of Central Excise
Central Excise (ED2)	Excise Duty	379.62	2007-08 to Oct 2013	CESTAT, Ahmedabad
Central Excise (ED2)	Excise Duty	67.99	Nov 2013 to Apr 2015	Commissioner (Appeals)
Central Excise (ED2)	Excise Duty	14.04	May 15 to Jan 16	Asst. Comr.
<b>Total ( B )</b>		<b>2,320.62</b>		

DCIT - Central Circle	Income tax	590.31	FY 2007-08	Pending before CIT(A)
DCIT - Central Circle	Income tax	393.62	FY 2007-08	Pending before ITAT
DCIT - Central Circle	Income tax	1,377.31	FY 2008-09	Pending before CIT(A)
DCIT - Central Circle	Income tax	73.61	FY 2008-09	Pending before CIT(A)
DCIT - Central Circle	Income tax	106.73	FY 2009-10	Pending before CIT(A)
DCIT - Central Circle	Income tax	4,051.73	FY 2009-10	Pending before ITAT
DCIT - Central Circle	Income tax	598.26	FY 2010-11	Pending before CIT(A)
DCIT - Central Circle	Income tax	5,001.13	FY 2011-12	Pending before CIT(A)
DCIT - Central Circle	Income tax	2,903.82	FY 2012-13	Pending before CIT(A)
DCIT - Central Circle	Income tax	2,837.77	FY 2013-14	Pending before CIT(A)
DCIT - Central Circle	Income tax	3,476.33	FY 2013-14	Pending before ITAT
ITAT	Income tax	5,980.50	FY 2010-11	Pending before ITAT
ITAT	Income tax	5,911.71	FY 2012-13	Pending before ITAT
<b>Total ( C )</b>		<b>33,302.83</b>		
<b>Total ( A ) + ( B ) + ( C )</b>		<b>38,653.81</b>		

- viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has during the year defaulted in repayment of loans or borrowing to banks, financial institutions and debenture holders. The Company has not borrowed any funds from Government. The lender wise details of defaults as at the year-end are as under:-

(Rs. In Lakhs)

Particulars	Amount of default as at the balance sheet	Period of default	Nature of Security
<b>i) Name of the Lenders:</b>			
<b>In case of:</b>			
<b>Bank</b>			
State Bank of India CC	7,942.56	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First pari passu charge on Current Assets of the Company & Second pari passu charge on Fixed Assets of the Company
State Bank of Patiala CC	2,092.89		
State Bank of Patiala LC Devolvement	2,492.81		
State Bank of Bikaner & Jaipur CC	2,635.61		
Bank of Baroda CC	5,094.98		



Bank of Maharashtra CC	3,042.89		
Corporation Bank CC	4,176.44		
AXIS Bank CC	8,978.12		
IDBI Bank CC	7,241.64		
The SVC Bank CC	312.58		
State Bank of India CL	9,100.00	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Hypothecation of Stock, receivables and other Current Assets
State Bank of Patiala TL	2,116.13		First Pari Passu Charge on Fixed Assets of Company located at Kamarhati
State Bank of Bikaner & Jaipur CL	4,050.02		Hypothecation of Stock, receivables and other Current Assets
AXIS Bank TL	4,502.71		First charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village Daman
IDBI Bank TL	1,491.38		Sharing of Charges with AXIS Bank & HERO FinCorp on Daman U2 Property
The SVC Bank TL	1,393.40		First Charge on Plant & Machinery (Caster II and Ancillaries) valued at Rs.8066 lacs
Union Bank of India	2,652.24	Entire loan has been Recalled vide SARFAESI notice dated 25.04.2017	Respective machineries & Plot No. 170 located at Daman
<b>Financial Institution</b>			
IFCI	1,548.72	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Sharing of Charges with State Bank of Patiala for Fixed Assets Located at Kamarhati
HERO Fin Corp	2,724.97		Sharing of Charges with AXIS Bank & IDBI Bank on Daman U2 Property
<b>Government</b>	-		
<b>ii) Debentures</b>			
LIC	3,000.00	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First charge on Land at Mehasana and Fixed Asset situated at Daman Bhimpore to the extent Rs. 5000 Lacs
<b>Interest provision on above facilities</b>	33,167.19		
<b>TOTAL</b>	109,757.30		

- ix) To the best of our knowledge and belief and according to the information and explanations given to us, during the year the Company has not raised any monies through initial public offer or further public offer (including debt instruments) or term loans; accordingly reporting under this para is not applicable.
- x) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the company has not paid/provided for any managerial remuneration during the year. Hence reporting under this para is not applicable.
- xii) Since the company is not a Nidhi company, this clause is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 as applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For SHAH & TAPARIA**  
Chartered Accountants  
FRN: 109463W

**BHARAT JOSHI**  
Partner  
Membership No.: 130863

Place: Mumbai.  
Date: May 30, 2019

### **Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Allied Digital Services Limited of even date)

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

We have audited the internal financial controls over financial reporting of Ess Dee Aluminium Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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

### **Auditors’ Responsibility**

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

Because of the matter described in disclaimer of opinion paragraph below, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind AS financial statements.

**Disclaimer of Opinion**

According to the information and explanation given to us, the Company due to its situation of financial stress has during the year not established its internal financial controls over financial reporting on criteria based on or considering the essential components of internal controls stated in Guidance Note on Audit and Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company has adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company, and the disclaimer does not affect our opinion on the standalone Ind AS financial statements

**For SHAH & TAPARIA**

Chartered Accountants

FRN: 109463W

**BHARAT JOSHI**

Partner

Membership No.: 130863

Place: Mumbai.

Date: May 30, 2019

**ESS DEE ALUMINIUM LIMITED**  
**Balance Sheet for the Year Ended 31st March 2019**

(Rs. in Lakhs)

	Notes	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
1	<b>Non-Current Assets</b>		
(a)	Property, Plant and Equipment	3,790.14	68,905.22
(b)	Capital Work-in-Progress	8.14	8.14
(c)	Other Intangible Assets	-	1.62
(d)	Intangible Assets under Development	188.11	188.11
(e)	Financial Assets		
(i)	- Investments	1.54	1,305.71
(ii)	- Trade Receivables	1,086.23	4,923.67
(iii)	- Loans	2,320.63	2,285.35
(f)	Deferred Tax Assets (Net)	-	-
(g)	Other Non-Current Assets	3,759.62	3,750.14
	<b>Total Non- Current Assets</b>	<b>11,154.41</b>	<b>81,367.97</b>
2	<b>Current Assets</b>		
(a)	Inventories	556.78	556.78
(b)	Financial Assets		
(i)	- Investments	-	13.33
(ii)	- Cash and Cash Equivalents	72.40	72.86
(iii)	- Bank Balance other than (ii) above	2.38	2.38
(iv)	- Loans	52.68	1,565.55
(c)	Other Current Assets	2,284.50	2,284.50
	<b>Total Current Assets</b>	<b>2,968.74</b>	<b>4,495.41</b>
	<b>Total Assets</b>	<b>14,123.16</b>	<b>85,863.38</b>
<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>		
(a)	Equity Share Capital	3,204.78	3,204.78
(b)	Other Equity	(1,12,749.23)	(35,118.04)
	<b>Total Equity</b>	<b>(1,09,544.45)</b>	<b>(31,913.25)</b>
2	<b>Liabilities</b>		
(a)	Non-current Liabilities		
(a)	Provisions (Net)	3,523.90	3,525.02
(b)	Other Non-Current Liabilities	2,102.62	2,102.62
	<b>Total Non-Current Liabilities</b>	<b>5,626.52</b>	<b>5,627.64</b>
3	<b>Current Liabilities</b>		
(a)	Financial Liabilities		
(i)	- Borrowings	1,11,413.10	95,815.61
(ii)	- Trade Payables		
	(A) Total Outstanding dues of Micro enterprises and Small enterprises	4.35	4.35
	(B) Total Outstanding dues of other creditors other than (ii) (A) above	367.86	3,193.47
(b)	Other Current Liabilities	5,470.27	12,350.06
(c)	Provisions	785.50	785.50
	<b>Total Current Liabilities</b>	<b>1,18,041.09</b>	<b>1,12,148.99</b>
	<b>Total Equity and Liabilities</b>	<b>14,123.16</b>	<b>85,863.38</b>

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

*For Shah & Taparia*  
**Chartered Accountants**  
 Firm Regd. No.: 109463W

*For and on behalf of the Board of Directors*

**Bharat Joshi**  
 Partner  
 Membership No.: 130863  
 Place: Mumbai

**Madan Mohan Jain**  
 Independent Director  
 (DIN : 00003580)

**Debdeep Bhattacharya**  
 Whole Time Director  
 (DIN: 00464686)

Date: 30th May, 2019

**ESS DEE ALUMINIUM LIMITED**  
**Statement of Profit and Loss Account for the Year Ended 31st March 2019**

(Rs in Lakhs)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from Operations	23	-	-
Other Income	24	53.15	56.66
<b>Total Revenue</b>		<b>53.15</b>	<b>56.66</b>
<b>Expenses</b>			
Cost of materials consumed	25	-	542.88
Manufacturing Cost	26	-	1.03
Changes in inventories of finished goods, work in progress and stock-in-trade	27	-	16.42
Employee benefit expense	28	37.11	375.83
Depreciation and amortisation expense	3	3,551.37	3,991.71
Finance cost	29	15,602.43	13,929.29
Other expense	30	181.06	31,301.98
<b>Total expenses</b>		<b>19,371.97</b>	<b>50,159.13</b>
<b>Profit/ (loss) before Exceptional Items &amp; Tax</b>		<b>(19,318.82)</b>	<b>(50,102.47)</b>
Exceptional Items	31	(58,312.37)	-
<b>Profit/ (loss) after Exceptional Items &amp; before Tax</b>		<b>(77,631.19)</b>	<b>(50,102.47)</b>
<b>Tax expense</b>			
a) Current tax	32	-	-
b) Deferred tax	32	-	-
c) MAT Credit (Entitlement)/Adjustment	32	-	-
<b>Profit/ (loss) for the period</b>		<b>(77,631.19)</b>	<b>(50,102.47)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the period</b>		<b>(77,631.19)</b>	<b>(50,102.47)</b>
<b>Earnings per equity share</b>	33		
a) Basic		<b>(242.24)</b>	<b>(156.34)</b>
b) Diluted		<b>(242.24)</b>	<b>(156.34)</b>

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

**For Shah & Taparia**  
**Chartered Accountants**  
**Firm Regd. No.: 109463W**

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

**Bharat Joshi**  
*Partner*  
**Membership No.: 130863**  
**Place: Mumbai**

**Madan Mohan Jain**  
*Independent Director*  
**(DIN : 00003580)**

**Debdeep Bhattacharya**  
*Whole Time Director*  
**(DIN: 00464686)**

Date: 30th May, 2019

**ESS DEE ALUMINIUM LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2019**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
<b>A Cash Flow From Operating Activities</b>				
Profits before tax		(77,631.19)		(50,102.47)
<b>Add:</b>				
Depreciation	3,551.37		3,991.71	
CWIP / ICD / Bad debts Written Off	-		25,341.91	
Loss of Goods due to theft	-		5,612.06	
Exceptional Items	58,312.37		-	
Loss on sale of Fixed Assets	-		-	
Finance Cost	15,602.43		13,929.29	
		77,466.18		48,874.98
<b>Operating Profit before working Capital Changes</b>		<b>(165.02)</b>		<b>(1,227.50)</b>
<b>Working Capital Changes</b>				
(Increase)/Decrease in Inventories	-		556.78	
(Increase)/Decrease in Trade Receivables	-		-	
(Increase)/Decrease in Other Current Assets	15.64		212.86	
Increase/(Decrease) in Trade Payables & Other Liabilities	154.97		826.50	
(Increase)/Decrease in Working Capital		170.61		1,596.14
<b>Cash Generated from Operating Activities</b>		<b>5.60</b>		<b>368.65</b>
Tax Paid	(1.12)		(1.11)	
		(1.12)		(1.11)
<b>Cash Used (-)/(+) generated for operating activities ( A )</b>		<b>4.48</b>		<b>367.53</b>
<b>B Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets including CWIP	-		-	
Proceeds from sale of Fixed Assets	-		-	
Purchase of Investments	-		-	
<b>Net Cash Used in Investing Activities ( B )</b>		<b>-</b>		<b>-</b>
<b>C Cash Flow From Financing Activities</b>				
Finance Cost	(15,602.43)		(13,929.29)	
ICD Written Off	-		-	
Proceeds / (Re payment) of Long term borrowings	-		-	
Proceeds / (Re payment) of Short term borrowings	15,597.49		13,559.82	
<b>Net Cash Used in Financing Activities ( C )</b>		<b>(4.94)</b>		<b>(369.47)</b>
<b>D Net Increase (+)/ Decrease (-) in cash and cash equivalents ( A+B+C)</b>		<b>(0.46)</b>		<b>(1.94)</b>
Cash and Cash Equivalent Opening Balance		72.86		74.80
Cash and Cash Equivalent Closing Balance (Refer Note 11)		72.40		72.86
<b>E Supplementary Information</b>				
- Earmarked/ Current Account under lien with Banks/Fl's		68.18		68.18

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

*For Shah & Taparia*  
Chartered Accountants  
Firm Regd. No.: 109463W

*For and on behalf of the Board of Directors*

**Bharat Joshi**  
Partner  
Membership No.: 130863  
Place: Mumbai

**Madan Mohan Jain**  
Independent Director  
(DIN : 00003580)

**Debdeep Bhattacharya**  
Whole Time Director  
(DIN: 00464686)

Date: 30th May, 2019

# ESS DEE ALUMINIUM LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 1 Corporate Information

Ess Dee Aluminium Limited ("The Company") is a Public Limited Company, domiciled in India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of manufacture of Advance Packagaing Solutions. The Company has manufacturing facilities at West Bengal and Daman.

### 2.1 Basis of Preparation and Presentation

The Standalone Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (i). Derivative financial instruments
- (ii). Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

Company's Standalone Financial Statements are presented in Indian Rupees, which is also its functional currency. The unit of presentation is indian rupees in lakhs.

The Company has been suffering from continued financial stress due to liquidity constraints as a consequence of which the manufacturing units have been non-operational. The Company and the Prospective Investors (including the SSG Capital Management and their associates) have continued to look for various options for revival and are in active discussions with existing as well as prospective lenders. Further, SSG Capital Management has during the year ended March 31, 2017 through its asset reconstruction entity in India taken over the loans given by one bank and is in advanced stage of negotiations for similar restructuring / settling loans of other banks and lenders. The wholly owned subsidiary in Singapore, Ess Dee Aluminium PTE Ltd is the fulcrum and cornerstone of the revival activity and will continue to play a key and pivotal role in the revival process.

The Company is in advanced stage of discussion with all the key lenders, although recent and distinctive changes in RBI guidelines have delayed the process and the final resolution there follows.

- 2.2** During the year the company has made provisions for Impairment of Fixed Assets, Provision for diminution in value of investment, Provision for doubtful debtors/Deposits/Advances to Suppliers and Provision for Balance written back for Creditors/Advance received from customers - (Refer Note No. 31)

### 2.3 Summary of Significant Accounting Policies

#### a). Current / Non- Current Classification

The Company presents Assets and Liabilities in the Balance Sheet based on Current/ Non-Current classification.

An Asset is treated as current when it is:

- a). Expected to be realised or intended to be sold or consumed in normal operating cycle;
- b). Held primarily for the purpose of trading;
- c). Expected to be realised within twelve months after the reporting period, or
- d). Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as Non-Current.

A Liability is current when:

- a). It is expected to be settled in normal operating cycle;
- b). It is held primarily for the purpose of trading;
- c). It is due to be settled within twelve months after the reporting period, or
- d). There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The Company classifies all other Liabilities as Non-Current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash Equivalents. The Company has identified twelve months as its operating cycle.

#### **b). Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on all Property, Plant and Equipment is provided based on useful life prescribed in Schedule II of the Companies Act, 2013 under Straight Line Method. However, in respect of the following asset categories, the depreciation is provided based on useful lives being different than as prescribed in Schedule II of the Companies Act, 2013:

Sr. No.	Nature of the Asset	Asset Name	Useful Life as per Schedule II of the Companies Act, 2013 (Years)	Revised Useful Life adopted based on technical evaluation (Years)
1	Plant and Machinery	Diesel Generator	15	10
2	Plant and Machinery	Caster - 1	15	14
3	Plant and Machinery	Slitter and Rewinder/ Chiller new/ Ink Mixing/ Thermal Lamination/ Crane and Material Handling/ Separator	15	20
4	Plant and Machinery	Annealing Furnace/ Thermal Lamination/ Crane and Material Handling/ Separator/ Furnace/ Grinder	15	25
5	Plant and Machinery	Rolling Mill - Old and New/ Caster - 2	15	30
6	Plant and Machinery	Sheet Mill	15	35
7	Plant and Machinery	Roll Grinding	15	40

The company has in an earlier financial year 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.

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### c). Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

##### **Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

#### d). Intangible Assets and Amortisation

Intangible Assets are stated at cost of acquisition less accumulated amortisation /depletion and impairment loss, if any.

Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets of the company comprises of Software which is amortized over a period of 5 years.

#### e). Finance Costs

Borrowing Costs includes Interest, amortisation of ancillary cost incurred in connection with the arrangement of Borrowings and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

#### f). Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The valuation of inventories is done on Weighted Average Method.

#### g). Impairment of Non-Financial Assets - Property, Plant & Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and Intangible Assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### h). Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### i). Employee Benefit Expenses

##### (i). Short Term Employee Benefits

All Employee Benefits payable wholly within twelve month of rendering the service are classified as Short Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### (ii). Post Employment Benefits

###### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly payments to Employee State Insurance Scheme, Provident Fund Scheme and Government administered Pension Fund Scheme for all applicable employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

###### Defined Benefit Plans

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

###### Other Long Term Employee Benefits

The employees of the company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method.

#### j). Tax Expenses

The tax expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Minimum Alternative tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay Income Tax under the normal provisions during the specified period, resulting in utilisation of MAT Credit. In the Year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants' of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will utilise MAT Credit during the specified period.

#### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted

by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

#### **k). Foreign currencies transactions and translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### l). Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

##### Revenue from Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

##### Interest Income

Interest Income from a financial asset is recognised using effective interest rate method.

##### Dividends

Dividends are recognised when the company's right to receive the payment has been established.

#### m). Financial Instruments

##### (i). Financial Assets

###### Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

###### Subsequent Measurement

###### Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

###### Equity Investments

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

###### Other Equity Investments

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a). The rights to receive cash flows from the asset have expired, or
- b). The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (i). the Company has transferred substantially all the risks and rewards of the asset, or
  - (ii). the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a). Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b). Financial assets that are debt instruments and are measured as at FVTOCI
- c). Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these standalone financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a). Trade Receivables and
- b). Other Receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When

estimating the cash flows, an entity is required to consider:

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

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

c). Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### (ii). Financial Liabilities

##### Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

##### Derecognition

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

#### (iii). Derivative Financial Instruments

##### Initial recognition and subsequent measurement

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### (iv). Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

#### n). Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### o). Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period.

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

#### p). Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company conclude that it operates under one reporting segment.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.



## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

#### 2.3 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's standalone financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### a). Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

##### b). Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

##### c). Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

##### d). Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

**e). Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**f). Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified amendments to the following accounting standards. The amendments would be effective from 1st April, 2019:

1) Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Group is currently evaluating the implication of Ind AS 116 on the financial statements.

2) Ind AS 12, Income taxes - Appendix C on uncertainty over income tax treatments

3) Ind AS 19 - Employee benefits

4) Ind AS 23 - Borrowing Costs

5) Ind AS 28 - Investment in associates and joint ventures

6) Ind AS 103 and Ind AS 111 - Business combinations and joint arrangements

7) Ind AS 109 - Financial Instruments

The Company is in the process of evaluating the impact of such amendments.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 3. PROPERTY, PLANT & EQUIPMENT

(Rs in Lakhs)

Description	Gross Block			Depreciation/Amortisation/Depletion				Net Block	
	As at 01-04-2018	Impairment of Fixed Assets	As at 31-03-2019	As at 01-04-2018	For the Year 2018- 2019	Impairment of Fixed Assets	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
<b>Tangible Assets</b>									
Factory Freehold Land	1,068.65	-	1,068.65	-	-	-	-	1,068.65	1,068.65
Factory Leasehold Land	7.56	-	7.56	4.07	0.30	-	4.38	3.18	3.49
Air Conditioner	23.83	23.83	-	19.31	1.08	20.39	-	-	4.52
Computers System	150.48	77.47	73.01	150.23	0.24	77.46	73.01	-	0.25
Electrical Installation	664.51	664.51	-	593.80	15.60	609.40	-	-	70.71
Factory Building	6,419.55	-	6,419.55	3,522.45	201.40	-	3,723.85	2,695.70	2,897.10
Furniture & Fixtures	643.13	643.13	-	569.42	13.19	582.61	-	-	73.71
Office Equipment	278.98	32.71	246.27	277.78	1.00	32.51	246.27	-	1.20
Factory Equipment	282.94	282.94	-	202.76	23.05	225.81	-	-	80.18
IT Equipment	263.43	-	263.43	263.43	-	-	263.43	-	-
Lab & Test Equipment	17.67	-	17.67	17.67	-	-	17.67	-	-
Plant & Machinery*	1,02,817.39	1,02,817.39	-	38,140.89	3,287.57	41,428.46	-	-	64,676.50
Vehicle	465.79	-	465.79	436.88	6.31	-	443.19	22.60	28.91
								-	
<b>Total Tangible Assets</b>	<b>1,13,103.91</b>	<b>1,04,541.97</b>	<b>8,561.93</b>	<b>44,198.69</b>	<b>3,549.75</b>	<b>42,976.64</b>	<b>4,771.80</b>	<b>3,790.14</b>	<b>68,905.22</b>
<b>Intangible Assets</b>									
Computer Software	116.64	-	116.64	115.02	1.62	-	116.64	-	1.62
<b>Total Intangible Assets</b>	<b>116.64</b>	<b>-</b>	<b>116.64</b>	<b>115.02</b>	<b>1.62</b>	<b>-</b>	<b>116.64</b>	<b>-</b>	<b>1.62</b>
<b>Total Property, Plant and Equipment</b>	<b>1,13,220.55</b>	<b>1,04,541.97</b>	<b>8,678.57</b>	<b>44,313.71</b>	<b>3,551.37</b>	<b>42,976.64</b>	<b>4,888.44</b>	<b>3,790.14</b>	<b>68,906.84</b>
<b>Capital Work-in-Progress</b>	<b>8.14</b>	<b>-</b>	<b>8.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.14</b>	<b>8.14</b>
<b>Total</b>	<b>8.14</b>	<b>-</b>	<b>8.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.14</b>	<b>8.14</b>
<b>Intangible Assets under Development</b>	<b>188.11</b>	<b>-</b>	<b>188.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188.11</b>	<b>188.11</b>
<b>Total</b>	<b>188.11</b>	<b>-</b>	<b>188.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188.11</b>	<b>188.11</b>

**ESS DEE ALUMINIUM LIMITED**

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**3. PROPERTY, PLANT & EQUIPMENT**

(Rs in Lakhs)

Description	Gross Block			Depreciation/Amortisation/Depletion				Net Block	
	As at 01-04-2017	Adjustments / Additions / (deductions)	As at 31-03-2018	As at 01-04-2017	For the Year 2017-2018	Adjustments / Additions / (deductions)	As at 31-03-2018	As at 31-03-2018	As at 31-03-2017
<b>Tangible Assets</b>									
Factory Freehold Land	1,068.65	-	1,068.65	-	-	-	-	1,068.65	1,068.65
Factory Leasehold Land	7.56	-	7.56	0.30	0.30	-	4.07	3.49	3.80
Air Conditioner	25.10	(1.27)	23.83	18.59	1.53	(0.81)	19.31	4.52	6.52
Computers System	151.75	(1.27)	150.48	149.48	1.80	(1.06)	150.23	0.25	2.26
Electrical Installation	664.51	-	664.51	545.83	47.97	-	593.80	70.71	118.68
Factory Building	6,419.55	-	6,419.55	3,294.13	228.32	-	3,522.45	2,897.10	3,125.41
Furniture & Fixtures	650.62	(7.49)	643.13	559.56	14.31	(4.46)	569.42	73.71	91.05
Office Equipment	279.02	(0.04)	278.98	276.39	1.41	(0.02)	277.78	1.20	2.63
Factory Equipment	293.12	(10.19)	282.94	178.90	26.83	(2.96)	202.76	80.18	114.23
IT Equipment	263.43	-	263.43	263.43	-	-	263.43	(0.00)	(0.00)
Lab & Test Equipment	17.67	-	17.67	17.67	-	-	17.67	-	-
Plant & Machinery*	1,10,379.01	(7,561.62)	1,02,817.39	36,128.59	3,630.74	(1,618.43)	38,140.89	64,676.50	74,250.42
Vehicle	465.79	-	465.79	402.71	34.18	-	436.88	28.91	63.08
			-				-	-	-
<b>Total Tangible Assets</b>	<b>1,20,685.80</b>	<b>(7,581.88)</b>	<b>1,13,103.91</b>	<b>41,839.05</b>	<b>3,987.38</b>	<b>(1,627.74)</b>	<b>44,198.69</b>	<b>68,905.22</b>	<b>78,846.74</b>
<b>Intangible Assets</b>									
Computer Software	116.64	-	116.64	110.69	4.33	-	115.02	1.62	5.95
<b>Total Intangible Assets</b>	<b>116.64</b>	<b>-</b>	<b>116.64</b>	<b>110.69</b>	<b>4.33</b>	<b>-</b>	<b>115.02</b>	<b>1.62</b>	<b>5.95</b>
<b>Total Property, Plant and Equipment</b>	<b>1,20,802.44</b>	<b>(7,581.88)</b>	<b>1,13,220.55</b>	<b>41,949.74</b>	<b>3,991.71</b>	<b>(1,627.74)</b>	<b>44,313.71</b>	<b>68,906.84</b>	<b>78,852.69</b>
<b>Capital Work-in-Progress*</b>	<b>2,672.78</b>	<b>(2,664.64)</b>	<b>8.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.14</b>	<b>2,672.78</b>
<b>Total</b>	<b>2,672.78</b>	<b>(2,664.64)</b>	<b>8.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.14</b>	<b>2,672.78</b>
<b>Intangible Assets under Development</b>	<b>188.11</b>	<b>-</b>	<b>188.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188.11</b>	<b>188.11</b>
<b>Total</b>	<b>188.11</b>	<b>-</b>	<b>188.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188.11</b>	<b>188.11</b>

\* CWIP written off Rs 722.21 Lakhs & CWIP Loss by theft Rs 1942.42 Lakhs

During the year there was a theft at the Daman Location. The Company has estimated loss to its Property, Plant and Equipment and CWIP as under:

Nature of Assets	WDV (Rs in Lakhs)
Plant and Machinery	5,954.14
CWIP	1,942.42
	7,896.56
Less: Insurance Claim receivable	2,284.50
	5,612.06

The Company has written off the above loss of Rs 5612.06 Lakhs during the FY 2017-18.

## ESS DEE ALUMINIUM LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 4. INVESTMENTS

#### Non - Current Investments

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Investments measured at Cost</b>		
<b>Investments in Subsidiaries - Unquoted</b>		
Fully paid up Shares of Flex Art Foil Ltd. 2,00,00,000 (PY 2,00,00,000) Shares of Rs 10 each fully paid up	400.00	400.00
Less : Provision for Diminution - Inv. In Shares of FAFL	(400.00)	-
Shares of Ess Dee PTE Limited 2,201,000 (PY 2,201,000) Shares of SGD 1 each	904.17	904.17
Less : Provision for Diminution - Inv. In Shares of Ess Dee PTE Ltd.	(904.17)	-
<b>Investments measured at Fair Value through Profit and Loss</b>		
<b>Investments - Others</b>		
Shares of The Shamrao Vithal Co.op Bank Ltd CY 6,175 (PY 6,175) Shares of Rs 25 each	1.54	1.54
<b>Total</b>	<b>1.54</b>	<b>1,305.71</b>

Aggregate amount of unquoted investments	1.54	1,305.71
Aggregate amount of Diminution in Value of investments	1,304.17	-

#### 4.1 Category-wise Non current investment

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
- Financial assets measured at cost	1,304.17	1,304.17
Less : Provision for Diminution of Investments in Value of Shares	(1,304.17)	-
- Financial assets measured at Fair Value through Profit and Loss	1.54	1.54
<b>Total</b>	<b>1.54</b>	<b>1,305.71</b>

#### 4.2 Information as required by Paragraph 17(b) of Ind AS 27 for Investments in Subsidiaries, Associates and Joint Ventures

Name of the Investees	Proportion of Economic Interests		Principal Place of Business/Country of Incorporation
	As at 31 March 2019	As at 31 March 2018	
	Amount	Amount	
<b>Wholly Owned Subsidiaries</b>			
Flex Art Foil Limited	100	100	India
Ess Dee Pte Limited	100	100	Singapore

### 5. Trade Receivables

#### Non - Current Trade Receivables

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Trade Receivables</b>		
<b>Unsecured</b>		
Considered Good	1,086.23	4,923.67
Considered Doubtful	3,779.34	-
Less : Provision for Doubtful Debtors	(3,779.34)	-
<b>Total</b>	<b>1,086.23</b>	<b>4,923.67</b>

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 6. LOANS

##### Non - Current Loans

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Unsecured, Considered Good</b>		
Security Deposits	59.32	55.96
Less : Provision for Doubtful Deposits	(7.27)	-
Deposit with Related Parties	900.00	900.00
Loans & Advances to Subsidiary	1,310.19	1,284.50
Corporate Gurantee Commission Receivable	54.00	40.50
Others	4.39	4.39
<b>Total</b>	<b>2,320.63</b>	<b>2,285.35</b>

#### 7. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
Deferred Tax Assets (Net)*	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* In the view of unused tax losses, the Company has not recognised Deferred Taxes on such tax losses in accordance with paragraph 35 of Ind AS 12 - Income Taxes.

#### 8. OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Unsecured, Considered Good unless otherwise stated</b>		
Advance Payment of Taxes (TDS)	1.70	1.76
Long Term Deposits (Above 8 months)	3,557.58	3,557.58
In Deposit with Bank (Original Maturity for more than 12 months)*	200.34	190.80
<b>Total</b>	<b>3,759.62</b>	<b>3,750.14</b>

\*Deposits with Banks include Rs. 200.34 Lacs (FY 2017-18 Rs. 190.80 Lacs) representing earmarked/lien against outstanding Bank Loans.

#### 9. INVENTORIES

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
(At Lower of Cost and net realizable value)		
Raw Material & Packing Material	153.44	153.44
Finished Goods	16.42	16.42
Stores and Spares	386.93	386.93
<b>Total</b>	<b>556.78</b>	<b>556.78</b>

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 10. INVESTMENTS

##### Current Investments

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Investments measured at Fair Value through Profit and Loss</b>		
<b>Investments in Equity Instruments - Unquoted</b>		
Shares of Kemrock Industries & Export Limited (152700 Equity Shares of Rs. 10 each fully paid up)	13.33	13.33
Less : Provision for Diminution - Inv. In Sh. Of Kemrock Industries	(13.33)	-
<b>Total</b>	-	<b>13.33</b>

##### 10.1 Category-wise Current Investment

Name of the Company	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Category-wise current investment</b>		
- Financial assets carried at Fair Value through Profit and Loss	13.33	13.33
Less : Provision for Diminution of Investments in Value of Shares	(13.33)	
<b>Total</b>	-	<b>13.33</b>

#### 11. CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Cash and Cash Equivalents</b>		
Cash on Hand	4.22	4.68
<b>Balances with Bank</b>		
On Current Accounts	68.18	68.18
<b>Total</b>	<b>72.40</b>	<b>72.86</b>

#### 12. BANK BALANCES OTHER THAN (iii) ABOVE

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Other Bank Balances</b>		
In unclaimed dividend Account	2.38	2.38
<b>Total</b>	<b>2.38</b>	<b>2.38</b>

#### 13. LOANS

##### Current Loans

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Unsecured, Considered Good unless otherwise stated</b>		
Advance to Suppliers	1,507.91	1,503.75
Less : Provision for Doubtful Advances - Suppliers	(1,503.30)	-
Prepaid Expenses	1.56	35.48
Loans and Advance to Employees	46.50	26.31
<b>Total</b>	<b>52.68</b>	<b>1,565.55</b>

## ESS DEE ALUMINIUM LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

14. OTHER CURRENT ASSETS		
Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Unsecured and Considered Good</b>		
Others (Refer Note No. 3)	2,284.50	2,284.50
<b>Total</b>	<b>2,284.50</b>	<b>2,284.50</b>

15. SHARE CAPITAL		
Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Authorised Share Capital</b>		
Equity Shares of Rs 10 each (CY 11,50,00,000 shares of Rs. 10 each) (PY 11,50,00,000 shares of Rs. 10 each)	11,500.00	11,500.00
Preference Shares of Rs. 100 each (CY 2,56,40,000 shares of Rs. 100 each) (PY 2,56,40,000 shares of Rs. 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>
<b>Issued Subscribed and Paid Up</b>		
3,20,47,811 (Previous Year - 3,20,47,811) Equity Shares of Rs 10 each	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

**15.1 The reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Equity Shares at the beginning of the year</b>	320,47,811	320,47,811
<b>Add/Less: Changes in Equity Shares</b>	-	-
<b>Equity Shares at the end of the year</b>	<b>320,47,811</b>	<b>320,47,811</b>

### Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of the equity shares held by the shareholders.

**15.2 The details of shareholders holding more than 5% shares :**

Name of the Shareholder	As at 31st March, 2019	As at 31st March, 2018
<b>Mr. Sudip B. Dutta</b>	<b>182,65,709</b>	<b>182,65,709</b>
<b>Percentage of Shares Held</b>	<b>57.00%</b>	<b>57.00%</b>



## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 16. OTHER EQUITY

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
(i) Share Premium As per last Balance Sheet	45,336.81	45,336.81
Closing Balance	<b>45,336.81</b>	<b>45,336.81</b>
(ii) Capital Reserve As per last Balance Sheet	1,175.29	1,175.29
Closing Balance	<b>1,175.29</b>	<b>1,175.29</b>
(iii) Revaluation Reserve As per last Balance Sheet	897.59	897.59
Closing Balance	<b>897.59</b>	<b>897.59</b>
(iv) Retained earnings As per last Balance Sheet	(93,795.72)	(43,693.25)
Add : Net Profit for the current year	(77,631.19)	(50,102.47)
<b>Amount Available for Appropriation</b>	<b>(1,71,426.91)</b>	<b>(93,795.72)</b>
Closing Balance	<b>(1,71,426.91)</b>	<b>(93,795.72)</b>
(v) Debenture Redemption Reserve As per last Balance Sheet	1,618.00	1,618.00
Closing Balance	<b>1,618.00</b>	<b>1,618.00</b>
(vii) Other Reserve Opening Balance	9,650.00	9,650.00
Closing Balance	<b>9,650.00</b>	<b>9,650.00</b>
<b>Total</b>	<b>(1,12,749.23)</b>	<b>(35,118.04)</b>

#### 17. PROVISIONS

##### Non - Current Provisions

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
Provision of Tax (Net)	3,523.90	3,525.02
<b>Total</b>	<b>3,523.90</b>	<b>3,525.02</b>

#### 18. OTHER NON CURRENT LIABILITIES

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
Deferred Sales Tax Liability	2,102.62	2,102.62
<b>Total</b>	<b>2,102.62</b>	<b>2,102.62</b>

#### 19. BORROWINGS

##### Current Borrowings

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Secured - At Amortised Cost</b> Loans repayable on demand *	1,09,757.30	94,159.80
<b>Unsecured - At Amortised Cost</b>		
- From Directors	1,528.81	1,528.81
- From Others	126.99	126.99
<b>Total</b>	<b>1,11,413.10</b>	<b>95,815.60</b>
- Guaranteed by Directors *	9,852.76	9,852.76

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Loan Repayment & Security\*

Rs. In Lakhs

Particulars	Period of default	Nature of Security	Amount of default as at 31.03.2019	Amount of default as at 31.03.2018
<b>i) Name of the Lenders:</b>				
<b>In case of:</b>				
<b>Bank</b>				
State Bank of India CC	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First pari passu charge on Current Assets of the Company & Second pari passu charge on Fixed Assets of the Company	7,942.56	7,942.56
State Bank of Patiala CC			2,092.89	2,092.89
State Bank of Patiala LC Devolvement			2,492.81	2,492.81
State Bank of Bikaner & Jaipur CC			2,635.61	2,635.61
Bank of Baroda CC			5,094.98	5,094.98
Bank of Maharashtra CC			3,042.89	3,042.89
Corporation Bank CC			4,176.44	3,553.92
AXIS Bank CC			8,978.12	8,978.12
IDBI Bank CC			7,241.64	5,849.21
The SVC Bank CC			312.58	312.58
State Bank of India CL	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Hypothecation of Stock, receivables and other Current Assets	9,100.00	9,100.00
State Bank of Patiala TL		First Pari Passu Charge on Fixed Assets of Company located at Kamarhati	2,116.13	2,116.13
State Bank of Bikaner & Jaipur CL		Hypothecation of Stock, receivables and other Current Assets	4,050.02	4,050.02
AXIS Bank TL		First charge on Fixed Assets at Unit II No.57/5/2 Bhenstore Village Daman	4,502.71	4,502.71
IDBI Bank TL		Sharing of Charges with AXIS Bank & HERO FinCorp on Daman U2 Property	1,491.38	1,304.03
The SVC Bank TL		First Charge on Plant & Machinery (Caster II and Ancillaries) valued at Rs.8066 lacs	1,393.40	1,393.40
Union Bank of India	Entire loan has been Recalled vide SARFAESI notice dated 25.04.2017	Respective machineries & Plot No. 170 located at Daman	2,652.24	2,652.24
<b>Financial Institution</b>				
IFCI	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Sharing of Charges with State Bank of Patiala for Fixed Assets Located at Kamarhati	1,548.72	1,548.72
HERO Fin Corp		Sharing of Charges with AXIS Bank & IDBI Bank on Daman U2 Property	2,724.97	2,724.97
<b>Government</b>				
<b>ii) Debentures</b>				
LIC	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First charge on Land at Mehasana and Fixed Asset situated at Daman Bhimpore to the extent Rs. 5000 Lacs	3,000.00	3,000.00
<b>Interest provision on above facilities</b>			33,167.19	19,772.00
<b>TOTAL</b>			<b>109,757.30</b>	<b>94,159.80</b>

#### 20. TRADE PAYABLES

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Trade Payables</b>		
-Trade Payable	3,105.83	3,193.47
Less : Provision for balance written back	(2,737.97)	-
-Micro Small and Medium Enterprises	4.35	4.35
<b>Total</b>	<b>372.21</b>	<b>3,197.82</b>

## ESS DEE ALUMINIUM LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 21. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
Capital Creditors	115.63	115.63
Less : Provision for balance written back	(56.51)	-
Advance From Customers	3,602.72	3,705.50
Less : Provision for balance written back	(3,589.15)	-
Investor Education and Protection Fund - Unclaimed Dividends	2.38	2.38
Other payable	8,871.94	8,526.54
Less : Provision for balance written back	(3,476.74)	-
<b>Total</b>	<b>5,470.27</b>	<b>12,350.06</b>

### 22. PROVISIONS

#### Current Provisions

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
Provision for Employee Benefits	785.50	785.50
<b>Total</b>	<b>785.50</b>	<b>785.50</b>

### 23. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Gross Sales		
Sale of Products	-	-
Sale of Services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 24. OTHER INCOME

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
<b>Interest</b>		
Interest on Fixed Deposits	10.61	10.64
Other Financial Assets carried at amortised costs	25.69	25.19
Corporate Guarantee Commission	13.50	13.50
Dividend Received	-	0.18
Export Incentives	-	0.45
Others Income	3.35	6.71
<b>Total</b>	<b>53.15</b>	<b>56.66</b>

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### 25. COST OF MATERIAL CONSUMED

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Opening Stock	540.36	1,080.73
Add : Purchases	-	2.51
Total	540.36	1,083.24
Less Closing Stock	540.36	540.36
<b>Total</b>	<b>-</b>	<b>542.88</b>

#### 26. MANUFACTURING EXPENSES

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Repairs and Machinery	-	1.03
<b>Total</b>	<b>-</b>	<b>1.03</b>

#### 27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Opening Stock of Finished Goods	16.42	32.84
Less:- Closing Stock of Finished Goods	16.42	16.42
<b>(Accretion) / Decreation of in Stock</b>	<b>-</b>	<b>16.42</b>

#### 28. EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Salary / Wages and Allowances	37.07	368.88
Staff Welfare and other benefits	0.04	4.44
Contributions to Provident & Other Fund	-	2.51
<b>Total</b>	<b>37.11</b>	<b>375.83</b>

#### 29. FINANCE COST

Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Bank Interest	15,597.49	13,929.24
Bank Commission and Other Charges	4.94	0.05
<b>Total</b>	<b>15,602.43</b>	<b>13,929.29</b>

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

<b>30. OTHER EXPENSES</b>		
Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Audit Fees	22.00	22.00
Advertisement Expenses	0.55	0.84
Bad Debts	-	24,619.69
Foreign Exchange Loss/(Gain)	(182.27)	(141.40)
Legal & Professional Expenses	18.13	131.66
Rates and Taxes	6.04	6.71
Prior Period Expenses	35.48	-
Insurance Charges	0.83	7.66
Interest on Deferred sales tax	251.86	251.86
Postage and Telephone	1.83	3.95
Conveyance and Travelling	1.79	3.46
CWIP Write-off	-	722.21
Loss of Goods Due to Theft	-	5,612.06
Other Expenses	24.81	61.26
<b>Total</b>	<b>181.06</b>	<b>31,301.98</b>

<b>30.1 Payment to Auditors as :</b>		
Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Auditor:		
Statutory Audit Fees	22.00	22.00
<b>Total</b>	<b>22.00</b>	<b>22.00</b>

#### **30.2 Corporate Social Responsibility (CSR)**

(a) CSR amount required to be spent cumulatively Rs. 309.94 lakhs for the financial year 2018-19 as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof. (Previous Year Rs. 309.94 Lacs).

(b) Expenditure related to Corporate Social Responsibility is Rs. Nil (Previous Year Rs. Nil).

<b>31. EXCEPTIONAL ITEMS (Refer Note No. 2.2)</b>		
Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
Provision for Impairment of Fixed Assets	61,565.33	-
Provision for Diminution in Value of Investments	1,317.50	-
Provision for Doubtful Debtors/Deposits/Advance to Suppliers	5,289.91	-
Provision for Balance written Back	(9,860.37)	-
<b>Total</b>	<b>58,312.37</b>	<b>-</b>

<b>32. Tax Expenses</b>		
Particulars	For the year ended 31st March, 2019 Rs in Lakhs	For the year ended 31st March, 2018 Rs in Lakhs
<b>Current Tax Expenses</b>		
MAT Credit Entitlement - Reversed	-	-
Deferred Tax (Credit) Expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**ESS DEE ALUMINIUM LIMITED****NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

<b>33. EARNINGS PER SHARE (EPS)</b>		
<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
i) Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(77,631.19)	(50,102.47)
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	320,47,811	320,47,811
iii) Weighted Average Potential Equity Shares	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	320,47,811	320,47,811
v) Basic Earnings per Share	(242.24)	(156.34)
vi) Diluted Earnings per Share	(242.24)	(156.34)
vii) Face Value per Equity Share Rs.10/-	10	10

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Note No: 34 Gratuity Plans**

The Company has not carried out actuarial valuation of employee benefits including Gratuity, Pension and other staff emoluments as on 31st March 2019. In respect of certain employee of erstwhile India Foils Ltd the provident fund, gratuity & pension benefits were managed by trusts set up for that purpose. In earlier years the Company has made sufficient provision for such liabilities on an estimated basis, which in its opinion is sufficient to meet these obligations. The pension benefit is frozen as on 31st December 2000.

**Note No: 35 Contingent Liabilities and Commitments**

(Rs in Lakhs)

Sr.No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	<b>Contingent Liabilities</b>		
a.	Claims against the Company not acknowledged as Debts	1,437.36	1,402.34
b.	Relating to Sales Tax, VAT & Central Sales Tax	3,030.36	3,030.36
c.	Relating to Central Excise & Service Tax	2,320.62	2,320.62
d.	Relating to Income Tax	30,613.26	35,360.27
e.	Guarantee		
	- Given for	2,700.00	2,700.00
	- Others	-	-
	<b>Total</b>	<b>40,101.60</b>	<b>44,813.59</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 28th March, 2014. Company had challenged the validity of search carried out at its business premises on conversion of survey U/s 133A before Hon'ble Bombay High Court on the plea that the said action was contrary to the provisions of section 132(1) of the Act. While dismissing the petition being withdrawn vide its order dated 20th April 2016, the Hon'ble Bombay High Court has granted liberty to raise all contentions, including those raised in these petitions in this challenge to the assessment orders dated 29th March, 2016 passed under Section 153A of the Income Tax Act, 1961 before the appellate authorities under the Act. The company has later objected before the Hon'ble High Court for treating the appeal as withdrawn however the same has not been entertained. Accordingly, the Company has on 11th May, 2016 filed a Special Leave Petition before Supreme Court against the said order. This petition has been disposed off by the Hon'ble Apex Court vide order dated 17/11/2016 and granted permission to raise this plea before Commissioner of Income Tax (Appeal). Accordingly Company has filed appeal before the Commissioner of Income Tax (Appeal). In the opinion of the Company the assessment order U/s 143(3) r.w.s. 153A of the Act does not have validity on the very basis of assuming jurisdiction U/s 153A of the Act. The tax department has imposed a lien on the future fund balances in all bank accounts of the Company.

**Note No: 36 Financial Instruments**

**Valuation**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in unquoted Equity Shares is measured at NAV and considered as a level 3 input.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- The management assessed that carrying amount of all other financial instruments are reasonable approximation of the fair value.

(Rs. In Lakhs)

Particulars	As at 31 March 2019				As at 31 March 2018			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Cost/Amortised Cost</b>								
Investments	-	-	-	-	1,304.17	-	-	-
Cash and Bank Balances	72.40	-	-	-	72.86	-	-	-
Loans	2,373.31	-	-	-	3,850.90	-	-	-
<b>At Fair Value through Profit and Loss</b>								
Investments	1.54	-	-	1.54	14.87	13.33	-	1.54
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Borrowings	1,11,413.10	-	-	-	95,815.61	-	-	-
Trade Payables	372.21	-	-	-	3,197.82	-	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

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

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**Foreign Currency Risk**

The following table shows foreign currency exposures in USD, EUR, JPY and SGD on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

Particulars	As at 31 March 2019				
	USD (in Lacs)	EUR (in Lacs)	JPY (in Lacs)	SGD (in Lacs)	(Rs.in Lacs)
Trade Receivables	-	-	-	-	-
Trade Payables	-	-	-	-	-
Advances received from Customers	-	-	-	-	-
Advances paid to Creditors	-	-	-	-	-
Loans and Advances/ Capital/ Investments - Subsidiary Companies	26.46	-	-	22.01	2,962.17

Particulars	As at 31 March 2018				
	USD (in Lacs)	EUR (in Lacs)	JPY (in Lacs)	SGD (in Lacs)	(Rs.in Lacs)
Trade Receivables	0.33	-	-	-	21.74
Trade Payables	30.02	0.11	-	-	1,966.07
Advances received from Customers	7.49	1.10	-	-	577.31
Advances paid to Creditors	0.90	-	6.15	-	62.29
Loans and Advances/ Capital/ Investments - Subsidiary Companies	26.02	-	-	22.01	2,792.81

**Foreign Currency Sensitivity**

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held

constant. The impact on the Company's profit before taxes is due to changes in the fair value of monetary assets and liabilities.

	Changes in USD Rate	Effect on Profit and Loss (Rs. In Lakhs)	Effect on Equity (Rs. In Lakhs)
For the year ended 31st March, 2019	1%	(18.36)	(18.36)
	-1%	18.36	18.36
For the year ended 31st March, 2018	1%	(6.69)	(6.69)
	-1%	6.69	6.69

	Changes in EUR Rate	Effect on Profit and Loss (Rs. In Lakhs)	Effect on Equity (Rs. In Lakhs)
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(7.71)	(7.71)
	-1%	7.71	7.71



**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Changes in JPY Rate	Effect on Profit and Loss (Rs. In Lakhs)	Effect on Equity (Rs. In Lakhs)
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(0.06)	(0.06)
	-1%	0.06	0.06

	Changes in SGD Rate	Effect on Profit and Loss (Rs. In Lakhs)	Effect on Equity (Rs. In Lakhs)
For the year ended 31st March, 2019	1%	(11.27)	(11.27)
	-1%	11.27	11.27
For the year ended 31st March, 2018	1%	(4.22)	(4.22)
	-1%	4.22	4.22

**Interest Rate Risk**

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	Rs. In Lakhs	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Loans	1,11,413.10	95,815.61
<b>Total</b>	<b>1,11,413.10</b>	<b>95,815.61</b>

**Interest Rate Sensitivity**

Impact of Interest Expenses for the year on 1% change in Interest Rate

	Changes in Interest Rate	Effect on Profit and Loss (Rs. In Lakhs)	Effect on Equity (Rs. In Lakhs)
For the year ended 31st March, 2019	1%	(1,114.13)	(1,114.13)
	-1%	1,114.13	1,114.13
For the year ended 31st March, 2018	1%	(958.16)	(958.16)
	-1%	958.16	958.16

**Credit Risk**

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. Nil and Rs. Nil as of 31st March, 2018 and 31st March, 2017 respectively. Trade Receivables are typically unsecured and are derived from revenue earned from customers. Credit Risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

**Liquidity Risk**

The Liquidity risk that the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach of managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

**Maturity Profile of Loans and Other Financial Liabilities as on 31 March, 2019**

Particulars	Rs In Lakhs			
	Below 1 Year	1 - 3 Years	Above 3 Years	Total
Borrowings *	1,11,413.10	-	-	1,11,413.10
Trade Payables	372.21	-	-	372.21
<b>Total</b>	<b>1,11,785.31</b>	<b>-</b>	<b>-</b>	<b>1,11,785.31</b>

\* Overdue

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Maturity Profile of Loans and Other Financial Liabilities as on 31 March, 2018

Rs In Lakhs

Particulars	Below 1 Year	1 - 3 Years	Above 3 Years	Total
Borrowings*	95,815.61	-	-	95,815.61
Trade Payables	3,197.82	-	-	3,197.82
<b>Total</b>	<b>99,013.43</b>	<b>-</b>	<b>-</b>	<b>99,013.43</b>

\* Overdue

#### Note No: 37 Operating Segments

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 Ind AS 108, Operating Segments.

#### Note No. 38 Lease:

##### Operating Lease

The Company has leased facilities under non-cancellable operating leases.

The future lease payments in respect of these leases as at 31st March 2019 and 31st March 2018 are Minimum Lease payments.

Rs In Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Not later than one year	0.30	0.30
Later than one year but not later than five years	1.20	1.20
Later than Five Years	1.69	1.99
<b>Total</b>	<b>3.19</b>	<b>3.49</b>

#### Note No. 39 Particulars in respect of loans and advances in the nature of loans to related parties as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016

Rs In Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Ess Dee Aluminium Pte. Ltd. (Maximum Amount Outstanding: 31 March, 2019 - Rs 1,310.19 Lacs/- 31 March, 2018 - Rs 1284.50 Lacs/-)	1,310.19	1,284.50
<b>Total</b>	<b>1,310.19</b>	<b>1,284.50</b>

#### Note No. 40 Details of Loan given/Investment made and Guarantee given covered under Section 186(4) of the Companies Act, 2013

Rs In Lakhs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>Loans and Advances</b>		
Ess Dee Aluminium Pte Limited	1,310.19	1,284.50
<b>Investments made</b>		
Ess Dee Aluminium Pte Limited	-	904.17
Flex Art Foil Limited	-	400.00
<b>Corporate Guarantee given</b>		
Flex Art Foil Limited	2,700.00	2,700.00
<b>Total</b>	<b>4,010.19</b>	<b>5,288.67</b>

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.

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Note No. 41 Related Party Disclosures:**

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a). List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Nature of Related Party	Particulars
A	Subsidiaries	Flex Art Foil Limited Ess Dee Aluminium Pte. Ltd.
B	Key Managerial Personnel	Mr. Sudip Dutta - Chairman Mr. Debdeep Bhattacharya –Whole Time Director
C	Relative of Key Managerial Personnel	Ms. Aarti Dutta
D	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 Pvt. Ltd. Ess Dee Clean Coal Technologies Pvt. Ltd. Ess Dee Infraventure Pvt. Ltd. Clanergy Studios Pvt. Ltd.

**b). Transactions with related parties:**

(Rs. In Lakhs)

Particulars	Subsidiaries		Key Managerial Personnel		Relative of Key Managerial Personnel	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Salary</b>						
Mr. Debdeep Bhattacharya	-	-	-	47.67	-	-
<b>Total</b>	-	-	-	<b>47.67</b>	-	-

**c) Balances with related parties:**

(Rs. In Lakhs)

Particulars	Subsidiaries		Key Managerial Personnel		Relative of Key Managerial Personnel	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Investments</b>						
Flex Art Foil Limited	-	400.00	-	-	-	-
Ess Dee Aluminium Pte. Ltd.	-	904.17	-	-	-	-
<b>Total</b>	-	<b>1,304.17</b>	-	-	-	-
<b>Amount Payable to</b>						
Mr. Sudip Dutta	-	-	1,686.52	1,647.09	-	-
Mr. Debdeep Bhattacharya	-	-	32.18	45.87	-	-
Ms. Aarti Dutta	-	-	-	-	40.39	40.39
Clanergy Studios Pvt. Ltd.	-	-	-	-	126.99	126.99
<b>Total</b>	-	-	<b>1,718.70</b>	<b>1,692.97</b>	<b>167.38</b>	<b>167.38</b>
<b>Amount Receivable from</b>						
Mr. Sudip Dutta	-	-	900.00	900.00	-	-
Flex Art Foil Limited	1,086.23	1,144.33	-	-	-	-
Ess Dee Aluminium Pte. Ltd.	1,310.19	1,284.50	-	-	-	-
<b>Total</b>	<b>2,396.42</b>	<b>2,428.83</b>	<b>900.00</b>	<b>900.00</b>	-	-

**41.1 Compensation of Key Management Personnel**

The remuneration of director and other member of key management personnel during the year was as follows:

(Rs. In Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>Mr. Debdeep Bhattacharya</b>	-	47.67
(Whole Time Director)		
<b>Total</b>	96	<b>47.67</b>

**ESS DEE ALUMINIUM LIMITED****NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****Note No. 42 Payable to any micro, small and medium enterprises:**

The company does not have any dues payable to any micro, small and medium enterprises as at the year end except as mentioned hereunder. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006.

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Principal amount remaining unpaid	4.35	4.35
Interest due thereon remaining unpaid *	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>Total</b>	<b>4.35</b>	<b>4.35</b>

As per our report of even date attached

*For Shah & Taparia*  
**Chartered Accountants**  
Firm Regd. No.: 109463W

*For and on behalf of the Board of Directors*

**Bharat Joshi**  
Partner  
Membership No.: 130863  
Place: Mumbai

**Madan Mohan Jain**  
Independent Director  
(DIN : 00003580)

**Debdeep Bhattacharya**  
Whole Time Director  
(DIN: 00464686)

Date: 30th May, 2019

## **Independent Auditor's Report**

To The Members of **ESS DEE ALUMINIUM LIMITED**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of ESS DEE ALUMINIUM LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the **Companies Act, 2013** (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note no 2.1 in the consolidated financial statements, regarding preparation of financial results on a Going Concern basis for the reasons stated therein, including the agreement to participate in the revival of the Company by prospective investors i.e. the funds managed and / or advised by SSG Capital Management and their associates. Further, SSG Capital Management has during the preceding financial year through its asset reconstruction entity in India taken over the loans given by one bank and is in advanced stage of negotiations for similar restructuring / settling loans of other banks and lenders, though there exists a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern. Further the Group has incurred a loss of Rs. 795.37 crores during the year ended 31 March 2019. During the year the Group has made provision for Impairment of Property, Plant and Equipment, Impairment of Investments, Bad and Doubtful Debts and other balances to the extent of Rs 589.19 crores (Refer note no 32). These events and conditions, among others as explained in Note no 2.1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not

provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1	<p><b>Disclosures of contingent liabilities – claims, litigations and tax dues.</b></p> <p>The Group is exposed to different laws, regulations and interpretations thereof. The group is also subject to significant claims and litigations. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. As at 31st March, 2019, the group has material contingent liabilities in respect of claims and litigations and dues pertaining to direct and indirect taxes [Refer Note 35 to the financial statements]. We considered this to be a key audit matter, since the accounting and disclosure of these contingent liabilities is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included among others:</p> <ol style="list-style-type: none"> <li>I. Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities;</li> <li>II. Analyzed significant changes/ update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change;</li> <li>III. Discussed the status of significant known actual and potential litigations with the management &amp; noted that information placed before the board for such cases and</li> <li>IV. Assessment of the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the financial statements.</li> </ol>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and report that fact.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions

of the Act for safeguarding 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors, such other

auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

#### **Other Matters**

(a) We did not audit the financial statements of one subsidiary namely ESSDEE Aluminium Pte Ltd., whose financial statements reflect total assets of Rs.42.92 Lakhs as at 31st March, 2019, total revenues of Rs.1.66 Lakhs and net cash out flows amounting to Rs. 3.64 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

- i. We have relied on the unaudited financial statements of one subsidiary namely, ESSDEE Aluminium Pte Ltd., Singapore, included in the consolidated financial statements, whose consolidated financial statement reflect total assets of Rs 42.92 Lakhs as at March 31, 2019, and revenue of Rs 1.66 Lakhs for the year then ended. The financial statements of the said subsidiary have been approved by the Board of Directors of the said subsidiary and have been furnished to us by the company and our report in terms of Section 143(3) & (11) of the Act, in so far as it relates to this subsidiary, is based solely on such approved financial statements. Our opinion on the statement is not modified in respect of the above.
- ii. The consolidated financial results includes the audited financial statements of one Subsidiary namely, Flex Art Foil Ltd., which constitute revenue of Rs. 0.47 Lakhs and loss for the year ended Rs. 2879.72 Lakhs for the year ended March 31, 2019 and total assets of Rs. 1995.80 Lakhs as at March 31, 2019 which has been audited by us. Our opinion on the statement is not modified in respect of the above.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the **Companies (Accounts) Rules, 2014**.
- e) On the basis of assertions made in the audit report of separate financial statements of the subsidiary Company and on the basis of written representations received from the directors of the Holding Company as on March 31, 2019 and taken on records by Board of Directors, all the directors of the Company are disqualified as on March 31, 2019, from being appointed as a director of the Company in terms of Section 164 (2) of the Act, due to failure to redeem debentures due on 31st July, 2015. In view of the above default, the directors of the wholly owned subsidiary in India are disqualified as on March 31, 2018, from being appointed as a director of the company in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the **Companies (Audit and Auditors) Rules, 2014**, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group— Refer Note No 36 to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long term contracts including derivatives contracts.
- iii. There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

**For SHAH & TAPARIA**  
**Chartered Accountants**  
**(Firm Regn No 109463W)**

**BHARAT JOSHI**  
**Partner**  
**M. No. 130863**

**Place: Mumbai**  
**Date: May 30, 2019**

## **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of ESS DEE ALUMINIUM LIMITED of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of ESS DEE ALUMINIUM LIMITED (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective companies policies, the safeguarding of their assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

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

Because of the matter described in disclaimer of opinion paragraph below, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

**Disclaimer of Opinion**

According to the information and explanation given to us, the Group due to its situation of financial stress has during the year not established its internal financial controls over financial reporting on criteria based on or considering the essential components of internal controls stated in Guidance Note on Audit and Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company has adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Group, and the disclaimer does not affect our opinion on the consolidated Ind AS financial statements.

**For SHAH & TAPARIA**

Chartered Accountants

FRN: 109463W

**BHARAT JOSHI**

Partner

Membership No.: 130863

Place: Mumbai.

Date: May 30, 2019

**ESS DEE ALUMINIUM LIMITED**  
**Consolidated Balance Sheet for the Year Ended 31st March 2019**

(Rs in Lacs)

	Notes	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>		
(a)	Property, Plant and Equipment	5,231.46	73,871.44
(b)	Capital Work-In-Progress	9.06	9.06
(c)	Other Intangible Assets	-	1.62
(d)	Intangible Assets under Development	311.98	311.98
(i)	- Investments	2.07	2.07
(ii)	- Trade Receivables	20.69	4,175.97
(iii)	- Loans	1,086.44	1,092.91
(f)	Deferred Tax Assets (Net)	-	-
(g)	Other Non-Current Assets	3,997.99	3,988.09
		<b>10,659.69</b>	<b>83,453.13</b>
<b>2</b>	<b>Current Assets</b>		
(a)	Inventories	574.25	574.25
(b)	Financial Assets		
(i)	- Investments	-	13.33
(ii)	- Cash and Cash Equivalents	84.66	87.44
(iii)	- Bank Balances other than (ii) above	2.38	2.38
(iv)	- Loans	97.65	1,628.35
(c)	Other Current Assets	2,292.83	2,541.11
		<b>3,051.77</b>	<b>4,846.86</b>
	<b>TOTAL</b>	<b>13,711.46</b>	<b>88,300.00</b>
<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>		
1 (a)	Equity Share Capital	3,204.78	3,204.78
(b)	Other Equity	(1,21,568.09)	(42,090.37)
		<b>(1,18,363.31)</b>	<b>(38,885.59)</b>
	<b>LIABILITIES</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
(a)	Financial Liabilities		
(i)	- Borrowings	19.70	29.66
(b)	Provisions (Net)	3,523.90	3,525.02
(c)	Other Non-Current Liabilities	2,102.62	2,102.62
		<b>5,646.22</b>	<b>5,657.30</b>
<b>3</b>	<b>Current Liabilities</b>		
(a)	Financial Liabilities		
(i)	- Borrowings	1,16,605.41	1,00,214.35
(ii)	- Trade payables		
(A)	Total Outstanding dues of Micro enterprises and Small enterprises	4.35	4.35
(B)	Total Outstanding dues of other creditors other than (ii) (A) above	396.26	4,366.73
(b)	Other Current Liabilities	8,373.96	15,894.24
(c)	Provisions	1,048.57	1,048.62
		<b>1,26,428.56</b>	<b>1,21,528.28</b>
	<b>TOTAL</b>	<b>13,711.46</b>	<b>88,300.00</b>

The accompanying notes forms integral part of the Financial Statements

**As per our report of even date attached**

**For Shah & Taparia**  
**Chartered Accountants**

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

**Bharat Joshi**  
Partner  
Membership No.: 130863  
Place: Mumbai

**Madan Mohan Jain**  
Independent Director  
(DIN : 00003580)

**Debdeep Bhattacharya**  
Whole Time Director  
(DIN: 00464686)

Date: 30th May, 2019

**ESS DEE ALUMINIUM LIMITED**  
**Consolidated Statement of Profit and Loss Account for the Year Ended 31st March 2019**

(Rs In Lacs)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from Operations	24	-	50.38
Other Income	25	16.09	18.29
<b>Total Revenue</b>		<b>16.09</b>	<b>68.67</b>
<b>Expenses</b>			
Cost of Materials Consumed	26	-	599.78
Manufacturing Cost	27	-	2.71
Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	28	-	16.83
Employee Benefit Expense	29	249.52	599.00
Depreciation and Amortisation Expense	3	3,898.50	4,296.59
Finance Cost	30	16,199.96	14,447.43
Other Expenses	31	286.02	36,991.95
<b>Total expenses</b>		<b>20,634.00</b>	<b>56,954.30</b>
<b>Profit/ (loss) before exceptional items &amp; tax</b>		<b>(20,617.91)</b>	<b>(56,885.63)</b>
Exceptional Items	31A	(58,918.73)	-
<b>Profit/ (loss) after exceptional items &amp; before tax</b>		<b>(79,536.64)</b>	<b>(56,885.63)</b>
<b>Tax expense</b>			
a) Current tax	32	-	-
b) Deferred tax	32	-	-
c) MAT Credit (Entitlement)/Adj	32	-	-
<b>Profit/ (loss) for the year</b>		<b>(79,536.64)</b>	<b>(56,885.63)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b> (Profit/ loss + other comprehensive income)		<b>(79,536.64)</b>	<b>(56,885.63)</b>
<b>Earnings per equity share</b>	33		
a) Basic		<b>(248.18)</b>	<b>(177.50)</b>
b) Diluted		<b>(248.18)</b>	<b>(177.50)</b>

The accompanying notes forms integral part of the Financial Statements

**As per our report of even date attached**

*For Shah & Taparia*  
Chartered Accountants

*For and on behalf of the Board of Directors*

**Bharat Joshi**  
Partner  
Membership No.: 130863  
Place: Mumbai

**Madan Mohan Jain**  
Independent Director  
(DIN : 00003580)

**Debdeep Bhattacharya**  
Whole Time Director  
(DIN: 00464686)

Date: 30th May, 2019

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. In Lakhs)

#### 3. PROPERTY, PLANT & EQUIPMENT

Description	Gross Block				Depreciation/Amortisation/Depletion				Net Block	
	As at 01-04-2018	Additions	Deductions on account of Impairment of FA	As at 31-03-2019	As at 01-04-2018	Additions	Deductions on account of Impairment of FA	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019
<b>Tangible Assets</b>										
Factory Freehold Land	1,284.64	-	-	1,284.64	-	-	-	-	1,284.64	1,284.64
Factory Leasehold Land	457.45	-	-	457.45	64.00	5.55	-	69.55	393.44	387.90
Air Conditioner	33.19	-	33.19	-	26.98	1.60	28.58	-	6.21	-
Computers System	179.91	-	176.12	3.79	179.08	0.46	176.12	3.42	0.83	0.36
Electrical Installation	856.42	-	856.42	-	748.38	31.57	779.94	-	108.04	-
Factory Building	7,647.18	-	-	7,647.18	3,883.96	247.34	-	4,131.30	3,763.22	3,515.88
Furniture & Fixtures	777.99	2.58	755.06	25.51	682.79	20.48	688.99	14.27	95.20	11.23
Office Equipment's	302.64	-	301.71	0.93	301.44	1.00	301.51	0.93	1.20	-
Factory Equipment's	383.83	-	383.83	-	254.78	32.02	286.80	-	129.05	-
IT Equipment's	263.43	-	-	263.43	263.43	-	-	263.43	-	-
Lab & Test Equipment's	17.67	-	-	17.67	17.67	-	-	17.67	-	-
Plant & Machinery*	1,07,308.49	-	1,07,308.49	-	39,272.53	3,534.65	42,807.18	-	68,035.96	-
Vehicle	610.48	-	-	610.48	556.83	22.20	-	579.03	53.65	31.45
<b>Total Tangible Assets</b>	<b>1,20,123.31</b>	<b>2.58</b>	<b>1,09,814.81</b>	<b>10,311.08</b>	<b>46,251.87</b>	<b>3,896.88</b>	<b>45,069.13</b>	<b>5,079.62</b>	<b>73,871.44</b>	<b>5,231.46</b>
<b>Intangible Assets</b>										
Computer Software	125.45	-	-	125.45	123.83	1.62	-	125.45	1.62	-
<b>Total Intangible Assets</b>	<b>125.45</b>	<b>-</b>	<b>-</b>	<b>125.45</b>	<b>123.83</b>	<b>1.62</b>	<b>-</b>	<b>125.45</b>	<b>1.62</b>	<b>-</b>
<b>Total Property, Plant and Equipment</b>	<b>1,20,248.76</b>	<b>2.58</b>	<b>1,09,814.81</b>	<b>10,436.53</b>	<b>46,375.70</b>	<b>3,898.50</b>	<b>45,069.13</b>	<b>5,205.07</b>	<b>73,873.06</b>	<b>5,231.46</b>
<b>Capital Work-in-Progress</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.06</b>	<b>9.06</b>
<b>Total</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.06</b>	<b>9.06</b>
<b>Intangible Assets under Development</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>311.98</b>
<b>Total</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>311.98</b>

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In Lakhs)

#### 3. PROPERTY, PLANT & EQUIPMENT

Description	Gross Block				Depreciation/Amortisation/Depletion				Net Block	
	As at 01-04-2017	Additions	deductions	As at 31-03-2018	As at 01-04-2017	Additions	deductions	As at 31-03-2018	As at 31-03-2017	As at 31-03-2018
<b>Tangible Assets</b>										
Factory Freehold Land	1,284.64	-	-	1,284.64	-	-	-	-	1,284.64	1,284.64
Factory Leasehold Land	457.45	-	-	457.45	58.46	5.55	-	64.00	398.99	393.44
Air Conditioner	34.46	-	1.27	33.19	27.66	0.13	0.81	26.98	6.80	6.21
Computers System	180.53	0.64	1.27	179.91	177.97	2.16	1.06	179.08	2.56	0.83
Electrical Installation	856.42	-	-	856.42	681.81	66.57	-	748.38	174.61	108.04
Factory Building	7,647.18	-	-	7,647.18	3,609.71	274.25	-	3,883.96	4,037.47	3,763.22
Furniture & Fixtures	784.79	0.68	7.49	777.99	670.21	17.04	4.46	682.79	114.58	95.20
Office Equipment's	302.68	-	0.04	302.64	300.60	0.86	0.02	301.44	2.08	1.20
Factory Equipment's	394.01	-	10.19	383.83	222.17	35.57	2.96	254.78	171.84	129.05
IT Equipment's	263.43	-	-	263.43	263.43	-	-	263.43	-	-
Lab & Test Equipment's	17.67	-	-	17.67	17.67	-	-	17.67	-	-
Plant & Machinery*	1,14,870.12	-	7,561.62	1,07,308.49	37,050.09	3,840.87	1,618.43	39,272.53	77,820.03	68,035.96
Vehicle	610.48	-	-	610.48	507.72	49.11	-	556.83	102.76	53.65
<b>Total Tangible Assets</b>	<b>1,27,703.86</b>	<b>1.33</b>	<b>7,581.88</b>	<b>1,20,123.31</b>	<b>43,587.50</b>	<b>4,292.11</b>	<b>1,627.74</b>	<b>46,251.87</b>	<b>84,116.36</b>	<b>73,871.44</b>
<b>Intangible Assets</b>										
Computer Software	125.45	-	-	125.45	119.35	4.49	-	123.83	6.11	1.62
<b>Total Intangible Assets</b>	<b>125.45</b>	<b>-</b>	<b>-</b>	<b>125.45</b>	<b>119.35</b>	<b>4.49</b>	<b>-</b>	<b>123.83</b>	<b>6.11</b>	<b>1.62</b>
<b>Total Property, Plant and Equipment</b>	<b>1,27,829.32</b>	<b>1.33</b>	<b>7,581.88</b>	<b>1,20,248.76</b>	<b>43,706.85</b>	<b>4,296.59</b>	<b>1,627.74</b>	<b>46,375.70</b>	<b>84,122.47</b>	<b>73,873.06</b>
<b>Capital Work-in-Progress</b>	<b>2,673.70</b>	<b>-</b>	<b>2,664.64</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,673.70</b>	<b>9.06</b>
<b>Total</b>	<b>2,673.70</b>	<b>-</b>	<b>2,664.64</b>	<b>9.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,673.70</b>	<b>9.06</b>
<b>Intangible Assets under Development</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>311.98</b>
<b>Total</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311.98</b>	<b>311.98</b>

\* CWIP written off Rs 722.21 Lakhs & CWIP Loss by theft Rs 1942.42 Lakhs

During the year there was a theft at the Daman Location. The Company has estimated loss to its Property, Plant and Equipment and CWIP as under:

Nature of Assets	WDV (Rs in Lakhs)
Plant and Machinery	5,954.14
CWIP	1,942.42
	7,896.56
Less: Insurance Claim receivable	2,284.50
	5,612.06

The Company has written off the above loss of Rs 5612.06 Lakhs during the FY 2017-18.

**ESS DEE ALUMINIUM LIMITED**  
**Consolidated Statement of Cash Flows for the year ended 31st March, 2019**

Rs. In Lakhs

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
<b>A Cash Flow From Operating Activities</b>				
Profits before tax		(79,536.64)		(56,885.63)
<b>Add:</b>				
Depreciation	3,898.50		4,296.59	
CWIP / Bad Debts/ ICD Written Off/Loss of Goods due to theft	-		36,555.08	
Exceptional Items	58,918.73		-	
IND AS adjustment of earlier years	309.48		(80.91)	
(Profit)/Loss on sale of Fixed Assets	-		-	
Finance Cost	16,199.96		14,447.43	
		79,326.66		55,218.18
<b>Operating Profit before working Capital Changes</b>		(209.97)		(1,667.44)
<b>Working Capital Changes</b>				
(Increase)/Decrease in Inventories	-		574.25	
(Increase)/Decrease in Trade Receivables	-		-	
(Increase)/Decrease in Other Current Assets	256.27		79.64	
Increase/(Decrease) in Trade Payables & Other Liabilities	24.03		1,267.90	
(Increase)/Decrease in Working Capital		280.30		1,921.79
<b>Cash Generated from Operating Activities</b>		70.33		254.35
Tax Paid	(1.12)		(1.76)	
		(1.12)		(1.76)
<b>Cash Used (-)/(+) generated for operating activities ( A )</b>		<b>69.21</b>		<b>252.59</b>
<b>B Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets including CWIP	(2.58)		(1.33)	
Proceeds from sale of Fixed Assets	-		-	
Purchase of Investments	-		-	
Capital and Foreign fluctuation reserve on consolidation	(250.56)		72.46	
<b>Net Cash Used in Investing Activities ( B )</b>		<b>(253.14)</b>		<b>71.13</b>
<b>C Cash Flow From Financing Activities</b>				
Finance Cost	(16,199.96)		(14,447.43)	
Proceeds / (Re payment) of Long term borrowings	(9.96)		-	
Proceeds / (Re payment) of Short term borrowings	16,391.07		14,124.19	
<b>Net Cash Used in Financing Activities ( C )</b>		<b>181.15</b>		<b>(323.24)</b>
<b>D Net Increase (+)/ Decrease (-) in cash and cash equivalent ( A+B+C)</b>		<b>(2.78)</b>		<b>0.49</b>
Cash and Cash Equivalent Opening Balance		87.44		86.95
Cash and Cash Equivalent Closing Balance		84.66		87.44
<b>E Supplementary Information</b>				
- Earmarked/ Current Account under lien with Banks/Fl's		76.57		79.43

The accompanying notes forms integral part of the Financial Statements

As per our report of even date attached

*For Shah & Taparia*  
**Chartered Accountants**

*For and on behalf of the Board of Directors*

**Bharat Joshi**  
*Partner*  
**Membership No.: 130863**  
**Place: Mumbai**

**Madan Mohan Jain**  
*Independent Director*  
**(DIN : 00003580)**

**Debdeep Bhattacharya**  
*Whole Time Director*  
**(DIN: 00464686)**

**Date: 30th May, 2019**



# ESS DEE ALUMINIUM LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 1 Corporate Information

Ess Dee Aluminium Limited ("The Company") is a Public Limited Company, domiciled in India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of manufacture of Advance Packagaing Solutions. The Company has manufacturing facilities at Kolkata, Daman and Goa.

#### 2.1 Basis of Preparation and Presentation

The Consolidated Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (i). Derivative financial instruments
- (ii). Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

Company's Consolidated Financial Statements are presented in Indian Rupees, which is also its functional currency. The unit of presentation is indian rupees in lakhs.

The Company has been suffering from continued financial stress due to liquidity constraints as a consequence of which the manufacturing units have been non-operational. The Company and the Prospective Investors (including the SSG Capital Management and their associates) have continued to look for various options for revival and are in active discussions with existing as well as prospective lenders. Further, SSG Capital Management has during the year ended March 31, 2017 through its asset reconstruction entity in India taken over the loans given by one bank and is in advanced stage of negotiations for similar restructuring / settling loans of other banks and lenders. The wholly owned subsidiary in Singapore, Ess Dee Aluminium PTE Ltd is the fulcrum and cornerstone of the revival activity and will continue to play a key and pivotal role in the revival process.

The Company is in advanced stage of discussion with all the key lenders, although recent and distinctive changes in RBI guidelines have delayed the process and the final resolution there follows.

- 2.2 During the year the company has made provisions for Impairment of Fixed Assets, Provision for diminution in value of investment, Provision for doubtful debtors/Deposits/Advances to Suppliers and Provision for Balance written back for Creditors/Advance received from customers - (Refer Note No. 32)

#### 2.3 Principle of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2017.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i). Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii). Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii). The ability to use its power over the investee to affect its returns.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The consolidated financial statements relate to ESS DEE ALUMINIUM LIMITED ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a). The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- b). Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.
- c). In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- d). Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- e). The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- f). Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- g). Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

The list of companies which are included in consolidation and the Parent Company's holdings therein are as under:

Sr. No.	Name of the Subsidiary/ Associate/Joint Venture	Country of Incorporation	March 31, 2018 (%)	March 31, 2017 (%)
1	Flex Art Foil Ltd	India	100	100
2	Ess Dee Aluminium Pte Limited	Singapore	100	100

#### 2.4 Summary of Significant Accounting Policies

##### a). Current / Non- Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a). Expected to be realized or intended to be sold or consumed in normal operating cycle;
- b). Held primarily for the purpose of trading;
- c). Expected to be realized within twelve months after the reporting period, or
- d). Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a). It is expected to be settled in normal operating cycle;
- b). It is held primarily for the purpose of trading;
- c). It is due to be settled within twelve months after the reporting period, or
- d). There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b). Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on all Property, Plant and Equipment is provided based on useful life prescribed in Schedule II of the Companies Act, 2013 under Straight Line Method. 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. No.	Nature of the Asset	Asset Name	Useful Life as per Schedule II of the Companies Act, 2013 (Years)	Revised Useful Life adopted based on technical evaluation (Years)
1	Plant and Machinery	Diesel Generator	15	10
2	Plant and Machinery	Caster - 1	15	14
3	Plant and Machinery	Slitter and Rewinder/ Chiller new/ Ink Mixing/ Thermal Lamination/ Crane and Material Handling/ Separator	15	20
4	Plant and Machinery	Annealing Furnace/ Thermal Lamination/ Crane and Material Handling/ Separator/ Furnace/ Grinder	15	25
5	Plant and Machinery	Rolling Mill - Old and New/ Caster - 2	15	30
6	Plant and Machinery	Sheet Mill	15	35
7	Plant and Machinery	Roll Grinding	15	40

The company has in an earlier financial year 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.

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### c). Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

#### d). Intangible Assets and Amortisation

Intangible Assets are stated at cost of acquisition less accumulated amortisation /depletion and impairment loss, if any.

Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets of the company comprises of Software which is amortized over a period of 5 years.

#### e). Finance Costs

Borrowing Costs includes Interest, amortisation of ancillary cost incurred in connection with the arrangement of Borrowings and exchange differences arising from Foreign Currency Borrowings to the extent they are regarded as an adjustment to the Interest Costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

#### f). Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. The valuation of inventories is done on Weighted Average Method.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

**g). Impairment of Non-Financial Assets - Property, Plant & Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and Intangible Assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**h). Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**i). Employee Benefit Expenses**

**(i). Short Term Employee Benefits**

All Employee Benefits payable wholly within twelve month of rendering the service are classified as Short Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**(ii). Post Employment Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly payments to Employee State Insurance Scheme, Provident Fund Scheme and Government administered Pension Fund Scheme for all applicable employees. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefit Plans**

Gratuity liability is a defined benefit obligation which is provided for on the basis of an actuarial valuation on Projected Unit cost method made at the end of each financial year. Actuarial gains/(losses) are recognised directly in other comprehensive income. This benefit is presented according to present value after deducting the fair value of the plan assets. The Company determines the net interest on the net defined benefit liability (asset) in respect of a defined benefit by multiplying the net liability (asset) in respect of a defined benefit by the discount rate used to measure the defined benefit obligation as they were determined at the beginning of the annual reporting period.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**Other Long Term Employee Benefits**

The employees of the company are entitled to compensated absences which are both accumulating and non-

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### j). Tax Expenses

The tax expense for the period comprises Current and Deferred Tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

#### Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Minimum Alternative tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay Income Tax under the normal provisions during the specified period, resulting in utilisation of MAT Credit. In the Year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants' of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will utilise MAT Credit during the specified period.

#### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### k). Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### l). Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

##### Revenue from Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

##### Interest Income

Interest Income from a financial asset is recognised using effective interest rate method.

##### Dividends

Dividends are recognised when the company's right to receive the payment has been established.

#### m). Financial Instruments

##### (i). Financial Assets

###### Initial Recognition and Measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

###### Subsequent Measurement

###### Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

##### Equity Investments

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

##### Other Equity Investments

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- a). The rights to receive cash flows from the asset have expired, or
- b). The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (i). the Company has transferred substantially all the risks and rewards of the asset, or
  - (ii). the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a). Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b). Financial assets that are debt instruments and are measured as at FVTOCI
- c). Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables' in these standalone financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a). Trade Receivables and
- b). Other Receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When

estimating the cash flows, an entity is required to consider:



## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- a). All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- b). Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- c). Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

#### (ii). Financial Liabilities

##### Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### **Derecognition**

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

#### **(iii). Derivative Financial Instruments**

##### **Initial recognition and subsequent measurement**

The Company uses derivative financial instruments- forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### **(iv). Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

**n). Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**o). Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period.

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

**p). Segment Reporting**

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. The Company conclude that it operates under one reporting segment.

Unallowable items includes general corporate income and expense items which are not allocated to any business segment.

**Segment Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

**2.5 Critical Accounting Judgments and Key Sources of Estimation Uncertainty**

The preparation of the Company's standalone financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a). Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**b). Recoverability of trade receivable**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**c). Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

**d). Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**e). Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**f). Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified amendments to the following accounting standards. The amendments would be effective from 1st April, 2019:

1) Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Group is currently evaluating the implication of Ind AS 116 on the financial statements.

2) Ind AS 12, Income taxes - Appendix C on uncertainty over income tax treatments

3) Ind AS 19 - Employee benefits

4) Ind AS 23 - Borrowing Costs

5) Ind AS 28 - Investment in associates and joint ventures

6) Ind AS 103 and Ind AS 111 - Business combinations and joint arrangements

7) Ind AS 109 - Financial Instruments

The Company is in the process of evaluating the impact of such amendments

## ESS DEE ALUMINIUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 4 . INVESTMENTS

#### Non - Current Investments

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Unquoted - Investments in Equity Instruments</b>		
Shares of The Shamrao Vithal Co.op Bank Ltd CY 6175 (PY 6175) Shares of Rs 25 each	2.07	2.07
<b>Total</b>	<b>2.07</b>	<b>2.07</b>

#### 4.1 Category-wise Non current investment

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
- Financial assets measured at Fair Value through Profit and Loss	2.07	2.07
<b>Total</b>	<b>2.07</b>	<b>2.07</b>

### 5. TRADE RECEIVABLES

#### Non - Current Trade Receivables

Particulars	As at 31 March 2019 Rs in Lakhs	As at 31 March 2018 Rs in Lakhs
<b>Trade Receivables</b>		
<b>Unsecured</b>		
Considered Good	20.69	4,175.97
Considered Doubtful	4,150.67	-
Less : Provision for Doubtful Debtors	(4,150.67)	-
<b>Total</b>	<b>20.69</b>	<b>4,175.97</b>

### 6. LOANS

#### Non - Current Loans

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Unsecured, Considered Good</b>		
Security Deposits	61.79	58.43
Less : Provision Doubtful Deposits	(9.74)	-
Deposit with Related Parties	1,026.42	1,025.00
Others	7.97	9.47
<b>Total</b>	<b>1,086.44</b>	<b>1,092.91</b>

### 7. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Deferred Tax Liabilities (Net)*	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* In the view of unused tax losses, the Company has not recognised Deferred Taxes on such tax losses in accordance with paragraph 35 of Ind AS 12 - Income Taxes.

## ESS DEE ALUMINIUM LIMITED

### 8. OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Unsecured, Considered Good unless otherwise stated</b>		
Advance Payment of Taxes (TDS)	1.70	1.76
Long Term Deposits (Above 8 months)	3,795.94	3,795.54
In Deposit with Bank (Original Maturity for more than 12 months)*	200.34	190.80
<b>Total</b>	<b>3,997.99</b>	<b>3,988.09</b>

\*Deposits with Banks include Rs. 200.34 Lacs (FY 2017-18 Rs. 190.80 Lacs ) representing Margin Money for letter of credit and Bank Guarantees issued.

### 9. INVENTORIES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
(At Lower of Cost and net realizable value)		
Raw Material	170.49	170.49
Finished Goods	16.83	16.83
Stores and Spares	386.93	386.93
<b>Total</b>	<b>574.25</b>	<b>574.25</b>

### 10. INVESTMENTS

#### Current Investments

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Investments measured at Fair Value through Profit and Loss:</b>		
<b>Investments in Equity Instruments - Unquoted</b>		
Shares of Kemrock Ind & Export Ltd (152700 Equity Shares of Rs. 10 each fully paid up)	13.33	13.33
Less : Provision for Diminution in Value of above Investment	(13.33)	-
<b>Total</b>	<b>-</b>	<b>13.33</b>

#### 9.1 Category-wise Current Investment

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Category-wise current investment</b>		
- Financial assets carried at Fair Value through Profit and Loss	13.33	13.33
Less : Provision for Diminution of Investments in Value of Shares	(13.33)	-
<b>Total</b>	<b>-</b>	<b>13.33</b>

### 11. CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Cash and Cash Equivalents</b>		
Cash on Hand	8.09	8.01
<b>Balances with Bank</b>		
On Current Accounts #	76.57	79.43
# Earmarked/Lien against outstanding Loans		
<b>Total</b>	<b>84.66</b>	<b>87.44</b>

## ESS DEE ALUMINIUM LIMITED

### 12. BANK BALANCES OTHER THAN (iii) ABOVE

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Other Bank Balances</b>		
In unclaimed dividend Account	2.38	2.38
<b>Total</b>	<b>2.38</b>	<b>2.38</b>

### 13. LOANS

#### Current Loans

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Unsecured, Considered Good unless otherwise stated</b>		
Advance to Suppliers	1,518.76	1,514.60
Less : Provision for Doubtful Advances to Suppliers	(1,514.15)	-
Prepaid Expenses	7.16	51.09
Loans and Advance to Employees	55.30	32.84
Others	30.56	29.82
<b>Total</b>	<b>97.65</b>	<b>1,628.35</b>

### 14. OTHER CURRENT ASSETS

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Unsecured and Considered Good</b>		
Advance to Directors	-	239.86
Advance Payment of Taxes (TDS)	0.05	0.03
Others (Please refer Note No.3)	2,292.78	2,301.22
<b>Total</b>	<b>2,292.83</b>	<b>2,541.11</b>

### 15. SHARE CAPITAL

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Authorised Share Capital</b>		
Equity Shares of Rs 10 each (CY 11,50,00,000 shares of Rs. 10 each) (PY 11,50,00,000 shares of Rs. 10 each)	11,500.00	11,500.00
Preference Shares of Rs. 100 each (CY 2,56,40,000 shares of Rs. 100 each) (PY 2,56,40,000 shares of Rs. 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>
<b>Issued Subscribed and Paid Up</b>		
Equity Shares of Rs 10 each (CY 3,20,47,811 shares) (PY 3,20,47,811 shares)	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

#### 15.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 March 2019	As at 31 March 2018
Equity Shares at the beginning of the year	32047811	32047811
Add/Less: Changes in Equity Shares	-	-
<b>Equity Shares at the end of the year</b>	<b>32047811</b>	<b>32047811</b>

#### Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of the equity shares held by the shareholders.

## ESS DEE ALUMINIUM LIMITED

### 15.2 The details of shareholders holding more than 5% shares :

Name of the Shareholder	As at 31 March 2019	As at 31 March 2018
Mr. Sudip B. Dutta	1,82,65,709	1,82,65,709
Percentage of Shares Held	57.00%	57.00%

### 15.3 Details of Equity Shares issued in the last Five Years other than cash

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Allotment of Shares as fully paid up pursuant to contracts without payments being received in cash	-	-	-	-	-
Allotment of fully paid up bonus shares	-	-	-	-	-

## 16. OTHER EQUITY

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>(i) Share Premium</b>		
As per last Balance Sheet	45,336.81	45,336.81
Add Additions During the Year	-	-
<b>Closing Balance</b>	<b>45,336.81</b>	<b>45,336.81</b>
<b>(ii) Capital Reserve</b>		
As per last Balance Sheet	1,331.19	1,331.19
Add Additions During the Year	-	-
<b>Closing Balance</b>	<b>1,331.19</b>	<b>1,331.19</b>
<b>(iii) Revaluation Reserve</b>		
As per last Balance Sheet	897.59	897.59
Add Additions During the Year	-	-
<b>Closing Balance</b>	<b>897.59</b>	<b>897.59</b>
<b>(iv) Retained earnings</b>		
As per last Balance Sheet	(1,02,623.15)	(45,656.61)
Less Adjustment Related to earlier years	273.77	(103.12)
Add:- IND As Adjustments - CG - Other Reserves	54.00	40.50
Add:- IND As Adjustments - Other Comprehensive Income	(18.29)	(18.29)
Add : Net Profit/(Loss) for the current year	(79,536.64)	(56,885.63)
<b>Closing Balance</b>	<b>(1,81,850.31)</b>	<b>(1,02,623.15)</b>
<b>(v) Debenture Redemption Reserve</b>		
As per last Balance Sheet	1,618.00	1,618.00
Add Trf from Profit & Loss Account	-	-
Less Trf to General Reserve	-	-
<b>Closing Balance</b>	<b>1,618.00</b>	<b>1,618.00</b>
<b>(vi) General Reserves</b>		
As per last Balance Sheet	9,650.00	9,650.00
Add Trf from Profit & Loss Account	-	-
Add Trf from Debenture Redemption Reserve	-	-
<b>Closing Balance</b>	<b>9,650.00</b>	<b>9,650.00</b>
<b>(vii) Reserve on Foreign Currency Translation</b>		
As per last Balance Sheet	1,699.19	1,626.73
Add/(Less): Transactions during the year	(250.56)	72.46
<b>Closing Balance</b>	<b>1,448.63</b>	<b>1,699.19</b>
<b>Total</b>	<b>(1,21,568.09)</b>	<b>(42,090.37)</b>



## ESS DEE ALUMINIUM LIMITED

### 17. BORROWINGS

#### Non - Current Borrowings

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Secured at Amortised Cost</b>		
- Vehicle Loan	19.70	29.66
<b>Total</b>	<b>19.70</b>	<b>29.66</b>

### 18. PROVISIONS

#### Non - Current Provisions

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Provision of Tax (Net)	3,523.90	3,525.02
<b>Total</b>	<b>3,523.90</b>	<b>3,525.02</b>

### 19. OTHER NON - CURRENT LIABILITIES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. 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>

### 20. BORROWINGS

#### Current Borrowings

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Secured - At Amortised Cost</b>		
Loans repayable on demand from Banks	1,14,469.50	98,276.49
<b>Unsecured - At Amortised Cost</b>		
- From Directors	1,730.93	1,528.81
- From Others	404.99	409.05
<b>Total</b>	<b>1,16,605.41</b>	<b>1,00,214.35</b>
- Guaranteed by Directors	9,852.76	9,852.76

## ESS DEE ALUMINIUM LIMITED

### Loan Repayment & Security

(Rs In Lakhs)

Particulars	Period of default	Nature of Security	Amount of default as at 31.03.2019	Amount of default as at 31.03.2018
<b>i) Name of the Lenders:</b>				
<b>In case of:</b>				
<b>Bank</b>				
State Bank of India CC	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First pari passu charge on Current Assets of the Company & Second pari passu charge on Fixed Assets of the Company	7,942.56	7,942.56
State Bank of Patiala CC			2,092.89	2,092.89
State Bank of Patiala LC Devolvement			2,492.81	2,492.81
State Bank of Bikaner & Jaipur CC			2,635.61	2,635.61
Bank of Baroda CC			5,094.98	5,094.98
Bank of Maharashtra CC			3,042.89	3,042.89
Corporation Bank CC			4,176.44	3,553.92
AXIS Bank CC			8,978.12	8,978.12
IDBI Bank CC			7,241.64	5,849.21
The SVC Bank CC				
The SVC Bank FAFL	Entire loan has been Recalled vide SARFAESI notice dated 03.01.2017	First pari passu charge on Current Assets of the Company & Second	1,537.22	1,537.22
Bank of Baroda CC FAFL	Entire loan has been Recalled vide SARFAESI notice dated 21.12.2016	pari passu charge on Fixed Assets of the Subsidiary Company FAFL	1,200.96	1,200.96
State Bank of India CL	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Hypothecation of Stock, receivables and other Current Assets	9,100.00	9,100.00
State Bank of Patiala TL		First Pari Passu Charge on Fixed Assets of Company located at Kamarhati	2,116.13	2,116.13
State Bank of Bikaner & Jaipur CL		Hypothecation of Stock, receivables and other Current Assets	4,050.02	4,050.02
AXIS Bank TL		First charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village Daman	4,502.71	4,502.71
IDBI Bank TL		Sharing of Charges with AXIS Bank & HERO FinCorp on Daman U2 Property	1,491.38	1,304.03
The SVC Bank TL		First Charge on Plant & Machinery (Caster II and Ancillaries) valued at Rs.8066 lacs	1,393.40	1,393.40
Union Bank of India	Entire loan has been Recalled vide SARFAESI notice dated 25.04.2017	Respective machineries & Plot No. 170 located at Daman	2,652.24	2,652.24
The SVC Bank TL - FAFL	Entire loan has been Recalled vide SARFAESI notice dated 03.01.2017	First Charge on Land at Bengaluru and Fixed Assets situated at Bengaluru - FAFL	456.95	456.95
<b>Financial Institution</b>				
IFCI	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	Sharing of Charges with State Bank of Patiala for Fixed Assets Located at Kamarhati	1,548.72	1,548.72
HERO Fin Corp		Sharing of Charges with AXIS Bank & IDBI Bank on Daman U2 Property	2,724.97	2,724.97
<b>Government</b>			-	-
<b>ii) Debentures</b>				
LIC	Entire loan has been Recalled vide SARFAESI notice dated 20.07.2016	First charge on Land at Mehasana and Fixed Asset situated at Daman Bhipore to the extent Rs. 5000 Lacs	3,000.00	3,000.00
<b>Interest provision on above facilities</b>			34,684.26	20,693.56
			<b>114,469.50</b>	<b>98,276.49</b>

### 21. TRADE PAYABLES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Trade Payables</b>		
Trade Payables	4,279.08	4,366.73
Less : Prov. For Balance Written Back - Trade Payables	(3,882.83)	-
Micro Small and Medium Enterprises (Refer Note No. 40)	4.35	4.35
<b>Total</b>	<b>400.61</b>	<b>4,371.08</b>

## ESS DEE ALUMINIUM LIMITED

### 22. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Capital Creditors	142.40	142.40
Less : Provision for balance written back	(58.97)	-
Current Maturity of Long term Debts	10.77	10.48
Advance From Customers	4,060.37	4,167.76
Less : Provision for balance written back	(4,053.46)	-
Investor Education and Protection Fund -Unclaimed Dividends	2.38	2.38
Other Liabilities	11,789.98	11,571.21
Less : Provision for balance written back	(3,519.52)	-
<b>Total</b>	<b>8,373.96</b>	<b>15,894.24</b>

### 23. PROVISIONS

#### Current Provisions

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Provision for Employee Benefits	779.36	779.36
Advance Payment of Taxes (Net)	269.21	269.26
<b>Total</b>	<b>1,048.57</b>	<b>1,048.62</b>

### 24. REVENUE FROM OPERATIONS

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Gross Sales		
Sale of Products	-	50.38
Sale of Services	-	-
Less Inter Company Sales	-	-
<b>Total</b>	<b>-</b>	<b>50.38</b>

### 25. OTHER INCOME

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
<b>Interest</b>		
Interest on Fixed Deposits	11.08	11.40
Dividend Received	-	0.18
Other Income	5.01	6.71
<b>Total</b>	<b>16.09</b>	<b>18.29</b>

### 26. COST OF MATERIAL CONSUMED

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Opening Stock	557.41	1,114.83
Add : Purchases	-	42.37
Total	557.41	1,157.19
Less Closing Stock	557.41	557.41
<b>Total</b>	<b>-</b>	<b>599.78</b>

## ESS DEE ALUMINIUM LIMITED

### 27. MANUFACTURING EXPENSES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Power and Fuel	-	0.99
Repairs and Machinery	-	1.72
<b>Total</b>	<b>-</b>	<b>2.71</b>

### 28. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Opening Stock of Finished Goods	16.83	33.67
Closing Stock of Finished Goods	16.83	16.83
<b>(Accretion) / Decreation of in Stock</b>	<b>-</b>	<b>16.83</b>

### 29. EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Salary / Wages and Allowances	240.35	582.90
Staff Welfare and other benefits	0.19	5.21
Contributions to Provident & Other Fund	8.99	10.90
<b>Total</b>	<b>249.52</b>	<b>599.00</b>

### 30. FINANCE COST

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Bank Interest	16,195.95	14,445.16
Bank Commission and Other Charges	4.01	2.27
<b>Total</b>	<b>16,199.96</b>	<b>14,447.43</b>

### 31. OTHER EXPENSES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Audit Fees (Refer note below)	31.19	30.58
Advertisement Expenses	0.55	0.84
Bad Debts	-	24,619.69
Provision for Bad debts	-	5,601.11
Foreign Exchange (Gain)/ Loss	(155.84)	(141.25)
Legal & Professional Expenses	22.77	147.46
Rates and Taxes	6.04	6.71
Rent	24.48	26.92
Insurance Charges	0.98	7.77
Interest on Deferred sales Tax	251.86	251.86
Postage and Telephone	5.97	9.89
Conveyance and Travelling	6.84	12.62
CWIP Expenses Written off	-	722.21
Loss of Goods due to Theft	-	5,612.06
Other Expenses	91.17	83.47
<b>Total</b>	<b>286.02</b>	<b>36,991.95</b>

## ESS DEE ALUMINIUM LIMITED

### 31.1 Details of payment to Auditors

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Auditor: Statutory Audit Fees	31.19	30.58
<b>Total</b>	<b>31.19</b>	<b>30.58</b>

### 30.2 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent cumulatively Rs. 332.19 lakhs for the financial year 2018-19 as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof. (Previous Year Rs. 332.19 Lacs).

(b) Expenditure related to Corporate Social Responsibility is Rs. Nil (Previous Year Rs. Nil).

### 32. EXCEPTIONAL ITEMS (Refer Note No. 2.2)

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Provision for Impairment of Fixed Assets	64,745.68	-
Provision for Diminution in Value of Investments	13.33	-
Provision for Doubtful Debtors/Deposits/Advance to Suppliers	5,674.55	-
Provision for Balance written Back	(11,514.83)	-
<b>Total</b>	<b>58,918.73</b>	<b>-</b>

### 33. TAX EXPENSES

Particulars	As at 31 March 2019 Rs. In Lacs	As at 31 March 2018 Rs. In Lacs
Current Tax	-	-
MAT Entitlement	-	-
Deferred Tax (Credit) Expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 34. EARNINGS PER SHARE (EPS)

Particulars	As at 31 March 2019	As at 31 March 2018
i) Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(79,536.64)	(56,885.63)
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	3,20,47,811	3,20,47,811
iii) Weighted Average Potential Equity Shares	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	3,20,47,811	3,20,47,811
v) Basic Earnings per Share	(248.18)	(177.50)
vi) Diluted Earnings per Share	(248.18)	(177.50)
vii) Face Value per Equity Share (₹)	10	10

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Note No: 35 Employee Benefits**

The Company has not carried out actuarial valuation of employee benefits as on 31st March 2019 and 31st March 2018. However, such liability in respect of units other than West Bengal units, is funded with SBI Life Insurance Company Ltd and such fund is in excess of liability upto 31st March 2017, estimated by management on full liability basis. Hence, no provision against employee benefits has been made. In respect of West Bengal units the provision is made on estimated basis. In respect of certain employee of eartwhile India Foils Ltd the provident fund, gratuity & pension benefits were managed by trusts set up for that purpose. In earlier years the Company has made sufficient provision for such liabilities on an estimated basis, which in its opinion is sufficient to meet these obligations. The pension benefit is frozen as on 31st December 2000.

**Note No: 36 Contingent Liabilities and Commitments**

Sr.No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	<b>Contingent Liabilities</b>		
a.	Claims against the Company not acknowledged as Debts	1,513.39	1,478.37
b.	Relating to Sales Tax, VAT & Central Sales Tax	3,190.76	3,190.76
c.	Relating to Central Excise & Service Tax	2,320.62	2,320.62
d.	Relating to Income Tax	31,316.28	36,063.29
e.	Guarantees		
	- Given for bank loans taken by subsidiaries	2,700.00	2,700.00
	- Others	-	-
	<b>Total</b>	<b>41,041.05</b>	<b>45,753.04</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 28th March, 2014. Company had challenged the validity of search carried out at its business premises on conversion of survey U/s 133A before Hon'ble Bombay High Court on the plea that the said action was contrary to the provisions of section 132(1) of the Act. While dismissing the petition being withdrawn vide its order dated 20th April 2016, the Hon'ble Bombay High Court has granted liberty to raise all contentions, including those raised in these petitions in this challenge to the assessment orders dated 29th March, 2016 passed under Section 153A of the Income Tax Act, 1961 before the appellate authorities under the Act. The company has later objected before the Hon'ble High Court for treating the appeal as withdrawn however the same has not been entertained. Accordingly, the Company has on 11th May, 2016 filed a Special Leave Petition before Supreme Court against the said order. This petition has been disposed off by the Hon'ble Apex Court vide order dated 17/11/2016 and granted permission to raise this plea before Commissioner of Income Tax (Appeal). Accordingly Company has filed appeal before the Commissioner of Income Tax (Appeal). In the opinion of the Company the assessment order U/s 143(3) r.w.s. 153A of the Act does not have validity on the very basis of assuming jurisdiction U/s 153A of the Act. The tax department has imposed a lien on the future fund balances in all bank accounts of the Company.

**Note No: 37 Financial Instruments**

**Valuation**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in unquoted Equity Shares is measured at NAV and considered as a level 3 input.
  - All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
  - The management assessed that carrying amount of all other financial instruments are reasonable approximation of the fair value.
- (Rs. In Lakhs)

Particulars	As at 31 March 2019				As at 31 March 2018			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Cost/Amortised Cost</b>								
Trade Receivables	-	-	-	-	-	-	-	-
Cash and Bank Balances	84.66	-	-	-	87.44	-	-	-
Loans	1,184.09	-	-	-	2,721.26	-	-	-
<b>At Fair Value through Profit and Loss</b>								
Investments	2.07	-	-	2.07	15.40	13.33	-	2.07
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Borrowings	1,16,625.11	-	-	-	1,00,244.01	-	-	-
Trade Payables	-	-	-	-	-	-	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

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

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## ESS DEE ALUMINIUM LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Foreign Currency Risk

The following table shows foreign currency exposures in USD, EUR, JPY and SGD on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

Particulars	As at 31 March 2019				Figures in Lakhs	
	USD	EUR	JPY	SGD	INR	
Trade Receivables	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Advances received from Customers	-	-	-	-	-	-
Advances paid to Creditors	-	-	-	-	-	-
Loans and Advances/ Capital/ Investments - Subsidiary Companies	-	-	-	-	-	-

Particulars	As at 31 March 2018				Figures in Lakhs	
	USD	EUR	JPY	SGD	INR	
Trade Receivables	0.33	-	-	-	-	21.74
Trade Payables	30.02	0.11	-	-	-	1,966.07
Advances received from Customers	7.49	1.10	-	-	-	577.31
Advances paid to Creditors	0.90	-	6.15	-	-	62.29
Loans and Advances/ Capital/ Investments - Subsidiary Companies	26.02	-	-	22.01	-	2,792.81

#### Foreign Currency Sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before taxes is due to changes in the fair value of monetary assets and liabilities.

Rs. In Lakhs

	Changes in USD Rate	Effect on Profit and Loss	Effect on Equity
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(6.69)	(6.69)
	-1%	6.69	6.69

	Changes in EUR Rate	Effect on Profit and Loss	Effect on Equity
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(7.71)	(7.71)
	-1%	7.71	7.71

	Changes in JPY Rate	Effect on Profit and Loss	Effect on Equity
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(0.06)	(0.06)
	-1%	0.06	0.06

	Changes in SGD Rate	Effect on Profit and Loss	Effect on Equity
For the year ended 31st March, 2019	1%	-	-
	-1%	-	-
For the year ended 31st March, 2018	1%	(4.22)	(4.22)
	-1%	4.22	4.22

#### Interest Rate Risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Sr.No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Loans	1,16,635.88	1,00,254.49
	<b>Total</b>	<b>1,16,635.88</b>	<b>1,00,254.49</b>

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Interest Rate Sensitivity**

Impact of Interest Expenses for the year on 1% change in Interest Rate

	Rs. In Lakhs		
	Changes in Interest Rate	Effect on Profit and Loss	Effect on Equity
For the year ended 31st March, 2019	1%	(1,166.36)	(1,166.36)
	-1%	1,166.36	1,166.36
For the year ended 31st March, 2018	1%	(1,002.54)	(1,002.54)
	-1%	1,002.54	1,002.54

**Credit Risk**

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. Nil and Rs. Nil as of 31st March, 2019 and 31st March, 2018 respectively. Trade Receivables are typically unsecured and are derived from revenue earned from customers. Credit Risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

**Liquidity Risk**

The Liquid risk that the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach of managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Company's reputation.

Maturity Profile of Loans and Other Financial Liabilities as on 31 March, 2019

Particulars	Below 1 Year	1 - 3 Years	Above 3 Years	Total
Borrowings *	1,16,616.18	19.70	-	1,16,635.88
Trade Payables	-	-	-	-
<b>Total</b>	<b>1,16,616.18</b>	<b>19.70</b>	<b>-</b>	<b>1,16,635.88</b>

\* Overdue

Maturity Profile of Loans and Other Financial Liabilities as on 31 March, 2018

Particulars	Below 1 Year	1 - 3 Years	Above 3 Years	Total
Borrowings	1,00,224.83	29.66	-	1,00,254.49
Trade Payables	-	-	-	-
<b>Total</b>	<b>1,00,224.83</b>	<b>29.66</b>	<b>-</b>	<b>1,00,254.49</b>

**Note No: 38 Operating Segments**

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 Ind AS 108, Operating Segments.

**Note No. 39 Lease:**

**Operating Lease**

The Company has leased facilities under non-cancellable operating leases.

The future lease payments in respect of these leases as at 31st March 2019 and 31st March 2018 are Minimum Lease payments.

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Not later than one year	5.54	5.54
Later than one year but not later than five years	22.16	22.16
Later than Five Years	360.21	365.75
<b>Total</b>	<b>387.91</b>	<b>393.45</b>

**Note No. 40 Related Party Disclosures:**

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

- a). List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Nature of Related Party	Particulars
A	Subsidiaries	Flex Art Foil Limited Ess Dee Aluminium Pte. Ltd.
B	Key Managerial Personnel	Mr. Sudip Dutta - Chairman Mr. Debdeep Bhattacharya –Whole Time Director
C	Relative of Key Managerial Personnel	Ms. Aarti Dutta
D	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 Pvt. Ltd. Ess Dee Clean Coal Technologies Pvt. Ltd. Ess Dee Infraventure Pvt. Ltd. Clanergy Studios Pvt. Ltd.



**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**b). Transactions with related parties:**

(Rs. in Lakhs)

Particulars	Key Managerial Personnel		Relative of Key Managerial Personnel	
	2018-19	2017-18	2018-19	2017-18
<b>Salary</b>				
Mr. Sudip Dutta	185.39	171.74		
Mr. Debdeep Bhattacharya	-	47.67	-	-
<b>Total</b>	<b>185.39</b>	<b>219.41</b>	<b>-</b>	<b>-</b>

**c) Balances with related parties:**

(Rs. in Lakhs)

Particulars	Key Managerial Personnel		Relative of Key Managerial Personnel	
	2018-19	2017-18	2018-19	2017-18
<b>Amount Payable to</b>				
Mr. Sudip Dutta	4,253.26	4,137.67	-	-
Mr. Debdeep Bhattacharya	32.18	45.87	-	-
Ms. Aarti Dutta	-	-	41.96	41.96
Clenergy Studio Pvt Ltd	-	-	189.99	189.99
<b>Total</b>	<b>4,285.44</b>	<b>4,183.54</b>	<b>231.95</b>	<b>231.95</b>
<b>Amount Receivable from</b>				
Mr. Sudip Dutta	1,000.00	1,239.86	-	-
Ms. Aarti Dutta	-	-	25.00	25.00
Ess Dee Clean Coal Technologies Pvt. Ltd	0.32	-	-	-
Ess Dee Eco Energy Pvt. Ltd	0.32	-	-	-
Ess Dee Infraventure Pvt. Ltd	0.32	-	-	-
Vyoma Investment & Finance Company Pvt. Ltd	0.46	-	-	-
<b>Total</b>	<b>1,001.42</b>	<b>1,239.86</b>	<b>25.00</b>	<b>25.00</b>

**40.1 Compensation of Key Management Personnel**

The remuneration of director and other member of key management personnel during the year was as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>Mr. Sudip Dutta</b>	185.39	171.74
Chairman		
<b>Mr. Debdeep Bhattacharya</b>	-	47.67
(Whole Time Director)		
<b>Total</b>	<b>185.39</b>	<b>219.41</b>

**Note No. 41 Payable to any micro, small and medium enterprises:**

The company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006.

**ESS DEE ALUMINIUM LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Principal amount remaining unpaid (but within due date as per the MSMED Act)	4.35	4.35
Interest due thereon remaining unpaid	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>Total</b>	<b>4.35</b>	<b>4.35</b>

**Note No. 42 Information relating to Net assets and Share in Profit or loss of Subsidiaries**

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (Rs. In Lakhs)	As % of consolidated profit or loss	Amount (Rs. In Lakhs)
Parent Company : Ess Dee Aluminium Limited	-92.55 % (PY -82.07% )	-109,544.45 (P Y -)	-96.03 % (P Y -88.08% )	-77,631.19 (P Y -50,102.47)
Indian Subsidiary : Flex Art Foil Ltd	-5.04% (P Y -7.96%)	-5,963.27 (PY 3,097.05)	-3.56% (P Y -11.40% )	-2,879.72 (P Y -6,487.18)
Foreign Subsidiary : Ess Dee Aluminium Pte Limited - Singapore	-2.81% (P Y -7.58% )	-3,327.18 (P Y -2,946.55)	-0.41% (P Y -0.52% )	-330.18 (P Y -295.98)
Less : Elimination	0.40% (P Y -2.39% )	471.59 (P Y -928.74)		

As per our report of even date attached

**For Shah & Taparia**  
**Chartered Accountants**  
**Firm Regd. No.: 109463W**

For and on behalf of the Board of Directors

**Bharat Joshi**  
**Partner**  
**Membership No.: 130863**  
**Place: Mumbai**  
**Date: 30th May, 2019**

**Madan Mohan Jain**  
**Independent Director**  
**(DIN : 00003580)**

**Debdeep Bhattacharya**  
**Whole Time Director**  
**(DIN: 00464686)**

**MGT-11**

**ESS DEE ALUMINIUM LIMITED**

CIN: L50100MH1985PLC036945 / email: cs@essdee.in / website: www.essdee.in

Registered Office: 1, Sagore Dutta Ghat Road, Kamarhati, Kolkata - 700 058

**Proxy Form**

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

I/We, being the member(s) of \_\_\_\_\_ Shares of Ess Dee Aluminium Limited, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him

Only Member/Proxy holder can attend the Meeting.

Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the Company, to be held on Sunday, September 29, 2019, at 2.00 p.m. at Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata - 723142 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1	(a) the audited standalone financial statement of the Company for the financial year ended March 31, 2019, including the Audited Balance-sheet as at March 31, 2019, the statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditors' Report thereon and  (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 including the Audited Balance-sheet as at March 31, 2019, the statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditors' Report thereon			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of the proxy holder(s)

Affix revenue stamp of not less than Re.1
---

**Notes :**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP (To Be Presented At Entrance)  
ESS DEE ALUMINIUM LIMITED  
CIN: L50100MH1985PLC036945 / email: cs@essdee.in / website: www.essdee.in  
Registered Office: 1, Sagore Dutta Ghat Road, Kamarhati, Kolkata - 700 058

**Proxy Form**

Registered Folio No. : \_\_\_\_\_ DPIDNo. \_\_\_\_\_ ClientIDNo. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 34th Annual General Meeting of the Company at Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata – 723142 on Sunday, September 29, 2019, at 2.00 p.m.

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of the member / proxy

(in BLOCK letters)

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

To,

***If undelivered please return to:***  
**Ess Dee Aluminium Limited**  
1, Sagore Dutta Ghat Road,  
Kamarhati,  
Kolkata - 700058