essel
EXTRAORDINARY PACKAGING

31 May 2019

Corporate Service Department **BSE Limited** 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	The Listing Department **National Stock Exchange of India Ltd** Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051
Scrip: Equity 500135. NCDs 957238	**Trading Symbol:** ESSELPACK

Ref.: Essel Propack Limited

Sub.: Annual Report for the FY 2018-19

Dear Sirs,

Please find attached herewith the Annual Report of the Company for the financial year 2018-19 containing audited financial statements, Auditor's reports, Board's report and annexures.

Cash flow statements and details relating to transactions with related parties for the half year / financial year is also part of the above Annual Report.

Annual Report is being sent to members of the Company and also available on the Company's website www.esselpropack.com.

The above is pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, applicable statutory provisions, laws, information and record.

Kindly take the above on record and acknowledge receipt.

Thanking you

Yours faithfully
For Essel Propack Limited

ESSEL PROPACK LIMITED MUMBAI

Suresh Savaliya
Head - Legal & Company Secretary

Encl.: A/a

Filed on online

Essel Propack Limited
Annual Report 2018-19

essel
EXTRAORDINARY PACKAGING

READY FOR THE FUTURE

CONTENTS

Personalisation, Customisation and Individualisation is the future. The future trend of consumers are likely to demand their experiences and engagements with products and services to be hyper-personal every time they buy.

This shift is likely to profoundly impact the packaging pipeline for brands. They are now looking for agile, optimised and sustainable packaging solutions.

Essel Propack foresaw these radical changes in 2017. We realised how innovative thinking leveraging the power of digitisation would be the key to offer cutting-edge packaging solutions to our customers.

We commenced our Digital journey to ensure we are Ready For The Future. Leveraging the power of digital printing in flexible packaging, we have proven again our leadership in pioneering innovation.

Showcased on the cover of this year's Annual Report are three tubes developed by Essel Propack using cutting-edge digital technology. These tubes deliver personalised experiences with customised images on each tube. The variable data using QR codes can be scanned for instant-gratification at check-out. The invisible UV printing provides a never-before security feature.

Forward-looking statements:
This document contains statements about expected future events and financial and operating results of Essel Propack Limited, which may constitute "forward-looking statements". By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

TOMORROW BEGINS TODAY

At Essel Propack, pioneering innovation today to meet tomorrow's changes and challenges has always been key to our sustained success over the last 3 decades.

In the recent few years, consumer behaviour has been changing swiftly. Consumers are demanding more personalised, customised and individualised experiences every time they shop. For brands, this is a big packaging challenge. From mock-ups to mass production, from high-inventory to just-in-time stocks – every aspect of packaging needs to change. Speed, customisation and personalisation has to be integrated at every stage – from development to delivery.

As key packaging solutions partners to top global brands, we understood that the answer to this new challenge was in leveraging the power of digitisation. We commenced our Digital journey in 2017 with a view to become future-ready. From machinery to manpower and from technology to talent, we re-calibrated our approach, our strategy and our operations to align with getting READY FOR THE FUTURE.

Today, in a short span of 3 months, our Digital initiative has transformed our capabilities and capacities. We offer customised and personalised packaging using variable data and high-security UV printing features, while complying with needs for just-in-time delivery, instant sampling and mock-ups and most importantly, reduced wastage. We are ready with packaging solutions for tomorrow... today.

As the world's largest global speciality packaging company, Essel Propack is READY FOR THE FUTURE

MESSAGE FROM THE CHAIRMAN

Dear Shareowners,

A year has flown by and it is my pleasure to once again share with you, details of your Company's performance and the way forward for the future.

During FY 19, the Company's consolidated revenue was up 11.7% y-o-y at ₹ 2707 crores (exclusive of duty recovery) and Net Profit at ₹ 192.53 crores. Although capital expenditure was incurred for strategic reasons to equip the units to meet market dynamics, commissioning of the new unit in Assam, shifting of our Russian unit to a larger premises, the Company continues to maintain its growth rate and will perform even better in the coming years.

I would like to brief you on the actions taken on ground to make your Company "future-ready". Last year, I did highlight some important action points; let me share with you the progress we made in them:

> A Company that is future-ready will be able to seize the opportunities presented by the challenges in the dynamic market, and also protect itself from challenges posed by dynamic and volatile world.

The call for sustainability

Our latest offering in sustainable laminates viz. Green Maple Leaf and Etain have been accepted by several customers; our C&I and Business Development teams are working together to fine-tune the laminates to meet specific product requirement of individual Customers and our efforts to offer better innovative solution to Customer requirements will continue.

For the Aluminium Barrier Laminate, I had mentioned about Project Liberty, which is a process and technology that facilitates electrostatic separation of polymer and metal, enabling them to go to their respective recycling processes without any degradation. I am happy to inform you that this project has begun commercial production and is well on its way to become commercially sustainable.

The other point I had spoken about was the challenge e-commerce brands were likely to pose to the established brands, which will put a demand on our business as the forecasts from the established brands would become less reliable. Therefore, your Company took it upon itself as an opportunity. To take advantage of this opportunity we had to look for solutions that would allow us to take smaller MOQs, minimise our turnaround time while at the same time ensuring we maintain our high standards for tube making and quality.

The solution was automation, of the production as far as possible. I am happy to inform you that during the year, your Company has successfully ...

a) Automated the artwork approval process – involving the Customer, drastically reducing time for the approval process.

b) Installed zero defect systems on prototype basis, the results of which are quite encouraging.

c) Use of auto packers and suction system to remove any dust particles before final packing.

d) Equipped relevant units with high-definition highly efficient click printing facilities.

e) This coupled with ink kitchens that uses most minimum number of base colours, has ensured that we can quickly service small MOQs.

A Company that is future-ready will be able to seize the opportunities presented by the challenges in the dynamic market, and also protect itself from challenges posed by dynamic and volatile world. Change has become the norm of the day and for us to retain our position as world market leaders, it is essential to have a multi-pronged approach to remain future-ready. Towards this end, we continue to work on:

a) Taking advantage of innovations and high-end technology

b) Committing to sustainable and responsible growth and

c) Building future-ready capabilities

In all the above efforts, we have used the infrastructure available with us including IT and roped in our technology partners to give us the required solutions.

I can now confidently say that Your Company is" future ready "– to provide complete service to the Customers and sustainable solutions that are in conformity of the concept of "Circular Economy".

There is one more important information to share with all of you – our valued stakeholders. Although you may be aware of this through media reports and information in the public domain, I would like you to hear from me, that my family and I decided to sell 51% of the promoters' share we hold in Essel Propack to Blackstone. The necessary filings with SEBI and Anti-trust authorities have been made by Blackstone. I expect it to take another 2-3 months for completion. However, I still remain a shareholder and will be associated with the Company in the capacity of an Adviser, for the next 5 years. Therefore, I look forward to continued association and interaction.

It was a difficult decision to take; but the silver lining is that it has gone into the hands of a Company that upholds the same values as Essel; promises to facilitate implementing every commitment we have made to our Customers, to take care of our employees and to take the Company to greater heights. As Steve Jobs said "Great things in business are never done by one person. They are done by a team of people." I am confident with the combined expertise of Esselites and Blackstone in their respective areas, the Company will scale great heights. I shall be ever grateful to each one of you for your invaluable support in all our efforts over the years – memories of which I will cherish forever.

I would like to take this opportunity to thank our Valued Customers, Suppliers, Bankers and all our Stakeholders, including the Shareholders for their continued support to Essel. I earnestly request them to extend the same cooperation and support to Blackstone PE.

To all my colleagues, the Esselites I have a special message – I have been saying time and time again – "Change is the only constant". There is always room for improvement – no matter how long we have been in business. I earnestly request each one of you to embrace change, focus on your deliverables, help one another to meet the targets we set for ourselves together; in short – be worthy ambassadors carrying forward the Essel legacy.

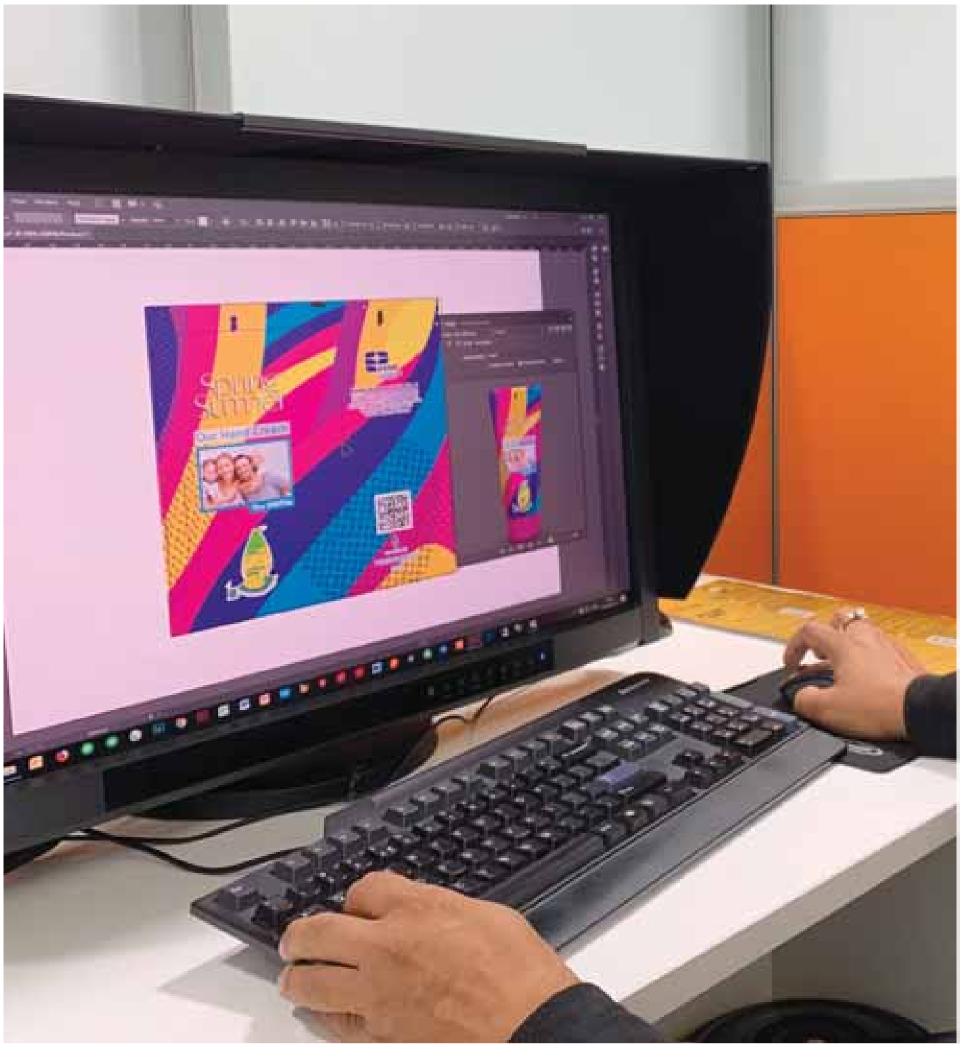
Ashok Goel

Chairman & Managing Director

READY FOR THE FUTURE

As trusted packaging solution partners to leading FMCGs, pharmaceutical and food brands globally, we have a key responsibility – to leverage technology and innovation in packaging. With shortening product life-cycles, lean inventory management and consumers' increasing demand for highly personalised product experiences, our packaging solutions need to evolve and transform.

By going DIGITAL, your Company has created a new meaning for itself in the VUCA (Volatile – Uncertain – Complex – Ambiguous) market dynamics turning situations to its advantage. For us :



VOLATILE HAS BECOME VISION

Business dynamics changed for your Company from the moment we ventured into non-oral care. Catering to this category required speed, capability to deliver small quantities in a short period of time. Historically the designing process took anywhere from a week to fortnight for the first cut. Any changes (Colour, Elements in design, Size & structure) required equal amount of time or even more. The process involved a lot of documentation with colour reference and mock-ups from the production/shop floor. The Digital way of designing and simulating reduces days and weeks to just hours.

We are now equipped with state-of-the-art / best in business tools and skilled manpower across all regions to interact with customers right at the design stage and offer them different options of look and feel to their product from which they can zero-in on the best. This is standing us in good stead now in the e-commerce era, where even faster deliveries and smaller quantities need to be catered to.

UNCERTAIN HAS BECOME UNDERSTANDING

The EP- 3D offering enables customers to visualise the tube on any Laminate structure/finish. Our team of experts have honed their skills to meet the most demanding of briefs from brand owners. We build all tube offerings from the extensive library of structures and caps, adding textures and lighting to the virtual environment to achieve an ultra-realistic final digital render.

Our customers are able to visualise their concept in 3D within a couple of hours as opposed to days with a photographic studio of a product that needs to be first manufactured. This is great when you have a new design and a strict deadline where a photograph does not exist. It cuts down production time & cost and reduces waste.

Prior Packaging Production

Test your product or packaging designs, print layout and brand look and feel without going to the expense of manufacturing samples.

Pre-Launch Marketing

Our 3D Visualisations are so good that people will think they are images of the actual items. This means you can start your marketing without waiting for production to catch up.

Better than Photography

3D Visualisation has many advantages over photography. It represents a consistent image with no imperfections and is often less expensive than photography.

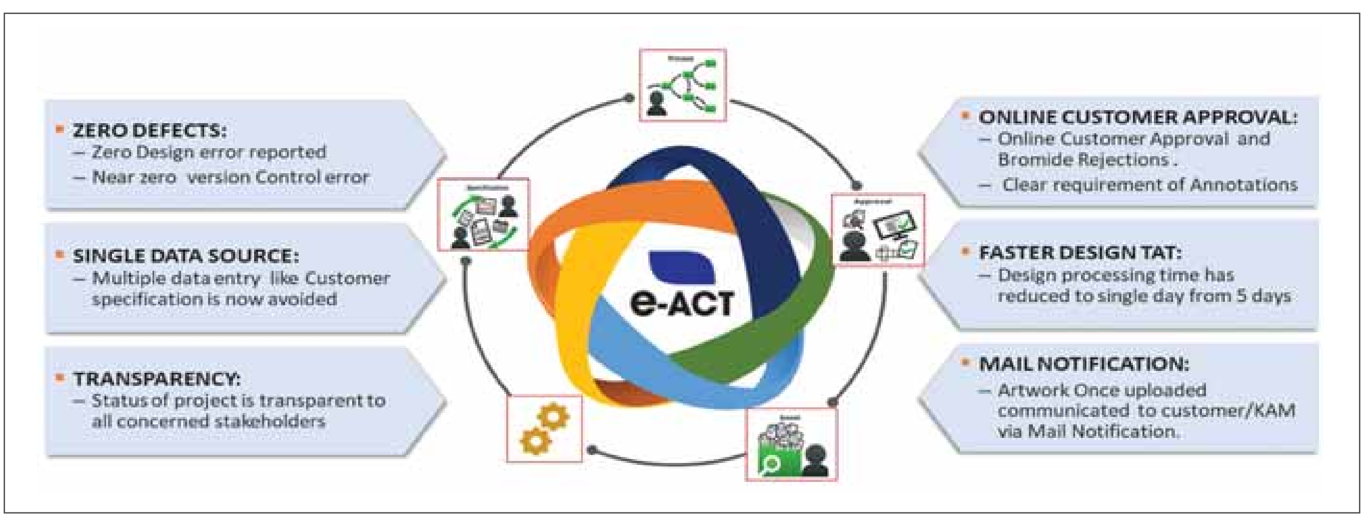
EP-3D MAKES TUBE PACKAGING VISUALISATION BOTH FASTER AND ECONOMICAL

READY FOR THE FUTURE

COMPLEX HAS BECOME CLARITY

With digital assets being created quickly, it required a strong medium to collaborate on-line from anywhere in the world, any time. EP is the first to complete implementation of Artwork and Graphic Management tool across all four geographies. This tool helps in digitising the entire process of capturing customers' requirement and getting their approval online, thereby reducing cycle time and errors.

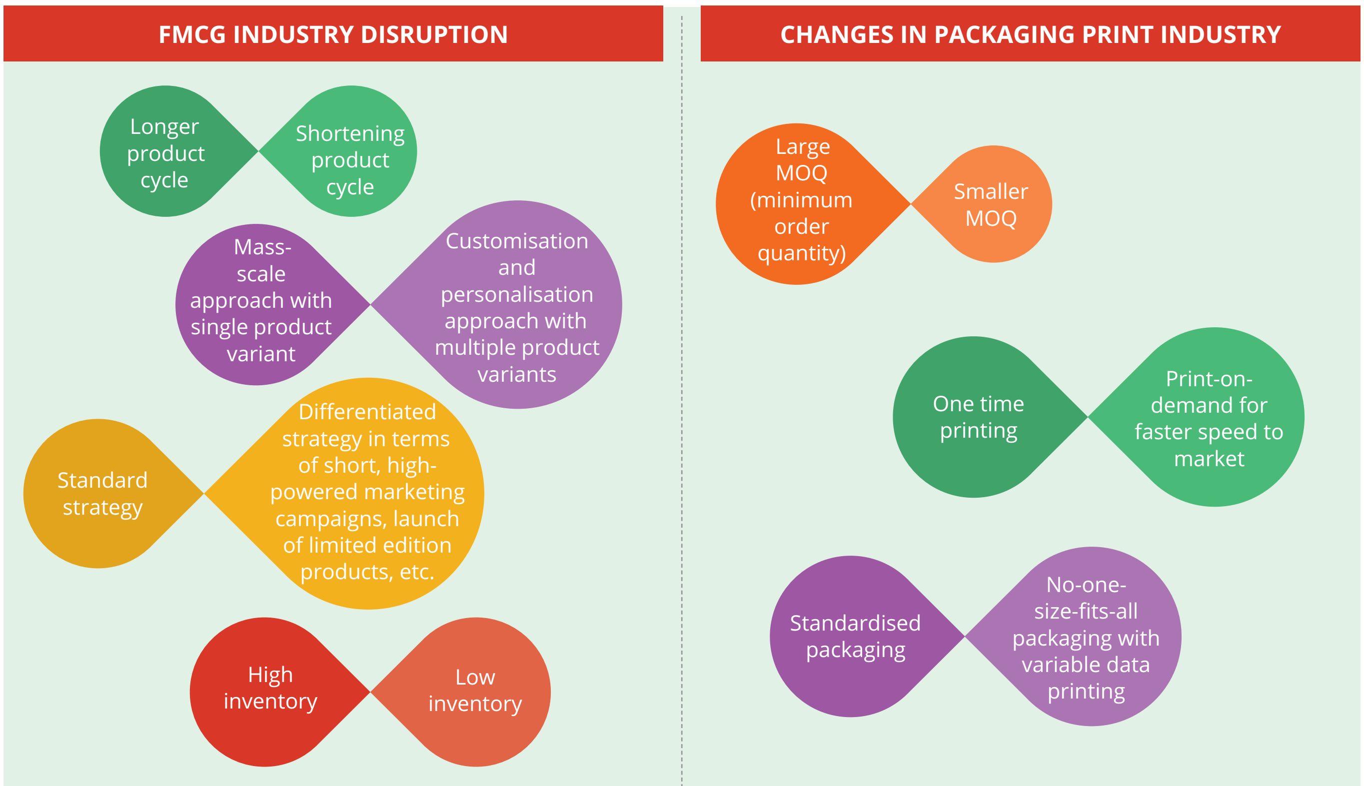
With increasing no. of artwork/SKU Y-O-Y, the key challenges like Artwork mix-up, clarity on status of projects, ownership of tasks, are arrested with e-ACT at Essel Propack.



AMBIGUOUS HAS BECOME ADAPTABILITY

By going Digital, we have successfully bridged today & tomorrow. We are ready with technology required to meet future innovation in packaging, ensuring our customers can adapt, adopt and avail the advantages – from faster 'speed to market' to personalised experiences – from lower inventory to lesser wastage and never-before security features, aesthetics and quality.

CHANGES IN PRINT PACKAGING INDUSTRY LED BY FMCG DISRUPTION



AUTOMATING TO REMOVE BOTTLENECKS

While digital strategy makes short runs possible, we have put in place appropriate automation tools to maximise operational efficiency & costs to make operations viable. This facilitates speed to market.

READY FOR THE FUTURE

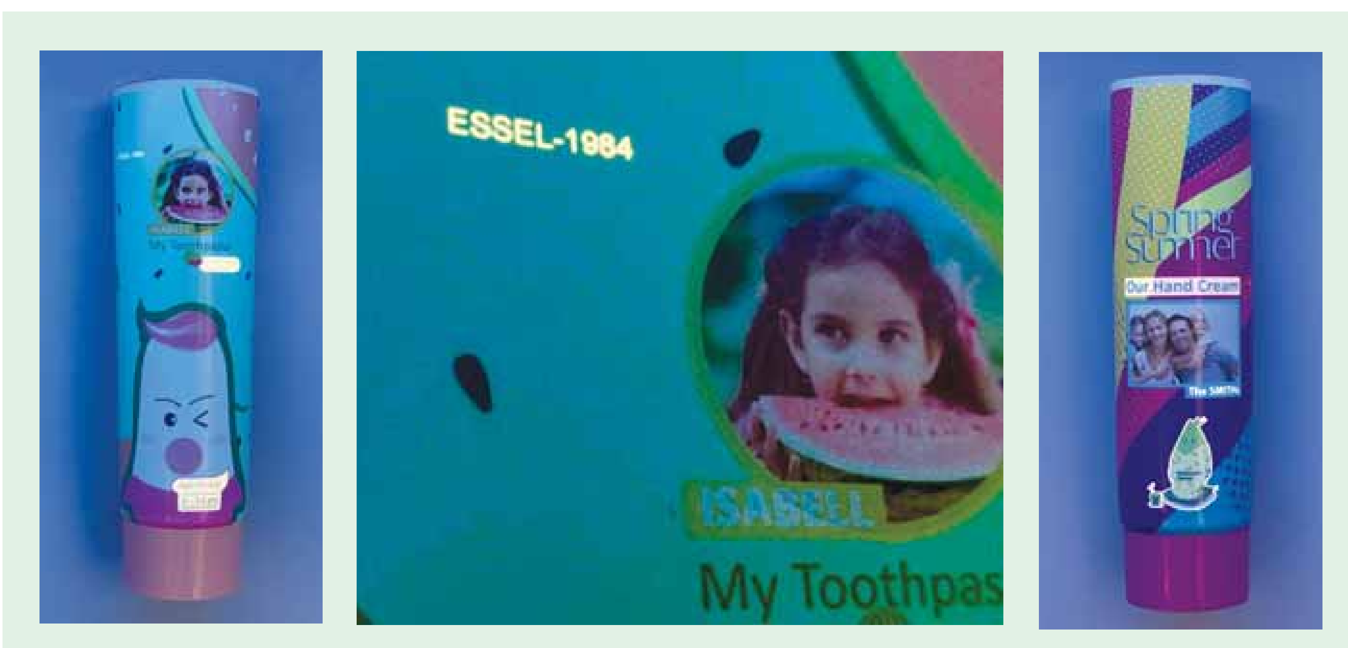
ANTI-COUNTERFEIT FEATURE (PROOF OF AUTHENTICITY – BRAND SECURITY) :

Counterfeiting is a major problem for global brands which results in significant revenue loss. Grey market diversions and counterfeiting are increasing. Threat to brand, attacking all segments and markets. It is estimated USD 512 billion annual loss of sales while ~3% of Global trade are counterfeited products. (Source : The International Anti-counterfeiting Council – US Dept. of Commerce, Smithers Pira report).

In 2015, almost 3,002 pharma crime incidents were recorded worldwide and the number is increasing at 25% YOY. Asia and America has the highest impact from this.

Brands are keen on packaging converters investing in addressing this challenge and they want to partner with companies who invest in end-to-end solution like we have now more innovative multicolor solutions for Anti counterfeit.

COVERT security is what Digital offers, below are some examples of this feature under UV Light.



MICRO 2D BARCODES / DATA MATRIX BARCODES

Small barcodes that are almost unnoticeable in the design can encode data for verification. This also allows brands to TRACK & TRACE while consumers experience a greater connect with brands offering surprises when the barcodes are scanned with any handheld/phone apps.

Below is one such example

WHAT IS A 2D DATA MATRIX IN A DIGITAL WORLD?

One of the best things about 2D data matrices is that, depending on their application, they are easy to read. It facilitates brand owners to convey lots of information using a very small symbol that can be decoded using a scanner or even a smartphone. They bring increased transparency and efficiency to supply chains. They also give manufacturers a new channel for interacting with end-customers – whether they want to provide additional nutritional information to food packaging, enhance security or encourage participation in a competition.

CONFORMITY

The strength of any code is dependent on its ability to be interpreted. That's why print quality and contrast is so important. This is critical to address the future needs. Your Company is ready to offer this to your customers.

If you want something you never had, you must be willing to do something you've never done !

-Thomas Jefferson

This has always been your Company's DNA

THRIVING FOR BETTER COMMUNITIES

WATER FOR ALL

In FY 2018-19, we directed our CSR focus towards ensuring water security of the communities by collaborating with Keshavshrushti, a non-profit organisation with a vision of a self-reliant, proud and strong Bharat and OIKOS Water Management, a Company engaged in providing consultancy and execution services for rainwater harvesting and eco-friendly waste water treatment systems.

To address this, we have completed seven water related projects in areas of Wada, Vikramgad, Jawhar, Tehsil of Palghar district. The first project at Mhada Cha Pada in Karhegaon village, involving construction of well with a capacity of 3,00,000 litres and giving 10 water stand post, was inaugurated by our CMD Mr. Ashok Goel. The villagers actively volunteered in the construction of the well. Through this, the village has become self-reliant for its water requirement and has brought 50 acres of land under cultivation.

PROJECT OUTCOME

16 million
litres water recharge by surface bund, which was harvested through the well

50 million
litres annual water harvesting capacity

50 acres
land brought under cultivation

AWARDS & ACCOLADES

JDA Express Logistics & Supply Chain Leadership Award 2018 for Best Project Contribution to Organisational Value Sustainability & Innovation

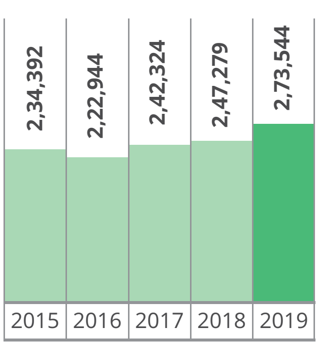
SIES SOP Star Award 2018 for Tube with Unique Dispensing Nozzle

Best Tube in pharmaceutical category – Bronze Award
A new-age tube using Child-resistant closure with plastic barrier laminate.

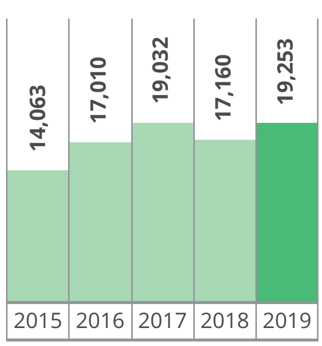
Best Tube in sustainability category – Bronze Award
A new-age laminate structure using 20% organically grown resin (plant-based).

FINANCIAL STRENGTH

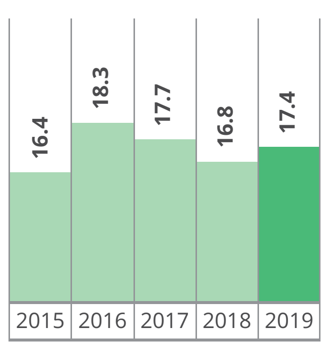
SALES AND OTHER INCOME ₹ in lakhs



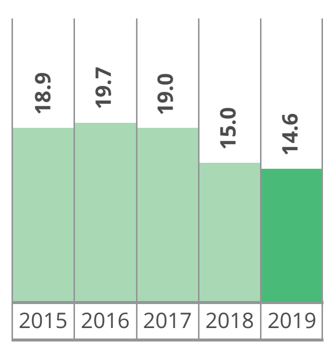
PROFIT AFTER TAX ₹ in lakhs



RETURN ON CAPITAL EMPLOYED %



RETURN ON EQUITY %



DIRECTORS WITH LEADERSHIP TEAM

STANDING LEFT TO RIGHT:

Reshma Rao, *Internal Auditor* | **Shrihari K. Rao**, *Head – Printing Technology* | **Suresh Savaliya**, *Head - Legal & Company Secretary*
Vinay Mokashi, *Chief Financial Officer* | **Pramod Menon**, *Head - Global Quality & Process Improvement*
Hariharan K, *Vice President - C & I* | **Rajesh Bhogavalli**, *Head Supply Chain - Global* | **Alan Conner**, *Regional Vice President - Europe*
Prakash Dharmani, *Chief Information Officer* | **Dileep Joshi**, *Director - Human Capital*
Mauro Catopodis, *Regional Vice President - Americas* | **Kelvin Wang**, *Regional Vice President - EAP*
Deepak Ganjoo, *Regional Vice President - AMESA* | **Amit Jain**, *Head - Treasury* | **Rajiv Verma**, *Technical Head - Global*

SITTING LEFT TO RIGHT:

Atul Goel, *Director* | **Ramesh Chander Gupta**, *Director* | **Radhika Pereira**, *Independent Director*
Ashok Goel, *Chairman & Managing Director* | **Mukund Chitale**, *Independent Director* | **Boman Moradian**, *Independent Director*
M.R. Ramasamy, *Chief Operating Officer* | **M. K. Banerjee**, *Director Creativity & Innovation*

Corporate Information

BOARD OF DIRECTORS

Ashok Goel	Chairman & Managing Director
Boman Moradian	Independent Director
Mukund Chitale	Independent Director
Radhika Pereira	Independent Director
Atul Goel	Non Executive Director
Ramesh Gupta	Non Executive Director
Vinay Mokashi	Chief Financial Officer
Suresh Savaliya	Head – Legal & Company Secretary

AUDITOR
Ford Rhodes Parks & Co. LLP,
Chartered Accountants

BANKERS
Axis Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited
DBS Bank Limited
State Bank of India
ICICI Bank Limited
The Ratnakar Bank Limited
Citi Bank, N.A.
The Hongkong and Shanghai Banking Corporation Limited

DEBENTURE TRUSTEE
Axis Trustee Services Limited

REGISTRAR & SHARE TRANSFER AGENT
Bigshare Services Private Limited,
1st Floor, Bharat Tin Works Building, Opp Vasant Oasis,
Makwana Road, Marol, Andheri (E),
Mumbai-400059, Maharashtra,
Tel No. 022-62638200, Fax: 022-62638299
investor@bigshareonline.com

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complianceofficer@ep.esselgroup.com
www.esselpropack.com
CIN: L74950MH1982PLC028947

UNITS - INDIA
Vasind, Wada, Goa, Dhanoli (Vapi), Nalagarh (Himachal Pradesh) and Katenipara (Assam)

Board's Report

To
Members
Essel Propack Limited

Your Directors are pleased to present their Report on your Company's business operations along with the audited financial statements for the financial year ended on 31 March 2019.

The highlights of the financial results are set out below.

CONSOLIDATED GLOBAL RESULTS

The summary results are set out below.

(₹ in lakhs)

Particular	Year ended 31.03.2019	Year ended 31.03.2018
Total Income	2,73,544	2,47,279
Total Income excluding Excise duty	2,73,544	2,45,025
Profit Before Depreciation, Finance and Tax (PBDIT) inclusive of other income	52,763	49,123
Finance cost	(6,131)	(5,502)
Depreciation	(18,611)	(16,707)
Profit before share of profit/ (loss) from Associate/Joint venture and exceptional items	28,021	26,914
Share of profit /(loss) from Associate/ Joint venture	532	(104)
Profit before exceptional items and tax	28,553	26,810
Exceptional items net (loss)/ gain	305	(498)
Tax expense	9,319	(8,891)
Net Profit for the year attributable to owners of the parent	19,253	17,160

The Consolidated Total Income exclusive of Excise duty recovery grew year over year by 11.6%, with the Sales and Operating income growing by 11.7%. India sales was affected due to low off-take by a key Customer and changes in relation to packaging for the Pharma industry Weak sales in India on account of lower offtake from key customers and lower offtake from pharma customers due to changes in regulations for pharma category. Marginal increase in material costs and operating costs due to strategic capital investments for future growth impacted consolidated operating margin lower by 1.0 pp point at 11.6%. However, Profit before Exceptional items and tax improved by 6.5% over the previous year despite an increase in the depreciation charge on account of new capital investments for supporting the planned business growth. Net profit attributable to the equity holders for the year is ₹ 19253 lakhs after taking an exceptional gain of ₹ 305 lakhs.

INDIA STANDALONE RESULTS

The summary results are set out below.

(₹ in lakhs)

Particular	Year ended 31.03.2019	Year ended 31.03.2018
Total Income	86,371	87,429
Total income exclusive of excise duty	86,371	85,175
Profit Before Depreciation, Interest and Tax (PBDIT) inclusive of other income	19,528	21,174
Finance cost	(2,283)	(2,140)
Depreciation	(7,510)	(6,866)
Profit before Tax and exceptional items	9,735	12,168
Exceptional items net (loss)/ gain	-	-
Tax Expense	(3,331)	(4,050)
Net Profit for the year	6,404	8,118
Appropriations	-	-
Transfer to Debenture Redemption Reserve	0	0

The Total income exclusive of excise duty recovery for the year has grown by 1.4 % over the previous year. Increase in material cost and higher operating costs on account of the commissioning and ramping up of the Assam Unit, impacted Standalone operating margin lower 2.4 pp to 12.3%. Consequently, in a challenging external environment, India standalone Net profit is lower by 21.1% at ₹ 6404 lakhs, compared to ₹ 8118 lakhs in the previous year.

REVIEW OF MARKET, BUSINESS AND OPERATIONS

Your Company is the world's leader in manufacturer of Laminated Plastic tubes. Its operations are spread across the globe – in 11 countries and 20 units.

The wide range of laminates coupled with innovative decoration, closures, dispensers and innovative features are in great demand in the FMCG sector as well as in the Pharma sector the world over.

The Business Development teams in all the regions are working with the C&I division to build their business pipeline. The coordinated efforts on this front have resulted in every region having a strong business pipeline – for cosmetics and pharma products predominantly.

Business dynamics have however changed. Many small local brands have started launching themselves, directly on the e-commerce platform, which has upset the applecart for the established brands, who are now losing market share. They have also had to change strategy – plan for more frequent launches, thereby reducing the shelf life of the product and also require smaller quantities, with high end decoration being the differentiator.

In the pharma and food segments, laminated tube format of packaging is increasingly becoming the preferred form of packaging – especially gels, viscous products. The e-commerce platform has brought many new item into the packaging space.

Your Company has invested in technology aimed to facilitate high-end decoration, cater to smaller order quantities within the time frame available. Investments have been made in auto inspection systems to detect errors in printing, tubes with defective side seam, shoulder and orifice etc. Packing of tubes into boxes has been automated. The regions have also been equipped with high-end high precision click printers that enable quick turnaround time.

The units have geared themselves up to take up the challenge owing to new market dynamics. They also have formulated action plans to connect with and get share of the opportunity in the e-commerce space. In short, optimise man and machine and ensure that we deliver on our growth targets.

India Standalone

India accounts for around 31% of your Company's Consolidated Sales. In addition to addressing and overcoming the challenges of the previous year, your Company continued new customer and new product development efforts targeting the pharma and cosmetics categories, as a result of which we have a strong business pipeline. With a view to participating in the opportunity thrown up by FMCG industry growth in the North Eastern States, your Company has set up a custom-built factory near Guwahati, Assam which is a strategic investment, in-line with our stated objective of 'go and grow' with customers. Your company also commissioned new laminator in Dec 2018 thereby more than doubling the capacity of the laminate.

Exports to markets in South Asia, Middle East and Africa continue to be pursued as a strategy to grow and gain share in the smaller markets which are not viable for a full-fledged manufacturing set up.

Your Board is of the view that India growth story remains intact, and your Company is well positioned to post healthy growth in the months and years to come.

Subsidiaries, Joint Ventures and Associates

Your Company operates out of 10 other countries, besides India, through direct and step-down subsidiaries and one associate. They are divided into 3 regions – EAP, Europe and the Americas. All the 3 regions are now poised to perform well. EAP region has good control over its operation costs and has been successful in getting a bigger share in the non-oral care category as well as premium oral care. They have also met some success in getting a share of the e-commerce business.

In Americas, the additional SHOT line given to them has equipped them to take up additional volumes from existing Customers and also cater too new Customers. Colombia is tracking well now after the initial hiccups post expansion and so is Mexico. We expect the Americas region to meet their growth and profit objectives.

In Europe, one of the Customers having low offtake for the first half of the year has resumed full volumes. Russia has been relocated in a more spacious premises, to help it take up huge volumes in the local market. This, together with the business pipeline developed by the region, including for Mystik – hair colourant tubes will help the region meet their growth and profits.

All in all, should be a good year for the Company.

The development at these entities and the markets they operate in are further discussed in the Management Discussion and Analysis (MDA) forming part of this report. The salient features of the financial statements of these subsidiaries and the associate in the prescribed format is attached as a part of the audited financial statements.

Details about the subsidiaries, associate etc are given in the annexure / MGT 9.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the listing Regulations), consolidated financial statements of the Company and all of its subsidiaries and associate / joint venture, have been prepared for the year under report. The audited Consolidated financial statements along with the auditors' report thereon forms part of this Annual report. The consolidated financial statements presented by the Company include the financial results of all its subsidiaries, joint venture and Associate. The audited standalone financial statements of these entities have been reviewed by the Audit Committee and the Board.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management discussion and analysis (MDA) report for the year under review, of the operations and state of the affairs of your Company and all of its subsidiaries, associate or joint venture is given in a separate section of this Annual Report and forms part of this Annual Report.

CORPORATE GOVERNANCE

The Company is committed to maintain highest standards of corporate governance aligned with the best practices. Pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 20,15, a detailed report on Corporate Governance forms part of this Report. The Company is in compliance with the various requirements and disclosures that have to be made in this regard. A certificate from the Auditors confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

DIVIDEND

Your Company continues to be on the path of profitable growth. The Company's cash flows and financial position continue to be strong.

Considering the cash requirement for business growth and debt servicing, the Board believe that a steady dividend payout will best serve the interests of the Company and of the shareholders especially those dependent on regular income. Accordingly, your Directors recommend a dividend of ₹ 1.25 per equity share of face value of ₹ 2 each, for the financial year ending on 31 March 2019 (previous financial year: ₹ 2.40 per share of face value of ₹ 2 each).

Dividend Distribution Policy of the Company is given as a part of this Report marked as **Annexure 1** and also posted in investors section on the Company's website or link, https:// www.esselpropack.com/corporate-governance/

BONUS SHARES

During the year under review, the Board of Directors at its meeting held on 26 April 2018 recommended issue of bonus equity shares, in the ratio of one equity share of ₹ 2 each fully paid up for every one equity share of the Company held by the shareholders as on record date. The above issue of bonus shares has been approved by the shareholders in the annual general meeting held on 13 June 2018. Consequently, the company allotted 15,71,81,664 equity shares of ₹ 2 each fully paid up bonus shares by capitalization of reserves amounting to ₹ 3144 Lakhs and accordingly paidup equity share capital has been increased accordingly.

TRANSFER TO RESERVES

Your directors propose to transfer sum of ₹ 1000 lakhs out of opening balance standing to the credit of Debenture Redemption Reserve (DRR) to retained earnings thereby keeping balance of 25% of the value of listed debt securities issued and outstanding at the end of the year under report. Hence, no further transfer to DRR is required under the applicable guidelines. There is also no specific statutory requirement to transfer any sum to General reserve in relation to the payment of dividend. Your Directors therefore have not proposed any sum for transfer to Reserves during this year.

FINANCE AND ACCOUNTS

Your Company continued to reduce its financial leverage. The consolidated net debt as at end of FY19 was ₹ 49982 lakhs lower by ₹ 6376 lakhs compared to previous year end. Financial parameters such as Debt Service Coverage Ratio, Interest Coverage Ratio and Debt Equity Ratio are all at healthy levels both on Standalone and Consolidated basis.

Your Directors are pleased to inform that your Company continues to enjoy CARE AA rating for its NCDs and various long term bank facilities and CARE A1+ rating for its short term bank facilities. The Company is also rated by India Ratings and Research (FITCH Group) who have re-affirmed the Company's long term issuer rating at IND AA and its Commercial Paper rating at IND A1+.

During the year, your Company continued to make successful issues of Commercial papers at competitive interest rates commensurate with its short-term top credit rating. During the year, the Company also redeemed ₹ 40 crores of the Non Convertible Debentures (NCDs).

Forex exposures continued to be closely reviewed and appropriately hedged in order to minimize risk to the results.

STATUTORY AUDITORS

At the AGM held in the year 20,17, M/s. Ford Rhodes Parks & Co. LLP, Chartered Accountants, were appointed as Statutory Auditor of the Company for a period of five years. The Companies Amendment Act, 2017 has waive-off the requirement of annual ratification. The Company has received letter from them to the effect that their continuation is within the prescribed limits and confirming that they are not disqualified for such appointment pursuant to the Companies Act, 2013 and applicable statutory provisions.

The observation made in the Auditors Report on the Company's financial statements for the financial year ended on 31 March 2019 are self-explanatory and therefore do not call for any further comments or information.

SECRETARIAL AUDIT

Pursuant to the provisions of section 204 of the Companies Act, 2013 M/s. D M Zaveri & Co., Practicing Company Secretary (CP No. 4363), have been appointed to undertake the secretarial audit of the Company for the year ended on 31 March 2019. The secretarial audit report forms a part of this Report and is annexed as **Annexure 2**. The said report does not contain any qualification, adverse remarks or disclaimer.

Company has complied with the Secretarial Standards as applicable to the Company pursuant to the provisions of the Companies Act 2013.

COST AUDITORS

Pursuant to section 148 and applicable provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules 20,14, the Company is required to appoint cost auditor for audit of cost records maintained by the Company in respect of the financial year ending 31 March 2020. Your Directors have on the recommendation of the Audit committee, appointed M/s. R Nanabhoy & Co., Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31 March 2020. Remuneration payable to the Cost Auditor is subject to ratification by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. R Nanabhoy & Co., Cost Accountants, is included in the Notice convening the Annual General Meeting, along with relevant details, including the proposed remuneration. The Company has maintained cost accounts and records as per applicable provisions of section 148 of the Act.

DIRECTORS AND KMP

In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mr. Atul Goel, Director is being retire by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The members of the Company at the AGM held on 13 June 20,18, have approved the appointment of Mr. Ashok Goel as Managing Director of the Company for the period of five years with effect from 21 October 2018 to 30 September 2023 and accordingly he is continuing as Key Managerial Personnel (KMP).

The Board has on the recommendation of Nomination and Remuneration Committee, appointed Mr. Ramesh Chander Gupta as Additional Director on the Board wef 14 March 2019 who shall hold office up to the date of ensuing Annual General Meeting. Accordingly, Directors recommend his appointment as a Director of the Company in the ensuing Annual General Meeting and recommend the members to pass resolution in this respect. Relevant details are given in the AGM Notice and in corporate governance report.

Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira who have been appointed as independent directors for the first term of five years effective from 9 July 2014 to 8 July 2019. Accordingly the first term of all three independent directors of the Company is expiring on 8 July 2019. Keeping in view the valuable services and contributions by the above mentioned directors and requirement of the Company, the Board and Nomination and Remuneration Committee recommends to the Shareholders for reappointment of the said three independent directors for another term of five years i.e. from 9 July 2019 to 8 July 2024. Accordingly appropriate resolutions are proposed for approval and necessary details are given in the resolutions and explanatory statement in accompanying Notice of convening the ensuing annual general meeting (AGM Notice or Notice).

All the Independent Directors have given declaration that they meet the criteria of independence laid down under Section 149 of the Companies Act, 2013 and the Listing Regulations.

Further details of Directors including remuneration, remuneration policy, criteria for qualification, independence; performance evaluation of the Board, Committees and Directors; meetings, committees and other details are given in the Corporate Governance Report, which is integral part of this Annual and Board's Report. Remuneration policy is posted in investors, corporate governance section on the Company's website or link, www.esselpropack.com and salient features of the same are mentioned in the Corporate Governance Report.

Five meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance included in this this Annual Report.

Pursuant to the provisions of Section 203 of the Companies Act 20,13, the Key Managerial Personnel of the Company as on 31 March 2019 are Mr. Ashok Goel, Chairman & Managing Director, Mr. Vinay Mokashi, Chief Financial Officer and Mr. Suresh Savaliya, Head – Legal, Company Secretary and Compliance Officer.

During the year, Mr. A.V. Ganapathy, Chief Financial Officer retired from the services of the Company with effect from 13 July 2018. The Board of Directors expressed appreciation for the valuable contribution made by Mr. Ganapathy during his tenure with the Company. During the year, Mr. Nikhil Dujari, appointed as a Chief Financial Officer and KMP of the company with effect from 1 August 2018 and he ceased to be a Chief Financial Officer and KMP from 31 August 2018. Mr. Dujari resigned from service of the Company due to his family reason.

During the year, Mr. Vinay Mokashi has been promoted as Chief Financial Officer and KMP of the company with effect from 1 November 2018.

DIRECTORS' RESPONSIBILITY STATEMENT

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

a) that in the preparation of the annual financial statements for the year ended 31 March 20,19, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in note 3A to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2019 and of the profit of the Company for the year ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDIT COMMITTEE

Audit Committee of the Board has been constituted as per the Listing Regulations and section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in Corporate Governance Report which is part of this Report.

PERFORMANCE EVALUATION

Nomination and Remuneration Committee and the Board adopted performance evaluation policy for Board, Committees and Directors with intents to set out criteria, manners and process for the performance evaluation. The policy provides manners to evaluate performance of the Board, committees, independent directors and non-independent directors. Criteria in this respect includes; Board composition, mix of skill, experience, members' participation and role, attendance, suggestions for effective functioning, board process, policies and others. The evaluation process includes review, discussion and feedback from directors.

Evaluation of Performance of the Board, its committees, every Director and Chairperson, for the financial year 2018-19 has been done following the manner and process as per the policy which includes discussion, feedback and assessment. The manner in which the evaluation has been carried out has also been explained in the Corporate Governance Report, which forms part of this Annual Report.

FAMILIARIZATION PROGRAMMES

The Company's policy on programmes and measures to familiarize Independent Directors about the Company, its business, updates and development includes various measures viz. issue of appointment letters containing terms, duties etc., management information reports, presentation and other programmes as may be appropriate from time to time. The Policy and programme aims to provide insights into the Company to enable independent directors to understand the business, functionaries, business model and others matters. The said Policy and details in this respect is displayed on the Company's website.

CORPORATE SOCIAL RESPONSIBILITY

As a part of its Corporate Social Responsibility (CSR) initiative, the Company has undertaken CSR projects and programs. Thrust areas for CSR include care and empowerment of the underprivileged, education, drinking water project, health and sanitation. These activities are in accordance with CSR activities as defined under the Act. The Company has a CSR

Committee of Directors. Details about the Committee, CSR activities and the amount spent during the year, as required under section 135 of the Act and the related Rules, reasons and other details are given in the CSR Report as **Annexure 3** forming part of this Report.

The Company has framed a CSR Policy in compliance with the provisions of the Act and the same is placed on the Company's website www.esselpropack.com. The CSR Policy lays down areas of activities, thrust area, types of projects, programs, modes of undertaking projects/ programs, resources etc.

Your Directors are pleased to report that the Company's subsidiaries overseas also give back to the society in their respective geographies through various initiatives on the health, education and other fronts.

LOANS, GUARANTEES AND INVESTMENTS

The Company mainly gives guarantee for its subsidiaries to meet their business needs. Details of loans, guarantees and investments covered under applicable provisions of section 186 of the Act are given in the note 51 to the standalone financial statements.

RELATED PARTY TRANSACTIONS

Arrangements or transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All related party transactions are placed for approval before the Audit Committee and also before the Board wherever necessary in compliance with the provisions of the Act and Listing Regulations. During the year, the Company has not entered into any contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, there are no particulars to report in Form AOC2.

Details of the related party transactions during the year as required under Listing Regulations and Indian accounting standards are given in note 54 to the Standalone Financial Statements.

The policy on dealing with the Related Party Transactions including determining material subsidiaries is posted in investors/corporate governance section on the Company's website or link, https://www.esselpropack.com/wp-content/uploads/2015/03/Related-Party-Transaction-Policy.pdf

HUMAN CAPITAL

Relations with employees across all the offices and units continued to be cordial. HR policies of the Company are focused on developing the potential of each employee. With this premise, a comprehensive set of HR policies are in place, aimed at attracting, retaining and motivating employees at all levels. Your Company had 1237 permanent employees as on 31 March 2019.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure 4 (a)** and forms part of this Report.

Other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure 4(b)** and forms part of this Report.

EMPLOYEE STOCK OPTIONS

The Nomination and Remuneration Committee of the Board of Directors (NRC) of the Company, *inter alia* administers and monitors the Employee Stock Option Scheme 2014 (ESOS 2014 or Scheme) of the Company in accordance with applicable SEBI regulations.

The disclosure relating to the Scheme and other relevant details are posted in investors>corporate governance section on the Company's website or link, https://www.esselpropack.com/corporate-governance/. This Scheme does not extend to any of the Directors and Promoters of the Company.

No stock options were granted or vested during the year under report. Out of the stock options vested in the earlier years, 880292 options were exercised during the year and equal number of equity shares of face value ₹ 2 each was issued as fully paid up against payment of the stipulated exercise price as per the terms and conditions of the Scheme and the Grant letter.

The relevant details on the options granted and the accounting of their costs are set out in the Notes to the Standalone accounts

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure 5** and forms part of this Report.

OTHER INFORMATION / DISCLOSURES

There are no significant material orders passed by the Regulator, Courts or Tribunal which would impact the going concern status of the Company and its future operations.

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

In accordance with section 134(3)(a) and section 92(3) of the Act, an extract of the annual return as at 31 March 2019 in Form MGT9 forms part of this Report as **Annexure 6**.

Annual Return pursuant to applicable provisions of the Act is posted in section of investors, corporate governance on the Company's website or link https:// www.esselpropack.com.

As per applicable provisions of the Listing Regulations, business responsibility report is given herewith and forms part of this Report as **Annexure 7**.

Wherever applicable, refer the Company's website www.esselpropack.com or relevant details will be provided to the members on written request to the Company Secretary.

The Company has a policy against sexual harassment at work place and constituted Internal Complaints Committee and complied with provisions in this respect as applicable under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. There was no complaint received from any employee during the year, nor any complaint remains outstanding for redressal as on 31 March 2019.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy laying down a vigil mechanism to deal with instances of unethical behavior, fraud or mismanagement. The said policy has been explained in the corporate governance report and also displayed on the Company's website www.esselpropack.com.

INTERNAL FINANCIAL CONTROL

The Company has a proper and adequate Internal Financial Control System, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The Internal Financial control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audit conducted by in house trained personnel and external firms of Chartered Accountants appointed on recommendation of the Audit Committee and the Board. The audit observations and corrective action, if any, taken thereon are periodically reviewed by the Audit committee to internal financial control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of persons.

During the year as part of control assurance process, the financial controls were reviewed by an independent agency in line with the guidelines issued by ICAI on internal financial controls and reported satisfactory in design and operational effectiveness.

RISK MANAGEMENT

The Company has laid down a well-defined risk management mechanism covering the risk mapping and analysis, risk exposure, potential impact and risk mitigation measures. A detailed exercise is carried out every year to identify, evaluate, manage and monitor the principal risks that can impact the Company's ability to achieve its strategic and financial objectives. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. Details on the risk elements which the Company is exposed to are covered in the Management Discussion and Analysis which forms part of this Annual Report. The Company has framed a Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policy and procedure. The Risk management committee under the Chairmanship of an Independent Director oversees the risk management process.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public and there are no outstanding deposits as on 31 March 2019.

CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion and Analysis may be forward looking within the meaning of the applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Certain factors that could affect the Company's operations include increase in price of inputs, availability of raw materials, changes in government regulations, tax laws, economic conditions and other factors.

APPRECIATION

Directors wish to place on record their sincere thanks and appreciation to all our customers, suppliers, banks, authorities, members and associates for their co-operation and support at all time and to all our employees for their unstinted contribution to the growth and profitability of your Company's business and look forward to continued support.

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

7 May 2019, Mumbai

Management Discussion and Analysis

Your Directors are pleased to present the Management Discussion and Analysis for the year ended 31 March 2019.

BUSINESS OVERVIEW

Your Company's business is an integral part of the FMCG and Pharma space, packaging being one of the four key P's of Marketing mix that underpin the success of any brand.

The FMCG business across categories of Beauty and Cosmetics, Foods, Home care and Oral care constitutes a multitrillion dollars market globally and continues to grow in many different ways. In the developing economies, the growth is powered by increasing young population, growing disposable income, life-style changes etc. In the developed economies where penetration and usage of FMCG products is already high, there is still a churn happening in the sense that new products addressing the contemporary lifestyle needs and aspirations emerge while some of the traditional products get phased out, for e.g. products like Anti-ageing creams, Beauty balms, Complexion creams, Sun protection creams, and of late, Hair colorants and styling gels etc. are some of the new and growing applications. There is also a growing trend for products to go the organic, natural and herbal way. Yet another disruption we see these days, is caused by the e-commerce. Leveraging the power of social media and the digital market place made possible by the Internet, a number of startups are active in the FMCG space offering customized, attractive and niche products to a net-savvy consumer.

Clamouring for a share of consumer's mind and wallet in this highly dynamic and competitive scene, the brands look to leverage Packaging as first moment of Truth as if it was an important spokesperson on their behalf, be it on the retail shelf or on a web portal. Packaging therefore is not merely something necessary to hold and protect the product, but is a key value enhancer for the brand.

That is where your Company fits snugly in the scheme of things. A range of FMCG and pharma products in viscous form such as pastes, gels and creams use tube as a packaging format. The world market for tubes is huge, about 36 billion in the countries your Company operates. Of this, oral care tubes account for 14 billion, Beauty & Cosmetics account for 12 billion and Pharma & others account for 10 billion. Beauty & Cosmetics applications are pre-dominantly in extruded Plastic tubes and bottles and Pharma are pre-dominantly in Aluminum tubes. The non-oral care tube market represents much higher value, three times or more as compared to oral care tube market.

Having established global leadership with its laminated tubes for the oral care category, your Company began to pursue a considerably bigger market opportunity in the non-oral care category. This also is the space where market is getting more and more dynamic and throwing up opportunities with new products, new applications, new brands and expanding consumption as outlined earlier. With its global manufacturing and marketing presence, large scale, strong R&D and New Product Development (NPD) capability, state of art equipment, your Company has been active and growing inter alia in the high value add non oral care category. Its growth in the non-oral care category is further powered by the larger diameter tube packaging format in the case of Beauty & Cosmetics and Pharma and Food migrating from extruded plastic/ aluminium tubes and bottles to the new generation laminated tubes, a trend in some way heralded by the new generation laminated tubes introduced by your Company as a superior value proposition for these categories. Your Company's laminated tubes provide superior customized barrier property, outstanding look and feel, shorter lead-time and improved Sustainability features in comparison to the traditional plastic/ aluminium tubes and bottles. Moreover one of the key trends emerging in the packaging tubes industry is that of "premiumization" which is further expected to boost growth.

In the case of pharmaceuticals, use of aluminium tubes for packaging is going out of favour for reasons of concerns on product safety and supply security. High barrier, safe laminated tubes with features such as tamper evidence, anti-counterfeit and innovative dispensing, offered by your Company, are finding increasing acceptance as a superior packaging format by both the OTC and Prescription drugs.

Categories such as Foods and Home care, are now seeing tube as an attractive packaging format and a value enhancer compared to bottles and other traditional packaging for a range of products such as condensed milk, Wasabi sauce, Cheese spread, glue / adhesives etc.

OPERATIONAL PERFORMANCE REVIEW

During FY 19, your Company's consolidated revenue exclusive of excise duty was ₹ 2707 crores, higher by 11.7% over previous year. The operating profit (excluding other income) grew by 3.1% to ₹ 315 crores with the operating margin reduced by 100 bps to 11.6%, mainly on account of higher material costs, increase in depreciation and operating costs. Key factors, largely temporary blips, contributing to this are:

- Revenue growth in India was impacted on account of certain regulatory changes in Pharma industry, transporters' strike and lower offtake from key customers (no change in our wallet share)
- Stabilization and ramping up of newly opened Assam Plant in North India
- Gradual ramping up of volumes from key customers in Europe in Oral care
- Delay in commercialization of non oral care customers in Europe
- Operating Margin was impacted by exchange rate fluctuations and initial expenditure incurred towards various strategic programs and new location/ relocation like Assam and Russia and shall normalize going forward yielding benefits from these initiatives

The operational performance has been analyzed by business segments below.

SEGMENT PERFORMANCE REVIEW

Your Company's business is in plastic packaging materials. The business is managed by four geographical segments viz.

1 Americas (with operations in the USA, Mexico and Colombia)

2 Europe (with operations in the UK, Germany , Poland and Russia)

3 AMESA - Africa, Middle East & South Asia (with operations in Egypt and India)

4 EAP - East Asia Pacific (with operations in China and Philippines)

Segment Financial Highlights

The table below sets out the segment financial highlights for the year:

(₹ in lakhs)

Particulars	FY ended 31 March 2019	FY ended 31 March 2018	Growth
Revenue:			
Americas	58888	48846	+20.6%
Europe	58517	50959	+14.8%
AMESA excl. India excise duty	95963	91230	+5.2%
EAP	66730	57437	+16.2%
Profit Before Interest and Tax (PBIT)			
Americas	8180	6112	+33.8%
Europe	1790	1200	+49.2%
AMESA	12721	14123	-9.90%
EAP	10473	9061	+15.6%

Developments in each of the regions are set out below:

AMERICAS

Your Company has a strong market presence in both North and South America, through its wholly owned subsidiaries in USA, Mexico and Colombia.

Following the closure of the extruded plastic tube operations in US, the laminated tube unit in the USA has taken to actively marketing your Company's new generation laminated tubes to non oral care customers, winning new awards which should see commercialization in the next year. A Second Very High Speed tubing line - "Shot line", has been introduced during the year which is being stabilized. At the back of this increased capacity, due to new Shot line in USA, we are winning more business from existing customers as well as new customers. Customer servicing was sustained at high levels in this demanding market. Revenue growth in USA was 22.4% helped by increase in offtake by key customers and better product mix. Non-oral care revenue share was 14.9%. EBITDA margin moved up by 2.4pp to 19.6%.

The Mexico unit revenue growth was 9.4% helped by strong share in revenue of non-oral care category (40.1%). However product mix impacted the EBITDA margins which was lower by 3.6 pp at 16.7%.

The Colombia unit revenue growth was 20.8% helped by strong share of non-oral care category (47%) however product mix and adverse currency fluctuations impacted EBITA margins which were at 10.6%. However, adverse currency fluctuation caused the Unit to post net loss despite improved operating performance. More initiatives are under way to drive Sales growth including through exports to neighboring markets, closely monitored by the Regional management, which should get the Unit post healthy results in the next year.

With Colombian operations improving further and helped by higher non oral care category sales in the US and Mexico units, the Region is poised for improved performance going forward.

EUROPE

Your Company sells both laminated tubes and extruded plastic tubes in Europe. It has manufacturing presence in Poland, Russia and Germany.

Europe revenue grew at 14.8% for the year, aided by growth in both oral care and non-oral care categories.

The Poland Unit revenue growth was at 15.3% with key Oral care customer offtake normalizing during second half of the year. Non oral care revenue share was lower by 2.2 pp at 47.9%. EBITDA margin improved by 1.7 pp at 9.6% due to operating efficiencies and better product mix.

The Germany unit revenue growth was at 21% helped by strong growth in non-oral care revenue share by 5.1pp at 74.7%. The unit continued to post double digit EBITDA margin.

In Europe, we have seen a robust pipeline for Germany as well as in case of Poland, where we can see new business coming in.

During the year Russian unit was relocated to new location as current space was inadequate for future growth. The Russia unit showed revenue growth of 10.4%; however due to extra non-recurring costs relating to relocation, the unit has shown small loss.

Russia unit having or being shifted to a new improved facility, all our factories globally would have been upgraded by Class 100000 clean room. So that means that every tube that we make, we make in an environment, which is suitable for production for pharmaceutical grades.

Europe being the largest tube market continues to be a focus market for your Company. There is potential for your Company to grow strongly on its current small market share by driving new product and business development in a structured way backed by its new generation laminated tubes and advanced decoration capability. The new business development pipeline is being monitored closely and buffer is being created to counter delays or failure in individual brand launch. The Poland unit is also in the process of de-bottlenecking its extruded plastic tube capacity to address the changing customer specifications. New customers are being developed in Russia to drive top line and bring it back to profit.

AMESA (Africa, Middle East and South Asia)

This Region is serviced by your Company from its six units across India and by its subsidiary in Egypt.

India sale growth was muted at 2% on account of lower offtake from key customers and lower offtake from pharma customers due to changes in regulations for pharma category requiring prominent display of generic name vis-à-vis brand name, leading to change in the artwork of packaging material and supply chain corrections by pharma customers. Nevertheless, your Company continued new customer and new product development efforts targeting the pharma and cosmetics categories. With a view to participating in the opportunity thrown up by FMCG industry growth in the North Eastern States, your Company has set up a custom-built factory near Guwahati, Assam which is a strategic investment, in-line with our stated objective of 'go and grow' with customers. Your company also commissioned new laminator in Dec 2018, thereby more than doubling the capacity of laminate production.

The Indian Pharma regulation issues have been addressed by the industry and we expect volumes to see an uptick going forward. The business pipeline in India is very strong and expected to yield results going forward including the ramp up of Assam and commissioning of new laminator.

Egypt posted robust revenue growth of 35.4% y-o-y on the back of strong growth in both oral and non-oral care categories. The unit is actively working to develop more customers and across all categories including exports to the MEA region.

EBIDTA margin in India impacted due to offtake issues as explained above and EBIDTA margins in Egypt were lower by 1.8 pp at 18 % due to higher revenue growth in oral care category.

AMESA continues to promise significant growth opportunities especially in the Cosmetics and Pharma categories where the growing population, low per capita consumption, changing aspirations, increasing disposable incomes are seen to drive consumption in a big way. Brands, both MNCs and Local, are looking to grow and gain share of the consumer spend in this Region. Your Company is involved in several exciting new business development projects in the non-oral care categories with several niche brands. In India, your Company is now the leading solution provider to Pharma category, replacing aluminum tubes with laminated tubes in a big way. Short term blip because of Pharma regulation change in India, notwithstanding, the Region is expected to benefit from the economic growth and a large diversified customer base in the coming years.

EAP (East Asia Pacific)

Your Company has manufacturing presence in this region through subsidiaries in China and the Philippines.

China for long has been a large and successful operation for your Company in the Oral care category. But off take in the recent years of key customers in this category has seen a decline, even though the China subsidiary holds its wallet share with them. With a view to restoring growth, the China subsidiary has been steadily expanding its innovation and technical capability for manufacture of high Value new generation laminated tubes catering to the Cosmetics, Pharma, Foods and niche premium Oral care categories. Coupled with strong customer marketing and development initiatives, the unit is establishing itself as a quality Supplier of non-oral care packaging solutions. The unit is also focusing on automation as a means to contain the operating cost escalation in the context of sharp increases in the wage cost. The strategy is working well and the unit growing again, having posted a high single digit sales growth and a double digit profit growth.

The Philippines unit continued to contribute to your Company's profits, with a large part of its sales and profit arising from non-oral care category.

The EAP Region has a track record of operational excellence and a strong balance sheet. With the non -oral care strategy gaining traction, the region is well poised to take share and grow in the large non oral care market in the Region.

CONSOLIDATED FINANCIAL PERFORMANCE OVERVIEW

(₹ in lakhs)

Particulars	FY ended 31 March 2019	FY ended 31 March 2018	Increase/ (Decrease)
Net Sales/Income from operations excl excise duty	270693	242388	+11.7%
Profit from Operations before Other Income, Interest and Exceptional items	31535	30579	+3.1%
Finance Cost	6131	5502	-11.4%
Profit before tax and exceptional item	28553	26810	+6.5%
Net Profit for the year to equity holders	19253	17160	+12.2%

Sales growth at 11.7% was muted for reasons explained earlier; operating margin grew higher by 3.1%. Finance cost was higher by 11.4% due to key strategic capital expenditure. Profit before tax and exceptional items grew by 6.5% reflecting the above and further considering the change in the Other income and Exchange gain/(loss) compared to previous year. Net profit for the year is higher by 12.2% as comparted to previous year.

CREATIVITY AND INNOVATION (C&I)

The Research and Development (R&D) function (a.k.a. Creativity and Innovation within the Company) has been one of the key drivers of your Company's growth as a leading global player. Your Company's C&I Team have successfully amalgamated its deep knowledge of polymer science, conversion process and engineering to create Tubes with special features. Outcome is the best of aesthetics and functionality. C&I team brainstorm with market research group, customers and strategic partners to understand the evolving needs in the market place and develop new packaging solutions for reputed brands proactively. Your C&I team continually partner with customers in rolling out new products globally. A structured C&I process ensures that the innovation pipeline of the Company at all times is full, and contributes to the sales and profitability of your Company.

The C&I function intensely work on sustainability and continually launches environment-friendly tubes and process. Cross sections of the latest innovated products of your Company are presented in the Features section of the Annual Report. The R&D facility of your Company has been recognized and certified by the Department of Scientific & Industrial Research, Government of India.

Your Company continues to protect the enormous intellectual property which the C&I function is creating. In this regard, your Company has filed till date , as many as 154 patent applications in the different geographies in respect of the various inventions by its R&D, and has been granted 56 patents. To strengthen the capability of the R&D, additional resources have been inducted in the advanced scientific research and simulation lab.

Your Company's research and development efforts continue to win accolades in several forums and among customers across the globe.

TECHNOLOGY

Your Company always has seen Technology as a great enabler to deliver disruptive changes be it in the Product, Process, Equipment or Raw materials, as a means to create and sustain competitive edge at all times.

As Pharma continues to be one of the major focus segment for growth, we need to be ready with the regulatory approvals for supporting our customers to enable transition from Aluminium tubes to Lamitubes. We are happy to announce that this year your company has generated the data for our laminates confirming compliance to USP 661.2 (Plastic Packaging System for Pharmaceutical use). This compliance to global norms will provide a major boost for positioning lamitube in pharmaceutical packaging applications and also provides a unique differentiation in this space.

As you know, globally , sustainability is taking center stage, deciding the packaging formats across geographies. We are happy to say that your company continues to lead with new innovations in this arena providing newer options to our customers and other stakeholders. We have evaluated post-consumer resins (PCR) from newer sources and commercialized lamitube with upto 25% PCR usage in the tube sleeve and upto 50% PCR in the tube shoulders. We see an increasing use of PCR which indicates a positive trend for "Re-Use" and reduction in use of virgin plastics in making lamitubes. We also see new opportunities for increased business with Green Maple Leaf (GML), which promotes "Recycle" Concept and Super Titanium Webs which promote "Reduce" Concept.

Your company has taken significant strides in enabling recycling of Aluminium Based Lamitube with Project Liberty – which is our successful attempt to separate the aluminium of polymer components during the recycling process, enabling them to go to their respective streams for use. We see a lot of interest from our Customers and value chain partners to collaborate with us in this initiative and thereby meet their commitment on sustainability.

This year, your Company commissioned a new generation extrusion laminator in India. We conceptualized, designed and co-developed this laminator along with our technology partner. This high speed machine's control systems use artificial intelligence and energy savers that reserve power for use in the "Regenerative mode" – a feature that sets it apart from all its counterparts – once again reinforcing our commitments towards "Green & Sustainable" initiatives to our stakeholders.

Your Company is now challenging itself on identifying bottleneck processes and technology that hinders the quick turn-around of the products to its Customers; therefore, actively working on forging strategic alliances to bring in solutions to the above challenges.

Your Company has now developed high speed on-line real-time quality inspection systems which will help assure the customers that every tube supplied by your company is defect free for direct use in their process. These systems are now being rolled out in a phased manner across the globe.

In some geography, we are facing challenges of availability of human resource. Getting people for the shop floor level is becoming more and more difficult in these geographies. We are in process of accelerating development and investment on technologies like automation and high speed equipment which will help in reducing dependence on human capital where availability of people is a challenge.

e-Commerce is causing new disruptions in the FMCG market place. Niche brands with global visibility through the web and social media and helped by e-logistics now compete with traditional brands. This has introduced new volatility in the off-take which in turn affects our capacity and supply chain for tubes. We are working on new technology to help us create flexibility based on the theory of constraints. With this we believe we can optimize our capacity utilization and improve our response time to the delight of our customers.

FINANCE

Robust operational performance, judicious capex spend, continuous measures to improve capital productivity account for your Company's healthy cash flows. Average interest rate increased by 28 bps due to hardening of interest rates globally. The increase would have been higher, but better negotiations helped to contain the same at this level. Prudent exchange risk management has helped exchange loss in the consolidated financial statement at ₹ 2.3 Crore. The consolidated net debt as at the end of FY 19 was ₹ 500 Crores, lower by ₹ 64 crores compared to previous year end, representing a healthy debt-equity ratio of 0.46 and a DSCR of 2.09. Company continues to enjoy CARE AA rating for its NCDs and various long term bank facilities and CARE A1+ rating for its short terms Bank facilities. The consolidated ROE and ROCE is at 14.6% and 17.4% respectively, as compared to 15.0% and 16.8% in March 2018.

HUMAN CAPITAL

Your company strongly believes that our people are our greatest assets. They give your company its unique competitive edge. As a global organization, your company comprises of a diverse mix of people from different educational, cultural and geographic backgrounds who bring their unique inherent strengths to the organization.

Your company recognizes and nurtures their strengths through a structured Talent Management process focused on capability building through customised Classroom Trainings, e-Learning, Executive Coaching and Cross functional/cross geographical action learning projects. The process also ensures continuous talent availability, through Job rotation, Job enlargement, Cadre building programs, leveraging talent in various geographies for global roles.

Your company is committed to continuously engaging its employees as a key driver for shareholder value creation. Customised Unit level and Manager level Employee engagement action plans have enabled your company to take up positive steps in this journey. These actions helped the company to take up the global Employee Engagement score to 71%. In order to ensure that employees across the globe are aligned with company goals and experience all people processes in a standard manner, your company uses 'EPRISM' system a best in class software for Employee Lifecycle management. EPRISM brings all employees globally closer to each other and ensures information availability on their fingertips. EPRISM also provides a forum for internal networking, plus it has advanced analytics ability and connects all "people processes" together to help organisation build internal capability and take holistic people decisions.

Your company also continues to put special emphasis on Employee Communication through Town halls, Leadership interactions and messages, newsletters and interesting competitions to ensure alignment with Company's Vision and Mission.

INFORMATION TECHNOLOGY (IT)

As your company's business is becoming more complex with increasing focus on Non Oral care revenue growth , which goes hand in hand with shorter product life cycles and smaller production runs, your company has defined an IT Vision and Mission statement that crystalizes how IT will enable business success by collaborating with each function in the organisation. IT Vision and Mission statements have been articulated as below:

IT Vision:

- Deliver sustainable innovative technology solutions enabling our business to;
- Simplify, automate and digitize processes; thereby
- Reduce turnaround time to meet customers' demands; and
- Make our organisation future ready

IT Mission: 'SPRINT' -- Simplify, Predictive, Robust, Innovate, Nimble & Transform

- Simplify processes by Value stream mapping across all business functions to enhance efficacy and sustain our competitive edge
- Predictive approach via Data Mining techniques and driving Artificial Intelligence (AI) based decision making processes
- Robust, reliable and secure technology systems and infrastructure for seamless access to information
- Innovate & implement solutions that empowers and engages end users in productive manner
- Nimble & responsive service oriented architecture to deliver agile and cost efficient solutions
- Transform into knowledge based organisation via continual learning, IT skill upgrade and create knowledge-sharing platform

Your company is working on all facets of Mission SPRINT and some of key initiatives as explained below.

Your company continues to move on Digital Transformation journey by simplifying tasks and optimising the level of skills required for day-to-day activities as well as to maximise on the resources deployed. Your company has implemented on-line Document Management System (DMS) and Business Process Management (BPM) tools which have helped in automating various business related workflows.

Your company has completed implementation of Artwork and Graphic Management tool across all four geographies. This tool helps in digitizing the entire process of capturing customers print requirement and getting their approval online, thereby reducing cycle time and errors. Your company has embarked upon implementing AI based decision making solutions like Chat bots and predict the accuracy of Demand Forecast thereby strengthen our complete Supply Chain management processes. Your company has augmented and implemented warehouse management system tightly integrated with ERP in many of its units thereby further improving operational efficiency.

Given the proliferation of devices used for day-to-day transactions, Your company is ensuring that IT infrastructure is robust & secure by continuously evaluating, adopting and upgrading tools to ensure that the security of our end point devices (laptops/desktops) and servers is not breached and no data is compromised. This year we have completed Vulnerable Assessment and Penetration test (VAPT) which also involves ethical hacking of critical infrastructure. Your company continues to invest in state of art Disaster Recovery systems, redundant networking system and processes which ensure business continuity in case of any unforeseen events. Your company is working on transforming the organisation into knowledge based organisation by training employees on latest functionalities of ERP & increasing their IT skills. A Steering Committee comprising of the Corporate Leadership Team supervises the IT initiatives and IT effectiveness through regular monthly reviews.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has in place internal control systems and a structured internal audit process charged with the task of safeguarding the assets of your Company and ensuring reliability and accuracy of the accounting and other operational data. The internal audit department reports to the Audit Committee of the Board of Directors.

Your Company has a system of monthly review of business as a key operational control wherein the performance of units is reviewed against budgets and corrective action is initiated.

Your Company has in place a capital expenditure control system for authorizing spend on new assets and projects. Accountability is established for implementing the projects on time and within approved budget. This is overseen by the Investment Committee of the Corporate Leadership team.

Your Company deploys IT supported work flows in different areas as a way to enhance controls without compromising on speed and accountability.

The Audit Committee, the Statutory Auditors and the top management are regularly apprised of the internal audit findings, and regular updates provided at the Audit committee meetings of the Action taken on the internal audit reports. The Audit Committee of the Board consisting of non- executive independent Directors reviews the quarterly, half yearly and the annual financial statements of your Company. A detailed note on the functioning of the Audit Committee and of the other Committees of the Board forms part of the section on Corporate Governance in the Annual Report.

During the year, your Company carried out a detailed review of internal financial controls in the India units. The findings were satisfactory and suggestions for improvement have been taken up for implementation. Policy guidelines and SOPs continue to be updated where required to keep pace with business needs.

RISK MANAGEMENT

The Board of Directors and the Audit Committee of the Board review the business risks to which your Company is exposed and the various mitigation measures. The senior management team led by Chairman & Managing Director is responsible to manage risks pro-actively, developing and implementing appropriate mitigation measures.

Key risks to which your Company is exposed include:

a) Escalation in raw material prices and impact for long term contracts

- Your Company has incorporated raw material cost escalation pass through clauses in its customer contracts which enable the product prices to be revised periodically to reflect any variation in material costs.
- Where possible, your Company continues to identify and establish alternate supply sources and/ or alternative materials in order to effectively manage the material costs as well as supply continuity.

b) Single Product dependency

- Being an essential consumer product and an item of daily use, tooth paste as a category still dominates your Company's product range albeit to a much lesser extent than before. However, it also tends to have a stable demand during adverse economic environment. Your Company's engagement with all major brands in this category further fortifies its position.
- Your Company now has over 40% of its revenue coming from cosmetics, food and pharma categories which is making for a diversified portfolio in terms of customers and application categories.
- Tube as a packaging format is being increasingly preferred for products in paste/gel/cream and even viscous liquid form for reasons of ease of dispensing, convenience, resource reduction, capability for branding and decoration. Here too, Laminated Tubes are being increasingly sought after by FMCG brands compared to plastic and aluminum tubes.
- Scale, technology, integrated manufacturing process, innovation capability, operational efficiencies are other factors which further strengthen your Company's competitiveness in the tubes space, as well its ability to work as global partner for large multi-national customers including local brands in each geography.

c) **Attracting and retaining talent**

As with any other business, high demand for talent globally impacts employee turnover. Your Company addresses this to the best possible extent by being an empowering organization with professional management culture and maintaining a lean structure. Contemporary HR practices such as career planning, competitive remuneration, performance management system, performance linked pay, stock options, skills and competency training are now well established across the Company and its subsidiaries. Top talent is given the opportunity to move across functions and geographies. Employee engagement survey is carried out annually and the findings are used to further improve employee satisfaction.

d) **Currency volatility**

The global nature of operations exposes the Company to multiple currencies; fluctuations in exchange rates could affect your Company's performance. Appropriate pass through clauses have been built into long term customer contracts in order to offset the impact on material cost due to exchange rate fluctuations. Prices get reviewed and revised in the event of significant currency movements. Your Company also has the policy of systematically hedging its trade and capital exposures using forward contracts. Wherever possible transactional currencies are aligned to the reporting currency in order to obviate exchange fluctuation impact.

e) **Economic downturn**

This could impact your Company's markets, suppliers, customers and finances leading to business slow down, disruptions etc.

- Your Company's products are linked to daily necessities of the consumers and their demand generally is not much impacted by the downturn.
- Your Company pro-actively monitors the emerging trends in consumption and offers relevant solutions to its customers so as to stay ahead of the curve.
- Your Company also is focused on containing costs and improving efficiencies as a means to stay competitive.
- Proactive supplier and customer engagement is another way your Company seeks to minimize risk to business continuity.

f) **Competition**

This could put pressure on volume growth and pricing. Your Company focuses on superior quality, shorter lead time and high service level as means to keep the customer satisfaction high. It also invests in technology driven innovation, Sustainability driven products/ process to sustain its competitive edge. Besides, its ability to support the customer across the globe and focus on efficiency and value management help to sustain its position as a world-class provider of packaging solution.

g) **Wage increases in the developing markets**

This could impact costs and margins. Your Company is pro-actively using automation and asset productivity improvement as a means to contain the headcount and manage employee costs.

OUTLOOK

Your Company is on track with strategy implementation. The non-oral care category globally holds much growth potential for your Company over next few years by replacing plastic/ aluminum tubes and bottles with new generation laminated tubes. Added to that, Technology/ Sustainability innovations such as Mystik, Green Maple Leaf, Etain etc. have the potential to open up new opportunities, brands and customers going forward. Extensive customer engagement and focused business development efforts have made your Company a well regarded packaging solution provider for non-oral care brands globally. The performance in the recent years of your Company's business is an ample evidence of this. There are a number of initiatives under way for deploying technology to elevate customer experience of our products and service. With its large scale, global presence, innovation capability, technology focus and a motivated Human capital, your Company is well set to deliver on the task of delighting all its stakeholders.

SIGNIFICANT CHANGE OF KEY FINANCIAL RATIOS:

There is no significant change in key financial ratios as compared to the ratios of previous financial year.

CHANGE IN RETURN ON NET WORTH

The return on Net worth for the financial year 2018-19 has gone down marginally by about 0.4% to 14.6% as compared to preceding financial year return of 15% on account of lower profitability in India during the year.

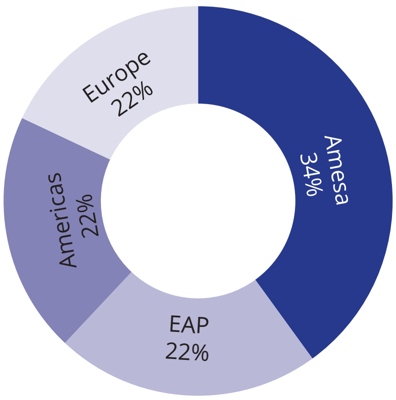
MEDIUM AND LONG TERM STRATEGY

With a view to FY 2021-22, your company will continue its focus on strategy of Mission 20:20:20 (i.e. 20 % EBDITA margin , 20% ROCE and 20% ROE) , whereby targeting Non oral care revenue share of 50% and Revenue growth 15% CAGR and PAT growth of 20% CAGR.

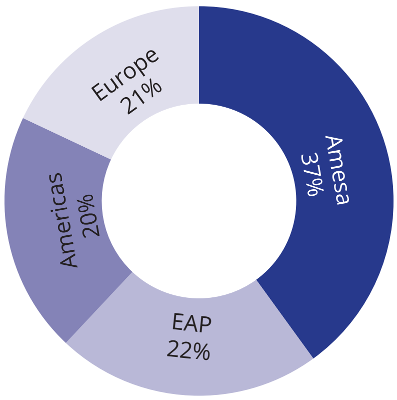
CAUTIONARY STATEMENT

Statements in this Annual report, particularly those which relate to management discussion and analysis, describing your Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may materially differ from those expressed or implied.

Revenue 2019



Revenue 2018



*Net of GST recovered.

Corporate Governance Report

ESSEL'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance pertains to system, by which companies are directed and controlled ethically, keeping in mind enhancement of long-term sustainable interests of stakeholders. It refers to blend of law, regulations, ethical and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting and balancing the interests of other stakeholders and the society at large.

It aims to align interest of the Company with its shareholders and other stakeholders. The incentive for companies and those who own and manage them, to adopt global governance standards, is that these standards will help them to achieve a long-term partnership with its stakeholders and achieve its corporate objectives efficiently. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness and social responsibility.

A good governance process provides transparency of corporate policies and the decision making process and also strengthens internal systems and helps in building good relationship with all stakeholders. We at Essel Propack believe in being transparent and commit ourselves to adherence of good corporate governance practices at all times as we believe that good governance generates goodwill among business partners, customers and investors and helps the Company to grow.

Corporate Ethics

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

Code of Conduct for Board Members and Senior Management

The Code of Conduct highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

The Code is, inter alia, applicable to all directors and senior management executives. The Code impresses upon directors and senior management to uphold the interest of the Company and its stakeholders and to endeavour to fulfill all the fiduciary obligations. The Code is available on the Company's website. Company has received a declaration of compliance with the Code of Conduct from Directors and Senior Management Personnel. The declaration by the Managing Director affirming compliance of the Board of Directors and Senior Management Personnel to the Code of Conduct is appended to this Report.

Code of Conduct for Prevention of Insider Trading

The Company has adopted a 'Code of conduct to regulate, monitor and report Trading by Insiders' (the Code) pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is applicable to all Directors and such Designated Persons as defined in the Code.

The detailed report on Corporate Governance for the year ended on 31 March 2019 under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations or Listing Agreements) is set out below.

1 BOARD OF DIRECTORS

1.1 Directors' profile

The Board of Directors of the Company comprises of highly renowned professionals drawn from diverse fields. They bring with them wide range of skills and experience to the Board which enhance the quality of the Board's decision making process. Profile of the Directors is posted on the Company's website www.esselpropack.com.

1.2 Board Procedure:

With a view to follow transparency, the Board follows procedure of advance planning for the matters requiring discussion / decisions by the Board. The Board is given presentation covering finance, sales, major business area and operations of the Company and other matters as requested by members. Agenda papers for the Board and committee meetings are finalized in consultation with concerned functionaries. The minutes of proceeding of each board meetings are maintained in terms of statutory provisions. Meetings of various committees are held properly. The minutes of committee meetings are placed regularly before the Board.

The Agenda and notes to agenda for the meetings of the Board and Committees, together with relevant details, resolutions and documents are circulated in advance of the meeting. The Company follows practice to schedule dates of meetings for coming year or such period as possible. Meetings are largely held in attendance of

Chief Operating Officer, Chief Financial Officer and Company Secretary and other executives are also invited wherever necessary for discussion or inputs.

1.3 Composition of the Board, category, directorship etc.

The Board of the Company comprises of six Directors as on 31 March 2019 with an optimum combination of executive and non-executive directors, of which three are Independent Directors, two are Non-executive Directors and one is Managing Director. Independent Directors are renowned professional with specialization in their respective fields, having varied skills and expertise and not related to promoters of the Company. The Company is in compliance of the Listing Regulations and the Companies Act 2013 (the Act). The composition of the Board and other details as on 31 March 2019 are as below.

Name of Director	Category	No. of Directorship in other companies (1)	Position in outside Committees(2)	
			Chairman	Member
Mr. Mukund Chitale	Independent Director	9	3	5
Mr. Boman Moradian	Independent Director	3	0	4
Ms. Radhika Pereira	Independent Director	4	2	3
Mr. Ashok Goel	Chairman and Managing Director	15	0	2
Mr. Atul Goel	Non-executive Director	13	0	0
Mr. Ramesh Gupta*	Additional director (Non-executive Director)	1	0	0

(1) Including private companies but excluding foreign companies, companies registered under section 8 of the Companies Act 2013, and alternate directorship.

(2) Represents Chairmanship / Membership of Audit Committees and Stakeholders Relationship Committees of other companies.

* appointed wef 14 March 2019.

Details of directorship in other listed companies are as under.

Name of Director	Name of other listed entities	Category of Directorship
Mr. Mukund Chitale	Larsen & Toubro Infotech Limited	Non-Executive - Independent Director
	Atul Limited	Non-Executive - Independent Director
	Larsen & Toubro Limited	Non-Executive - Independent Director
	Bhageria Industries Limited	Non-Executive - Independent Director
Mr. Boman Moradian	Garware Polyester Limited	Non-Executive - Independent Director
	Kabra Extrusion Technik Limited	Non-Executive - Independent Director
Ms. Radhika Pereira	Fairchem Speciality Limited	Non-Executive - Independent Director
	Parag Milk Foods Limited	Non-Executive - Independent Director
	Jain Irrigation Systems Limited	Non-Executive - Independent Director
	Tips Industries Limited	Non-Executive - Independent Director
Mr. Ashok Goel	Hindustan Oil Exploration Company Limited	Non-Executive - Non Independent Director
	Solid Containers Limited	Non-Executive - Non Independent Director
Mr. Atul Goel	NIL	N.A.
Mr. Ramesh Gupta	NIL	N.A.

Mr. Ashok Goel and Mr. Atul Goel are related to each other. None of the other Directors on the Board are related to each other.

Mr. Ashok Goel holds 8,47,520 equity shares in the Company. 17,86,78,028 equity shares are in the name of Mr. Ashok Kumar Goel, which is being held by him as a trustee of Ashok Goel Trust. Other directors are not holding any share in the Company. Mr. Ramesh Gupta holds 3,000 equity shares of the Company.

Directors of the Company do not hold any options or instruments convertible into equity shares of the Company.

The Board is of the opinion that the independent directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management. Every Independent Director has confirmed and given declaration in this respect.

1.4 Board Meetings and attendance

During the year under review, the Board of Directors of the Company met five times i.e. on 26 April 2018, 26 July 2018, 1 November 2018, 23 January 2019 and 14 March 2019. The agenda papers along with notes and other supportings were circulated in advance of the Board Meeting with sufficient information.

Directors' attendance in Board Meetings held during the financial year and last Annual General Meeting are as under.

Name of Director	No. of Board Meetings		Attendance at Last Annual General Meeting
	Held	Attended	
Mr. Mukund Chitale	5	4	Yes
Mr. Boman Moradian	5	5	Yes
Ms. Radhika Pereira	5	5	Yes
Mr. Ashok Goel	5	5	Yes
Mr. Atul Goel	5	2	No
Mr. Ramesh Gupta (wef 14.03.2019)	5	1	N.A.

1.5 Matrix of expertise and skill of Directors

Present Directors of the Company (including directors seeking appointment) having different skill and expertise in respective domain area viz. one Director is having expertise in accounting and finance, one Director is having expertise in legal and compliance, two directors are having skillset about overall business and remaining directors having competence of engineering and business development. Following is the qualification, expertise and skill of the Directors of the Company. The Board is of the opinion that the skill or competence required for the Directors in relation to the present business of the Company includes finance, accounts, legal, operation, business development and compliance.

Director	Qualification	Skills/expertise/competence/experience
Mukund Chitale	Commerce graduate and member of Institute of Chartered Accountants of India, Presently practicing as Chartered Accountant.	• Expertise in accounts, financial statements, accounting standards and auditing. • Experience as a practicing chartered accountant. • Member of the International Auditing Practices Committee, The International Federation of Accountants, Verma Committee on Restructuring of Weak Public Sector Banks, Dr. Tarapur Committee on Procedures & Performance Audit of Public Services appointed by Reserve Bank of India and Company Law Advisory Committee of the Central Government.
Radhika Pereira	Graduate of life sciences and law from Mumbai University and a postgraduate from Cambridge University as well as Harvard University.	• Expertise in legal and compliance. • Practice in the area of legal risk management including advising and structuring compliance, risk management and succession planning. • Experience in areas of project finance for infrastructure and development projects, corporate finance and intellectual property rights.

Director	Qualification	Skills/expertise/competence/experience
Boman Moradian	M.M.S in Operations from Jamnalal Bajaj Institute of Management Studies. Mechanical Engineer and a graduate from VJTI, Mumbai.	• Expertise in management, operation, internal audit and productivity. • Management Consultation practice in Productivity, Marketing and Mathematical Modeling of Systems for various corporate clients. • Having worked in various capacities and consistently grown in stature and responsibility at Bharat Bijlee Ltd., Ambalal Sarabhai Enterprises (ASE) Ltd., Decom Marketing Ltd. and Shilpi Advertising Ltd.
Ashok Goel	Bachelor of Commerce (Bcom)	• Expertise in global business development, finance, operation, strategy, new business and business acumen. • Experienced businessman who also oversees the management of the group companies.
Atul Goel	Graduation from American Graduate School of International Management at Thunderbird, USA.	• Expertise in business development, finance, real estate and strategy. • Experienced Businessman in venture capital investments, retail real estate and entertainment - a combination of both operating and real estate business.
Ramesh Gupta	Post-Graduation Degree in Regional Development at J.N.U New Delhi.	• Expertise in taxation, banking, administration and finance. • Experience in the field of Finance, Administration, Banking, Capital markets etc. having worked in State Bank of India, SEBI and Ministry of Finance, Government of India.

1.6 Familiarization Programme

The Company's policy on programmes and measures to familiarize Independent Directors about the Company, its business, updates and development includes various measures viz. issue of appointment letters containing terms, duties etc, presentation and other programmes as may be appropriate from time to time. Periodic presentations are made at the Board and Committee meetings on business, performance updates of the Company, global business environment, business strategy and risk involved. The Policy and programme aims to provide insights into the Company to enable independent directors to understand the business, functionaries, business model and other matters. The Company's Policy and other details in this respect is posted in investors section on the Company's website or link, https://www.esselpropack.com

2 PERFORMANCE EVALUATION

During the year, the Board conducted annual evaluation for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board meetings. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The criteria to evaluate the performance of the Board, committees, independent directors and non-independent directors were; a) Board Composition, size, mix of skill, experience and role; b) attendance and deliberation in the meetings; c) contribution or suggestions for effective functioning, development of strategy, board process, policies and others. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

3 POLICY ON APPOINTMENT OF DIRECTOR, QUALIFICATION AND ATTRIBUTES

The Company's policy on appointment of directors has provided, inter alia, relating to the criteria of qualification, experience and skills in relation to appointment for the position of director.

4 AUDIT COMMITTEE

Audit Committee of the Board has been constituted in terms of the Listing Regulations and Section 177 of the Act.

The Audit Committee comprises of three directors. All members of the Audit Committee are independent directors. The Committee met six times during the year on 12 April 2018, 26 April 2018, 26 July 2018, 1 November 2018, 21 December 2018 and 23 January 2019.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Mukund Chitale, Chairman	Independent Director	6	4
Mr. Boman Moradian	Independent Director	6	6
Ms. Radhika Pereira	Independent Director	6	5

Company Secretary of the Company acts as secretary to the Audit Committee.

Audit Committee meetings are also attended by chief financial officer, chief operating officer, representatives of the Statutory Auditor and Internal Auditors and other executives as and when required. The Committee also invites senior executives, where it considers appropriate, to attend meetings of the Audit Committee.

Terms of reference and role of the audit committee includes the matters specified under the Act and the Listing Regulations. Broad terms of reference includes: oversights of financial reporting process, review financial results and related information, approval of related party transactions, review internal financial controls and risk management, evaluate performance of statutory and internal auditors, audit process, relevant compliances, review compliance relating to insider trading regulations, appointment and payments to statutory auditors, reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary.

5 NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee of the Board (NRC) has been constituted in terms of the Listing Regulations and Section 178 of the Act.

The Nomination and remuneration Committee comprises of three Directors. All the members of the Nomination and remuneration committee are independent directors.

During the year under review, the Nomination & Remuneration Committee met twice i.e. on 26 April 2018 and 26 July 2018.

The Composition of the NRC and the attendance is as under.

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Boman Moradian, Chairman	Independent Director	2	2
Mr. Mukund Chitale	Independent Director	2	2
Ms. Radhika Pereira	Independent Director	2	2

Terms of reference of the NRC includes the matters specified under the Act and the Listing Regulations. Broad terms of reference includes; formulation of remuneration policy, set criteria for determining qualifications, positive attributes and independence of a director, formulation of criteria for evaluation of independent directors and the Board and criteria for appointment of directors and senior management and recommendation to the Board, all remuneration payable to senior management.

5.1 Remuneration of Directors

Details of remuneration, perquisites etc. and sitting fees of Directors for the financial year ended on 31 March 2019 are as under.

Name of Director	Category	₹ in lakhs		
		Commission or annual remuneration	Sitting fees	Total
Mr. Mukund Chitale	Independent Director	15.00	2.70	17.70
Mr. Boman Moradian	Independent Director	15.00	4.45	19.45
Ms. Radhika Pereira	Independent Director	15.00	3.00	18.00
Mr. Atul Goel	Non-executive Director	Nil	Nil	Nil
Mr. Ramesh Gupta	Non-executive Director	Nil	Nil	Nil

Name of Director	Category	Remuneration components ₹ in lakhs				
		Salary	Allowance, perquisites	Cont. to PF	Performance bonus	Total
Mr. Ashok Goel	Chairman & Managing Director	311.00	155.50	37.32	156.75	660.57

Period of appointment of Mr. Ashok Goel, Chairman & Managing Director is for a period of five years wef 21 October 2018 and it can be terminated by either party giving three months' prior notice to other.

Remuneration to Mr. Ashok Goel, Chairman & Managing Director of the Company comprises of fixed pay, perquisites and variable pay as mentioned above. Performance bonus/ variable pay is based on criteria including achievement of performance standards as per Remuneration policy of the Company.

Performance bonus of the Chairman & Managing Director is recommended by the Nomination & Remuneration Committee based on criteria including achievement of performance standards as mutually set out from time to time and as per Remuneration policy of the Company and approved by the Board of Directors of the Company.

Commission and Performance bonus payable to Directors as mentioned above is provided for the financial year 2018-19 and will be paid subsequent to the approval of the financial statements.

There was no pecuniary relationships or transactions of non-executive directors vis-à-vis the Company during the year under review, except payment of sitting fees and remuneration.

5.2 Remuneration policy

The Board on the recommendation of Nomination and Remuneration Committee approved Remuneration Policy for Directors, KMP and senior management employees.

The policy describes various aspects and guiding factors while determining the remuneration to Directors, KMP and senior managerial personnel of the Company with intent to maintain level and composition of remuneration reasonable and sufficient to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and also create competitive advantage. Broad provisions of the Remuneration Policy are summarized hereunder.

a) Nomination and Remuneration committee (NRC) has important role in monitoring the policy.

b) The Board, on the recommendation of NRC approves the remuneration payable to the Managing Director of the Company. The remuneration payable to the Managing Director shall be in accordance with the applicable provisions of the Act and the rules framed thereunder.

c) The Board, on the recommendation of the NRC approves the remuneration payable to the Key Managerial Personnel and Senior Management Personnel. The structure of remuneration payable to Key Managerial Personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company.

d) The commission to the Independent Directors is paid as per the provisions of the Act and the rules framed thereunder.

e) The Commission will be distributed among the independent directors as per criteria mentioned in this Report.

5.3 Criteria for payment to Non-executive / Independent Directors

Independent Directors are paid sitting fees of ₹ 25,000 for each meeting of the Board or committee thereof. The Company also reimburses expenses incurred by the directors for attending the meetings. The remuneration by way of commission to the independent directors is decided, keeping in view the recommendations by NRC, based on number of factors including number of meetings attended by the director during the year, contribution to the Board and Committees and involvement in the decision making.

6 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders relationship Committee comprises of three Directors. The Chairperson of the committee is an Independent Director. During the year under review, the Stakeholders' Relationship Committee met four times on 26 April 2018, 26 July 2018, 1 November 2018 and 23 January 2019.

The Composition of the above Committee and the attendance is as under.

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Boman Moradian, Chairman	Independent Director	4	4
Mr. Ashok Goel	Chairman & Managing Director	4	4
Mr. Atul Goel $	Non-executive Director	4	0

$ Mr. Atul Goel was appointed as member of the Committee wef 1 November 2018.

During the year, five investor complaints were received and all the complaints have been resolved. No investors' complaints were pending as on 31 March 2019.

Terms of Reference and role of the Stakeholders Relationship Committee includes the matters specified under the Act and the Listing Regulations. Broad terms of reference includes; to consider and resolve the grievances of security holders of the Company, to redress the shareholders' and investors' complaints, issue of duplicate certificates, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards in respect of various services being rendered by the Registrar and Share Transfer Agent and review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, annual reports, notices etc. by the shareholders of the Company.

Mr. Suresh Savaliya, Head – Legal and Company Secretary has been appointed as compliance officer pursuant to the Listing Regulations. The designated e-mail for investor service and correspondence is complianceofficer@ep.esselgroup.com

7 OTHER COMMITTEES

In addition to the above referred committees, the Board has constituted committees of Directors and executives to look into various business matters. These committee includes corporate social responsibility committee, security and allotment committee and risk management committee. Details relating to corporate social responsibility committee are given in the Board's report.

8 GENERAL BODY MEETINGS

Details of last three Annual General Meetings (AGM) are given here below.

Year	Date	Time	Venue
2015-16	17.06.2016	11.00 a.m	Registered office at P.O. Vasind, Taluka: Shahapur, District: Thane, Maharashtra - 421604, India
2016-17	12.07.2017	11.00 a.m	
2017-18	13.06.2018	11.00 a.m.	

The following are the special resolutions passed at the last three AGM.

Date of AGM	Summary of special resolution passed
17.06.2016	Keeping registers, returns, etc. at registered office /other place
12.07.2017	Redesignate Mr. Ashok Goel as Chairman and Managing Director.
13.06.2018	Private placement of NCDs and/or Debt Securities
13.06.2018	Re-appointment of Mr. Ashok Goel as Managing Director

Resolutions passed through postal ballot: The Company has not passed any resolution through postal ballot during the period from 1 April 2018 to 31 March 2019.

9 DISCLOSURES

a) During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large. Related Party transactions have been disclosed in the notes to the financial statements and in Board's Report. Policy on dealing with related party transactions is posted on the website of the Company and can be accessible by following the link: https://www.esselpropack.com/wp-content/uploads/2015/03/Related-Party-Transaction-Policy.pdf

b) The Company has complied with all applicable provisions of the Listing Regulations and other SEBI Regulations wherever applicable. No penalties have been imposed or stricture issued by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

c) The Company has a Whistle-Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior and mismanagement, if any. No employee of the Company was denied access to the Audit Committee. Details relating to vigil mechanism are also mentioned in the Board's Report.

d) The Company has complied with the mandatory requirements of the Corporate Governance of the Listing Regulations and also followed non-mandatory requirements relating to financial statements with unmodified audit opinion / without qualification.

e) The Company is in compliance with the provisions in relation to material subsidiary wherever applicable. Policy for determining 'material' subsidiary is posted on the website and can be accessible by following the link: https://www.esselpropack.com/wp-content/uploads/2015/03/Policy-for-determining-material-subsidiary.pdf

f) There were no pecuniary relationships or transactions of non-executive directors vis-à-vis the Company during the year under review, except payment of sitting fees and remuneration.

g) Disclosure of commodity price risks and commodity hedging activities: The Company has price review mechanism to protect against material movement in price of raw materials.

h) **Certificate from practicing company secretary:** The Company has obtained a certificate from practicing company secretary confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

i) **Fees paid to statutory auditor and network firm or entity:** Details relating to fees paid to statutory auditor is given in note 38 of the standalone financial statements. Neither Company nor its subsidiary has paid fees to network firm or entity of the statutory auditor.

j) **Disclosures relating to sexual harassment complaints:** In relation to complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, during the financial year 2018-19, no complaint filed and no complaint pending at end of the year. There was no complaint filed during the previous financial year. Additional details in this respect are given in the Board's report.

10 MEANS OF COMMUNICATION

a) Newspapers: The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers viz. Economics Times, DNA and Maharashtra Times.

b) News Release and Presentation: The Company also regularly releases press release to enable the stakeholders to appreciate the important developments and updates about the Company. News releases, presentations made to media, analysts, institutional investors, transcript of conference call with investors/analysts etc. are displayed on the company's website www.esselpropack.com.

c) Website: The Company's website www.esselpropack.com contains a separate dedicated section "Investors" and "Press Release" where shareholders information is available. Quarterly and annual financial results, annual report are also available on the website. Press releases made by the Company from time to time are also displayed on the website.

d) Annual Report: Annual Report containing, inter alia, Board's report, auditors' report, audited financial statements and other important information is circulated to members and others entitled thereto. The Annual Report is also available on website of the Company. Verbatim copy of financial statements, reports etc. are circulated in this Report and the same shall be deemed as signed copy.

e) Website of the Stock Exchanges: Disclosures and filing with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) by the Company are also hosted on website of the said stock exchanges.

f) Disclosures: The Company also informs by way of intimation to the Stock Exchanges all price sensitive matters or such other matters which in its opinion are material and have relevance to the shareholders.

11 GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting is scheduled to be held on Wednesday, 26 June 2019 at 11:00 a.m. at the Company's registered office at P.O.Vasind, *Taluka* Shahapur, Thane 421604.

b) Financial Year: The Company follows April to March as its financial year. The results for every quarter beginning from April are declared tentatively in the month following the quarter or within the time line as per the Listing Regulations.

c) Record Date: Record date for the purpose including payment of dividend is given in Notes to Notice convening above mentioned Annual General Meeting.

d) **Dividend Payment Date:** Dividend will be paid within the stipulated period, after its declaration by the members at the AGM.

Dividend on Equity Shares when declared will be made payable after the AGM to those Shareholders whose names stand in the Company's Register of Members on relevant dates of record date/book closure. In respect of shares held in electronic form/ demat, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.

e) **Listing on Stock Exchanges:** The Company's equity shares are listed on the following Stock Exchanges.

National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

BSE Limited (BSE), P.J. Towers, Dalal Street, Fort, Mumbai 400001.

Stock Code/Symbol: BSE - 500135. NSE - ESSELPACK. ISIN: INE255A01020

Debt Securities: Listed on Wholesale Debt Market (WDM) Segment of BSE.

Scrip Code: 957238, ISIN: INE255A08AV3

Debenture Trustees: Axis Trustee Services Limited, Axis House, 2nd Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 025. Tel: +91 22 43255231

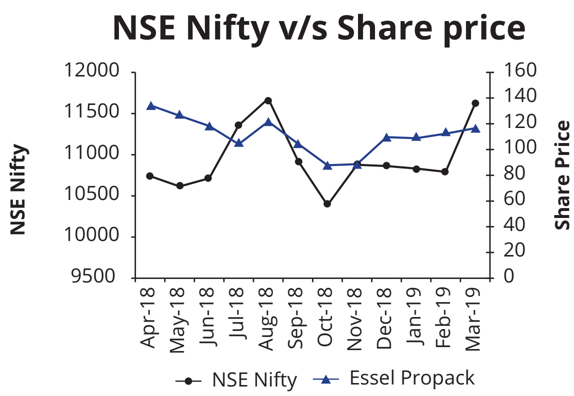
f) **Payment of Listing Fees:** The Company has paid annual listing fee for the year 2019-20 to BSE and NSE within time.

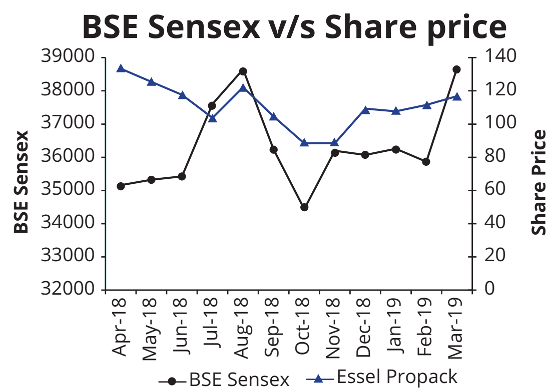
g) **Market Price Data:** The monthly high and low price of shares traded on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) are as follows:

Month & Year	BSE (In ₹)		NSE (In ₹)	
	High	Low	High	Low
April 2018	289.05	235.00	289.90	238.00
May 2018	272.40	245.65	271.00	249.00
June 2018 *	271.00	116.00	260.00	115.65
July 2018	117.05	102.50	119.30	102.10
August 2018	125.05	103.70	124.95	103.10
September 2018	124.00	104.20	123.00	103.50
October 2018	107.50	85.00	114.25	85.00
November 2018	93.90	85.00	90.45	84.70
December 2018	113.00	89.90	113.50	88.60
January 2019	119.70	93.55	120.00	93.55
February 2019	122.00	104.00	118.55	101.80
March 2019	121.50	108.10	121.30	108.75

* Became ex-bonus w.e.f. 20 June 2018 (Bonus issue 1:1)

h) **Performance of the Company's stock price vis-a-vis Sensex / Index**





Stock exchange price of share for the month of April and May 2018 is adjusted keeping in view the issue of bonus shares by the Company in the ratio of 1:1 for parity in presentation.

i) **Share Transfer System**

Applications for transfer of shares in physical form are minimal and processed through the Company's Registrar & Transfer Agent. The Stakeholders Relationship Committee constituted for transfer / transmission of shares, issue of duplicate shares and allied matters. The transfers of shares in physical form as and when received are normally processed within 15 days from the date of receipt of documents complete in all respects.

j) Distribution of Shareholding as on 31 March 2019

No. of equity shares	No. of share holders	% of share holders	No. of Shares Held	% of share Holding
1 to 500	29,307	78.44	33,44,814	1.06
501 – 1000	3,530	9.45	27,21,570	0.86
1001 – 5000	3,576	9.57	80,73,369	2.56
5001 – 10000	477	1.28	34,50,346	1.10
10001 and above	470	1.26	29,76,53,521	94.42
Total	**37,360**	**100.00**	**31,52,43,620**	**100.00**

k) Dematerialization of equity shares and liquidity

As on 31 March 2019, 99.31% of the Equity Shares have been dematerialized.

Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantages of scripless / demat trading, shareholders are requested to consider dematerialization of their shares so as to avoid inconvenience in future.

l) Commodity price risk or foreign exchange risk and hedging activities.

Risks are associated with various forex exposures like translation, transaction, economic etc. the Company would have on risk on net import side. Import Exposure includes Acceptance, Trade Payables, Trade Buyer's Credit, Interest Payable, CAPEX Buyer's Credit etc. and export exposure includes trade receivables, royalty receivable etc.

There are various financial instruments for hedging available to mitigate these risks like Forward Cover, Options and Derivative etc. Based on the risks involved in the hedging instrument, the Company is generally uses Forward Cover as measure for mitigating the Forex Volatility.

m) Plant Locations: The Company has plants/units at Vasind, Wada, Dhanoli (Vapi), Nalagarh (HP), Goa and Katenipara (Assam, wef 23 July 2018) as at the end of the financial year.

n) List of Credit rating obtained during the financial year

During the financial year, the company has obtained credit rating from below listed credit rating agencies:

Name of Credit Rating Agency	Instrument	Rating
India Rating & Research Private Limited (a Fitch Group Company)	Issue of Commercial Papers	IND A1+
Credit Analysis & Research Limited (CARE)	Long Term Bank facilities and Short Term Bank facilities	CARE AA / CARE A1+
Credit Analysis & Research Limited (CARE)	Non-convertible debenture	CARE AA

o) Registrar & Transfer Agent and Address for Communication

Registrar & Share Transfer Agent: Bigshare Services Private Limited, 1st Floor, Bharat Tin works Building, Opp Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai- 400059. Tel: 022 62638261, Fax: 022 62638299, investor@bigshareonline.com

Registered Office: P.O. Vasind, *Taluka* Shahapur, Thane 421604, Maharashtra, Tel: +91 9673333971/9882 CIN: L74950MH1982PLC028947

Corporate Office: Top Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Tel: +91 22 2481 9000/9200. Fax: +91 22 24963137, complianceofficer@ep.esselgroup.com, www.esselpropack.com

Investors Service and contact: Mr. Surje Singh, Sr. Manager – Legal & Secretarial at corporate office as mentioned above.

In order to facilitate investor servicing, the Company has a designated email id: investor.grievance@ep.esselgroup.com for registering queries by investors.

p) Shares in suspense account

The details of unclaimed equity shares and shareholders of the Company in unclaimed suspense account as on 31 March 2019 is mentioned below:

As on 1 April 2018		Shareholder who approached RTA & shares transferred in their favor		Balance as on 31 March 2019	
No. of Records	No. of Shares	No. of Records	No. of Shares	No. of Records	No. of Shares
1074	3160	1	6	1073	6314

The voting rights on the shares outstanding in the suspense account shall remain frozen till the rightful owner of such shares claims the shares or as per statutory provisions.

q) Corporate benefits

Details of corporate benefits issued by the Company are given below:-

Dividend

Year	%	Year	%	Year	%
1990-91	10%	1999-00 (Special)	150%	2007	60%
1991-92	15%	1999-00 (Interim)	54%	2008	15%
1992-93	20%	2000-01	54%	2009-10	20%
1993-94	27%	2001	55%	2010-11	30%
1994-95	27%	2002	65%	2011-12	32.50%
1995-96	32%	2003 (Interim)	70%	2012-13	37.50%
1996-97 (Interim)	15%	2003 (Final)	10%	2013-14	62.50%
1996-97 (Final)	30%	2004 (Interim)	80%	2014-15	80.00%
1997-98 (Interim)	20%	2004 (Final)	10%	2015-16	110%
1997-98 (Final)	32%	2005 (Interim)	100%	2016-17	120%
1998-99 (Interim)	20%	2005 (Special)	120%	2017-18	120%
1998-99 (Final)	34%	2006 (Interim)*	100%		

* The face value of equity shares was subdivided from ₹ 10 to ₹ 2 with effect from 15 June 2006.

Rights Shares (Price inclusive of premium)

Year	Face Value (₹)	Ratio	Price (₹)
1990	10	1:2	10
1992	10	1:4	50
1995	10	1:3	225

Bonus shares

Year	Face Value (₹)	Ratio
1994	10	1:2
2000	10	3:5
2018	2	1:1

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

7 May 2019, Mumbai

DECLARATION IN RESPECT OF CODE OF CONDUCT

In accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them for the financial year ended 31 March 2019.

For **Essel Propack Limited**

Ashok Goel
Chairman & Managing Director

7 May 2019, Mumbai

CERTIFICATE UNDER REGULATION 34(3) OF SEBI LISTING REGULATIONS

In my opinion and to the best of my information and according to our examination of the relevant records and information provided and based on declarations submitted by the Directors in this regard and representation made by the Management of **ESSEL PROPACK LIMITED** ("the Company") for the period from 1st April 2018 to 31 March 2019 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the LODR Regulations) read with Schedule Part C of Schedule V of the LODR Regulations, I hereby certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority, during the period from 1st April, 2018 to 31st March, 2019.

For **D. M. Zaveri & Co**
Company Secretaries

Dharmesh Zaveri
(Proprietor)

FCS. No.: 5418
CP No.: 4363

7 May 2019, Mumbai

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Essel Propack Limited

We have examined the compliance of conditions of Corporate Governance by **Essel Propack Limited** ('the Company'), for the year ended 31 March 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (collectively referred to as "SEBI Listing Regulations").

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

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

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

For **Ford Rhodes Parks & Co LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

7 May 2019, Mumbai
UDIN: 19016059AAAAAA3551

Annexure 1

Dividend Distribution Policy

1. INTRODUCTION

Security and Exchange Board of India has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide notification dated 2 September 2015 coming into effect from 1 December 2015. The said Regulation is in substitute of compliance requirement of listing agreements entered into with recognized Stock Exchanges in India in respect to listing of equity shares, debts and other securities. Said Regulations as amended from time to time *inter alia* provides for the top five hundred listed entities based on market capitalization to formulate a dividend distribution policy.

2. PURPOSE

The purpose of this Policy is to outline guiding factors, parameters and procedures in relation to the determining amount of Dividend on equity shares of the Company by the Board and recommend the same for approval of shareholders whenever necessary.

This Policy is intended to provide guidance and approach of the Board of Directors for determining and recommendation on the amount of dividend on equity shares of the Company and process for payment.

To achieve these objectives, maintain decency and to observe applicable regulation, in relation to determining amount of dividend and distribution, the Board of Essel Propack Limited is adopting this Dividend Policy.

3. TITLE, COMMENCEMENT AND EXTENT

3.1 This Policy is called the "Dividend Distribution Policy" or "Dividend Policy" or the "Policy".

3.2 This Policy has been approved by the Board in its meeting held on 2 February 2017 and the same shall come into effect accordingly.

4. DEFINITIONS AND INTERPRETATION

In this Policy, except where the context otherwise requires, the following words and expressions shall have the following meaning.

4.1 **"Board"** or **"Board of Directors"** means the Board of Directors of the Company.

4.2 **"Company"** or **"Essel"** means the **Essel Propack Limited**, registered in India under the Companies Act 1956/2013 having CIN L74950MH1982PLC028947.

4.3 **"Dividend"** means annual dividend and also includes interim and/or special dividend.

4.4 **"Executive Management"** means the Managing Director, Chief Operating Officer and Chief Financial Officer of the Company.

4.5 **"Shares"** or **"Equity Shares"** means the exiting equity shares and equity shares as may be allotted by the Company from time to time.

4.6 **"Statutory provisions"**, **"Regulation"** or **"Listing Regulations"** means applicable provisions of the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended or reenacted time to time and other applicable law in relation to the Dividend.

4.7 The words importing the singular include the plural and vice versa and pronouns importing a gender include each of the masculine, feminine and neuter genders and shall be interpreted in the wide sense in spirit of this Code.

5. ESSEL'S DIVIDEND POLICY

Essel's Board adopts the policy of steady and progressive dividend distribution out of the net profit keeping in view the following factors. The Board believes this will serve the interest of the Shareholders for their regular income and the Company's business growth.

In determining the amount of dividend on equity shares of the Company for distribution to equity shareholders from time to time, the Board will consider the following guidelines and parameters, keeping in view the audited or reviewed financial results of the Company, as may be relevant to the financial year and estimates of the next financial year when context so requires.

5.1 Financial parameters

The Board shall be guided by the following financial factors when recommend the Dividend.

a) To recommend steady dividend payout keeping in view standalone and consolidated net profit of the Company as per audited financial results, Subject to financial, external, internal and others factors.

b) Increase in standalone and consolidated net sales, net profit, cash profit and net worth as compared to previous financial year.

c) Position of debts, interest rate and debt servicing during the financial year and change expected during the next financial year.

d) Other factors would include magnitude of realized profits, operating cash flow, liquidity, capacity to service borrowings, cost of borrowings vis-à-vis cost of capital, sales volume, anticipated expenses, financial ratios etc.

5.2 Internal Factors

a) Cash requirements in short to medium term for capex program, organic and inorganic growth, acquisition, further investment in subsidiaries and joint ventures, surge sustainability in global business markets.

b) Profitability, earnings variability, liquidity and cash flows, financial leverage and asset characteristics such as the composition of tangible and intangible assets.

c) Achievement of targets in relation to capacity additions, inventions, new customers, quality excellence, fair inventory levels, sustainable balance between oral, non-oral care and pharma segments, as and when the management has set the targets for all or any of the aforesaid.

d) To consider the proposal, if any, presented by Executive Management in relation to the recommendation of the Dividend.

5.3 External factors

a) Change in statutory provisions, domestic and international taxation aspects, government policies, major accounting adjustments and audit assumptions.

b) Contingent liability and legal disputes expected to tolerate in medium to long term and natural calamity.

c) Material change in technology, market position, statutory restrictions, commercial assumptions and other aspects which is anticipated to affect to the business or profitability of the Company, its subsidiaries, joint ventures or major customers.

d) Major write off of the bad debts, distressed assets or investments, bankruptcy of major customers, stricture of public liability and similar aspects affecting to the business or profit of the Company on standalone and consolidated basis.

In exceptional circumstances, the Board may deviate some parameters in determining the amount of dividend, if after deliberations in board meeting, it is decided so in interest of the Company, with consent of all the directors present.

6. UTILIZATION OF RETAINED EARNING

It is intended to use the retained earnings for business growth, capacity additions and general corporate purpose. Considering the cost of the borrowings vis-à-vis available funds (retained earnings), the quantum of reserves and available depreciation fund, the Board may decide to plough back the earnings. Utilization of the retained earnings of the Company shall be inter alia based on the factors includes financial leverage, mitigate dependence on external debts, expansion and diversification.

7. CIRCUMSTANCES UNDER WHICH MAY NOT EXPECT DIVIDEND

The Board intends to recommend reasonable dividend every financial year in normal business scenario keeping in view the provisions of this Dividend Policy. However the Board may consider to recommends lesser dividend as compared to previous financial years or may not recommend Dividend for any one or more financial years keeping in view the possible effect of one or more “External Factors” to the business, sales, profit or sustainability of the Company, its subsidiaries or in any other circumstances the Board decides that distribution of the profit by way of Dividend is not advisable in interest of the Company.

8. POLICY EXCLUSION

The policy shall not be applicable in the following circumstances.

a) Buyback of shares or securities.

b) Dividend on preference shares.

c) Benefit to shareholders or class of shareholders by virtue of arrangements as may be approved by National Company Law Tribunal or appropriate authority.

9. INTERIM, SPECIAL OR HIGHER DIVIDEND

The Board may approve Interim Dividend, Special or higher Dividend considering the recommendation from the Executive Management and factors as mentioned in this Policy, keeping in view the financials based on reviewed or audited financial statements and as may be permitted under the statutory provisions. The Board at its discretion may consider the aforesaid proposal if the Board thinks that the factors as referred in the policy are favorable, available and possible use of cash and other factors as the Board may think relevant.

10. PROCEDURE IN RELATING TO THE DIVIDEND AND PAYMENT

a) The Board usually to recommend Dividend annually for financial year based on annual financial results.

Recommendation of the Board on annual dividend will be submitted to the shareholders in accordance with the statutory provisions for the adoption of a final decision at the shareholders' meeting. The amount of annual dividends shall not exceed the amount recommended by the Board of Directors.

b) Annual Dividend as approved by the Shareholders or interim or special Dividend as approved by the Board will be paid in cash to those who are Shareholders on record date or book closure as may be determined for the purpose.

c) Primary method for the payment of Dividends is the transfer or direct credit of dividend amount in Indian rupee to respective accounts of the shareholders in the Indian Bank details of which is registered with the Company or made available by the Depositories. In absence of correct bank account details, the Company will pay Dividend by way of dispatch of physical dividend instrument or demand drafts.

d) The Company shall follow the statutory provisions as may be applicable from time to time relating to approval, declaration and payment of Dividend.

11. CLARIFICATIONS, AMENDMENT ETC

This Policy has been framed in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any amendment in the Regulations, direction or clarification by SEBI, provision of this Code shall be read and implemented in context of such amended or clarified positions.

This Policy may be modified, amended, clarified or substituted by the Board as may be necessary.

This Policy is approved by the Board of Directors and signed for authentication on its behalf as under.

12. CAUTIONARY STATEMENT

The Policy reflects the intent of the Company to reward its shareholders by distributing a portion of its profits after retaining sufficient funds for growth of the Company and subject to other aspects as mentioned in this Policy and/ or other aspect the Board may think appropriate at its discretion from time to time.

Annexure 2

Secretarial Audit Report

Form No. MR-3
For the Financial year ended 31 March 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,
The Members,
Essel Propack Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Essel Propack Limited** (hereinafter called **'the Company'**). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Essel Propack Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st 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 the 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('The SEBI'):-

(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, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(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; (Not relevant / applicable, since there is no delisting of equity shares during the year)

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not relevant / applicable, since there is no buyback of securities during the year)

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) The following laws are specifically applicable to the Company in addition to laws mentioned above;

(a) Factories Act 1948

(b) Contract Labour (Regulation and Abolition) Act, 1970

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India

Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Secretarial Standards, etc. mentioned above.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the 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 meetings.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The management has installed IT enabled software called "Legatrix" to manage legal and regulatory compliance. The Legatrix system has been implemented by legal professional and expert service provider Legasis Services Private Limited. We have reviewed the functioning of said system implemented at all plants, registered and corporate office of the Company and the said systems *inter alia* checks, alters, provide reports, updates and overview compliance management of various laws including laws specifically applicable to the Company viz Factories Act 1948, the Contract Labour (Regulation and Abolition) Act, 1970.

I further report that during the period under review, there were following major actions which have been done in compliance with applicable statutory provisions;

1. Pursuant to the Essel Employee Stock Option Scheme 2014 (ESOS 2014) 2,74,998 Equity shares of face value of ₹ 2 each of the Company were allotted on 26th July, 2018, 4,80,962 Equity shares of face value of ₹ 2 each of the Company were allotted on 12th November, 2018, 45,666 Equity Shares of face value of ₹ 2 each of the Company were allotted on 4th December, 2018, 78,666 Equity shares of face value of ₹ 2 each of the Company were allotted on 18th February, 2019 to those grantee who had exercised their vested Options.

2. The board of directors in its meeting dated 26th April, 2018 had recommended Bonus Issue of Equity Shares in the ratio of 1(One) Equity Share of ₹ 2/- each for every 1(One) Equity Share of ₹ 2/- each held by the shareholders of the Company as on the record date/ date fixed for the purpose and the same was approved by the members in the 35th Annual General Meeting of the Company held on 13th June, 2018 by way of Special Resolution and the same was allotted to the members within the provisions of the Companies Act, 2013.

3. Pursuant to the special resolution passed at the 35th Annual General Meeting of the Company, consent of the members of the company was obtained for the following;

   a) to create, offer, issue and allot secured / unsecured / redeemable non-convertible debentures (NCDs) and/ or subordinated debenture, bonds, instruments and other debt securities (Debt Securities), provided that outstanding principle amount of Debt Securities shall not exceed ₹ 200 Crores, in one or more tranches, substitute / swap and currencies, on a private placement basis, to one or more persons.

   b) for reappointment of Mr. Ashok Goel, as Managing Director of the Company for the period effective from 21st October, 2018 to 30th September, 2023, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening 35th Annual General Meeting of the Company.

For **D. M. Zaveri & Co**
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

7 May, 2019 Mumbai

Annexure 3

CSR Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs.	Pursuant to Section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a CSR Committee. The Board also framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy is placed on the website and is available on the following weblink: https://www.esselpropack.com/wp-content/uploads/2015/02/Corporate-Social-Responsibility-Policy.pdf In line with CSR Policy and in accordance with Schedule VII to the Act, the Company has undertaken the following CSR projects: a) Promoting Education b) Providing Sanitation facilities c) Promoting healthcare including preventive health care d) Ensuring Environment Sustainability e) Rural Development The Company has undertaken the above CSR activities directly and also through registered trust or registered society and other permissible entities having an established track record of more than 3 years.
2.	The Composition of the CSR Committee	Mr. Ashok Goel, Chairman & Managing Director Mr. Boman Moradian, Independent Director Mr. Mukund Chitale, Independent Director
3.	Average net profit of the Company (Standalone) for preceding three financial years.	₹ 1,04,62,86,745
4.	Prescribed CSR Expenditure spent (2% of the amount at Sr. 3 above).	₹ 2,09,25,735
5.	Details of CSR spent during the financial year:	
	a) Total amount spent for the financial year;	₹ 55,69,676
	b) Amount unspent, if any;	₹ 1,53,56,059
	c) Manner in which the amount spent during the financial year:	Manner in which the amount is spent is detailed in the Annexure A.

ANNEXURE A TO REPORT ON CSR ACTIVITIES

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs were undertaken.**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:**	**Cumulative expenditure up to the reporting period**	**Amount spent Direct or through implementation agency**
1	Promoting education by providing benches and improving sanitation facilities by providing toilets to various schools in the vicinity of units of the Company	Promoting Education & Health Care	State: Maharashtra Dist. Thane	11,00,000	11,00,000	11,00,000	Implementing Agency –Vidya Vikas Mandal
2	Improving sanitation facilities by providing toilets to various schools	Promoting Health care	State: Maharashtra Dist. Wada	7,68,257	7,68,257	18,68,257	Direct Project
3	Construction of wells and to overcome various water related problems.	Promoting Health Care	State: Maharashtra Dist. Thane	27,48,019	27,48,019	46,16,276	Direct project
4	Improve public issues such as education, rural development for upliftment of the Society.	Promoting Education & Rural development	State: West Bengal Dist. Kolkata	3,00,000	3,00,000	49,16,276	Implementing Agency – Padakshep
5	Promoting and Providing education to children who are mentally challenged	Education	State: Maharashtra Dist. Tahne	6,00,000	6,00,000	55,16,276	Implementing Agency – The Indian Council for Mental Health
6	Promoting of Rural Development by construction of garden.	Rural Development	State: Maharashtra Dist. Thane	53,400	53,400	55,69,676	Direct project
TOTAL				**55,69,676**	**55,69,676**		

The Company has already spent sizable amount towards various CSR activities during the year. The Company is evaluating more CSR programmes, activities and initiatives for further CSR spending. The Company couldn't spent towards due CSR amount keeping in view to make contribution to areas where it can make ample impact and would attempt to find out more areas in future where the spending would really make a difference. The Company has started project for providing drinking water. The Company is also in dialogue with some CSR agencies and NGOs for implementing of the Company's CSR policy over a period of time.

Vidya Vikas Mandal was set up in 1961, the trust runs a school to provide development of society through proper education to the tribal people living in the village.

PADAKSHEP is a non-profit organization and its primary focus is to provide education and upliftment of the rural areas in the two island of Sunderbans. They have also decided to lend stronger support to Vocational Training.

The Indian Council for Mental Health (ICMH) is a registered trust striving to achieve professional excellence in all its activities. Their focus is to provide care and education to children with developmental disabilities through their special school. ICMH ensures that all teaching staff and therapists, who are the very backbone of the Organization, are adequately qualified and possess special skills to care of the children.

CSR Committee states that the CSR activities being undertaken / proposed will be implemented and monitored as per CSR Policy and is in compliance with CSR objectives and policy of the Company.

Boman Moradian
Independent Director
Member – CSR Committee

Ashok Goel
Chairman & Managing Director
Chairman – CSR Committee

7 May 2019, Mumbai

Annexure 4(a)

Particulars of Employees as per Section 197(12) of the Companies Act 2013 read with the Rules relating thereto for the year ended on 31 March 2019

Top 10 employees in terms of remuneration drawn and employees in receipt of remuneration not less than ₹ 1.02 crores p.a.

Sr. No.	Name	Designation-Nature of Duties	Qualification	Age	Date of Joining	Remuneration Received (₹)	Experience (in years)	Particulars of last employment held- Organisation & Designation
1	Ashok Goel	Chairman & M.D.	B. Com	57	1-7-1988	6,35,02,069	38	-
2	M R Ramasamy	Chief Operating Officer	BE, Exe. MBA	61	9-3-1985	3,00,85,459	38	Venlon Polyster Ltd., Project Engineer
3	Dileep Joshi	Director - Human Capital	Post-Graduation in Management (HR)	54	12-10-2009	1,78,12,452	31	Essar Shipping Ports & Logistics Ltd., Head HR - ESPL Business Group
4	Prakash Dharmani	Chief Information Officer	BE (Chemical), Executive MBA	48	24-09-2012	1,65,04,717	28	Essar Power Ltd., VP CIO
5	Vinay Mokashi	Chief Financial Officer	AICWA & ACS	60	01-03-1997	84,48,024	40	Coral Cosmetics Ltd - Finance Manager & Company Secretary
6	Ashok Kumar Vashisht	Regional Finance Controller – AMESA Region	FCMA (ICAI), FCMA (CIMA, UK), CGMA (UK & US), FCPA (Australia), DIP IFR (ACC, UK), CS, B.Com	48	26-03-2013	88,40,682	27	SMA Solar India Pvt. Ltd, Head – Finance and compliance. Glaxosmithkline Consumer Healthcare Ltd, Sr. Manager – Finance & IT
7	Amit Jain	Head Treasury	ACA	45	26-10-2012	83,20,723	25	Cadila Pharmaceuticals Ltd. General Manager
8	Deepak Ganjoo	Regional Vice President-AMESA Region	Bachelor of Engineering (B.E.)	45	01-07-2005	94,04,089	25	TVS Motors Ltd. - Unit Manager - Transmission Shop
9	Rajesh Bhogavalli	Head Supply Chain	M.Sc, MBA	44	28/07/2014	65,45,955	13	BASF-Head - Supply Chain (Coatings)
10	Hariharan K Nair	Vice President-Creativity & Innovation	Master's Degree in Polymers, Master's Degree in Chemistry	45	27/03/2017	63,27,608	21	E I DuPont India Pvt. Ltd.- Application Development Manager

Employees employed for part of year and in receipt of remuneration of not less than ₹ 8.50 lakhs p.m.

Sr. No.	Name	Designation-Nature of Duties	Qualification	Age	Date of Joining	Remuneration Received (₹)	Experience (in years)	Particulars of last employment held- Organisation & Designation
1	A V Ganapathy	Chief Financial Officer	ACA, ACS & AICWA	60	11-6-2007	1,13,58,683	35	Unilever Srilanka Ltd., Commercial Director
2	Roy Joseph	Regional Vice President-AMESA Region	Masters in Management, BE	50	2-11-2011	94,24,469	31	Avery Dennison India Ltd; Country General Manager India

Above employees retired or resigned from the service of the Company during the year.

Notes:

1. Remuneration consists of salary, variable pay, allowances and perquisites as computed under the Income Tax Act, 1961.
2. Above employees are in full time employment with the Company and the same can be terminable by notice on either side and are governed as per the terms of respective appointment and/or rules/policies of the Company.
3. Except for Mr. Ashok Goel, none of the employees mentioned above is related to any Director of the Company.

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

7 May 2019. Mumbai

Annexure 4(b)

The information on remuneration and other matters as required by sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in table below:

Sr. No.	Name of Director-KMP and Designation	% increase in remuneration in the FY 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Ashok Goel - Chairman & Managing Director	7.8%	318
2.	Mr. Atul Goel - Director	Nil	N.A.
3.	Mr. Mukund Chitale - Independent Director	Nil	7
4.	Mr. Boman Moradian - Independent Director	Nil	7
5.	Ms. Radhika Pereira - Independent Director	Nil	7
6.	Mr. Vinay Mokashi - Chief Financial Officer	17.51%	N.A.
7.	Mr. Suresh Savaliya - Head- Legal & Company Secretary	9%	N.A.

Sr. No.	Requirements	Disclosure
1.	The Percentage increase in the median remuneration of employees in the financial year.	Increase in median remuneration in the financial year under review was approx. 10.63% as compared of the immediate preceding financial years. Median remuneration for the year under review is approx. ₹ 2.56 lakhs
2.	The Number of permanent employees on the rolls of the Company	1237 employees on payroll as on 31 March 2019.
3.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There was no exceptional circumstance for increase for managerial personnel in the last financial year. The average percentile increase and policy was same for managerial personnel and all the other employees.
4.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

7 May 2019. Mumbai

Annexure 5

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31 March 2019 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of energy:

Your Company is committed to reduce energy consumption at its various plants. Besides sustaining past initiatives, new measures were implemented during the year. Gist of initiatives taken in this regard is as under.

- HVAC study for Nalagarh plant was done with Daikin and LG to ascertain the energy saving opportunities. Post the study new HVAC system from Daikin was installed in tubing shop floor and appx 6-8% of energy consumption equivalent to 2000 units/day savings is executed.
- At Wada and Goa unit, TET hydraulic motor replaced with lower HP motor reducing the energy consumption by appx 60%.Energy consumption reduced from 11 KW to 3.5 KW.
- At Wada plant, Chiller performance validation was done and with the investment of improved chillers and unit could reduce the energy consumption by 30-40%. Unit consumption per day has reduced from avg 2700 units per day to avg 1600 units/day.
- Vasind unit worked on the HT transformer. Modification in the Primary winding done to control high voltage supplies from grid and this initiative reduced 60 hrs of DG running per month equivalent to 22K liters of Diesel.
- Compressed air consumption reduction done by plugging air leakages and this helped the working air pressure reduction from 7 bars to 6 bar.

  All these executed energy saving initiatives will give a sustainable energy bill reduction of appx INR 15-20 lakh/month.

(b) The steps taken by the company for utilizing alternate sources of energy:

- We are exploring the possibility of installing solar power panels at Bhilad unit and other units wherever it will be feasible. Discussion for Bhilad plant project is in advanced stage and expected to be implemented this year.

(c) The capital investment on energy conservation equipment:

- Water cooled to Air Cooled lamp conversion on 2 printing lines with an investment of INR 40 lakh.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

a) Worked with a global polymer manufacturer and co-developed special blends of polymer grades that provide higher mechanical strength, higher chemical product resistance, lower gels and higher output in blown film and tubing productivity.

b) Worked with major global polymer manufacturer and co-developed special laminate grades of higher densities enabling thickness reduction without compromising on product performance.

c) Worked with global polymer manufactures and developed a special grade of UV master batch for making high clarity tubes with total block in UV A, B & C region. As the end user companies are targeting carton removal UV stability of the exposed packed product is gaining significance.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

a) As sustainability is taking center stage globally, we have evaluated post-consumer recycled (PCR) resins from newer sources and commercialized lamitube with upto 25% PCR usage in the tube sleeve and upto 50% PCR in the tube shoulders.

b) Evaluated next generation grafted polymers from newer sources that provides consistence interlayer bond between among various multilayer substrates and also helps improve the recyclability of barrier laminates.

c) Successfully commercialized process of liberation between metal foil and Plastic from Industrial wastes of Aluminium barrier laminates (ABL). Next target is to scale this concept to PCR laminates.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Nil

(iv) Details of expenditure on Research and Development during the year under review is as under:

(₹ In lakhs)

a)	Capital	275.00
b)	Recurring	615.00
c)	Total expenditure	891.00
d)	Total expenditure as a % of total turnover	1.05%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In Crores)

Particular	Year 2018-19	Year 2017-18
Foreign Exchange earned	149.24	122.57
Foreign Exchange used / outgo	305.69	218.70

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

7 May 2019. Mumbai

Annexure 6

Form No. MGT 9

EXTRACT OF ANNUAL RETURN As on financial year ended on 31 March 2019

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

I. REGISTRATION AND OTHER DETAILS

1.	CIN	L74950MH1982PLC028947
2.	Registration Date	22 December 1982
3.	Name of the Company	Essel Propack Limited
4.	Category of the Company/ Sub-Category of the Company	Company limited by shares Indian Non-Government Company
5.	Address of the Registered office and contact details	P.O.Vasind, *Taluka* Shahapur, District – Thane, Maharashtra – 42,16,04, India. Tel.: +91 9673333971
6.	Whether listed Company	Yes, Listed on BSE Limited & National Stock Exchange of India Limited.
7.	Name, address and contact details of Registrar and Transfer Agent	Bigshare Services Private Limited,1st Floor, Bharat Tin works Building, Opp.Vasant Oasis, Marol Maroshi Road, Andheri(E), Mumbai-400059. Tel No. 022-62,63,82,00, Fax: 022-62638299.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the product/service	% total turnover of the company
1.	Sale of collapsible Laminated/Plastic tubes (Multi-layer collapsible tubes and laminates)	31,31, 22201	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
DIRECT SUBSIDIARIES					
1.	Lamitube Technologies Limited, Mauritius 2nd Floor, Hennessy Tower, Suite 2,05, Pope Hennessy Street, Republic of Mauritius	Foreign Subsidiary	Wholly owned Subsidiary	100	2(87)
2.	Lamitube Technologies (Cyprus) Limited, Cyprus Total Serve House, 17, Gr., Xenopoulou Street, 31,06, Limassol, Cyprus	Foreign Subsidiary	Wholly owned Subsidiary	100	2(87)
3.	Arista Tubes Inc., USA 187 Cane Creek Blvd, Danville, VA – 24540	Foreign Subsidiary	Wholly owned Subsidiary	100	2(87)

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
STEP DOWN SUBSIDIARIES					
1.	Essel Propack America LLC, USA, 187 Cane Creek Blvd, Danville, VA – 24540.	Foreign Subsidiary	Subsidiary	100	2(87)
2.	Essel Packaging (Guangzhou) Limited, China No. 9, Yongshun Avenue, M., Yonghe Zone, GETDD, Guangzhou P.R.China	Foreign Subsidiary	Subsidiary	100	2(87)
3.	Essel Propack Philippines, Inc., Philippines Building 11, Phase II, Vita Comp, 108 Marcos Alvarez Avenue, Bo. Talon 1 Las Pinas City, 17,47, Philippines	Foreign Subsidiary	Subsidiary	100	2(87)
4.	Essel de Mexico, S.A. de C.V., Mexico, Carretera Tepotzotlan-LA Aurora KM.1, Ex-Hacienda San Miguel Cuautitlan Izcalli Estado De Mexico, Mexico C.P. 54715	Foreign Subsidiary	Subsidiary	100	2(87)
5.	MTL de Panama S.A., Panama Apartado 86,29, Panama 5, Republique De Panama	Foreign Subsidiary	Subsidiary	100	2(87)
6.	Arista Tubes Limited, United Kingdom Castle Court, 41 London Road, Reigate, Surrey, RH2 9RJ	Foreign Subsidiary	Subsidiary	100	2(87)
7.	Essel Propack UK Limited Castle Court, 41 London Road, Reigate, Surrey, RH2 9RJ	Foreign Subsidiary	Subsidiary	100	2(87)
8.	Tubopack de Colombia S.A., Colombia, Calle 13A No, 100-35 of 8,06, Call Planta: Parque ind El Paraiso Bod 4 Mza, B Santander De Quilichao, Colombia	Foreign Subsidiary	Subsidiary	100	2(87)
9.	Essel Propack LLC, Russia Ul., Shosseinaya, 40, Malakhovka – 2, Luberetsky Raion, Moskovskaya Oblast – 14,00,32, Russian Federation	Foreign Subsidiary	Subsidiary	100	2(87)
10.	Essel Packaging (Jiangsu) Limited, China No.9, Changsheng Road Yang round development zone, Xinzhuang village, Changshu city, Jiangsu province, China	Foreign Subsidiary	Subsidiary	100	2(87)
11.	Essel Propack MISR for Advanced Packaging (S.A.E.), Egypt, Plot No 6 & 7, Block – 1,20,16, 1st Industrial Estate, El Obour City, Egypt	Foreign Subsidiary	Subsidiary	75	2(87)
12.	Essel Propack Polska Sp. Z.O.O., Poland ul. Mahatmy Gandhiego 1 66-300 Międzyrzecz, Poland	Foreign Subsidiary	Subsidiary	100	2(87)

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
13.	Essel Colombia S.A.S. Via Cali-Santander de Quilichao, KM 24, Parque Industrial Parque Sur. Villa Rica, Columbia	Foreign Subsidiary	Subsidiary	100	2(87)
14.	Essel Deutschland Gmbh & Co. KG, Dresden, Germany. Manfred-von-Ardenne-Ring 10, 01099 Dresden, Germany Handelsregister: Amtsgericht Dresden, HRA 5605	Foreign Subsidiary	Subsidiary	100	2(87)
15.	Essel Deutschland Management GmbH, Germany Manfred-von-Ardenne-Ring 10, 01099 Dresden, Germany Handelsregister: Amtsgericht Dresden, HRA 5605.	Foreign Subsidiary	Subsidiary	100	2(87)
ASSOCIATE COMPANY / JV					
1.	P.T. Lamipak Primula, Indonesia, Jl, Sawunggaling No 26, Gilang, Taman, Sidoarjo, Indonesia.	Foreign entity	Associate	30	2(6)

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

i) Category-wise Share Holding

	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A)	Shareholding of Promoter and Promoter Group									
Indian										
(a)	INDIVIDUAL / HUF	4,34,750	0	4,34,750	0.28	8,69,500	0	8,69,500	0.28	(0.00)
(b)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	1,14,229	0	1,14,229	0.07	2,28,458	0	2,28,458	0.07	(0.00)
(d)	FINANCIAL INSTITUTIONS / BANKS	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
(i)	TRUST	8,93,39,014	0	8,93,39,014	56.84	17,86,78,028	0	17,86,78,028	56.68	(0.16)
(ii)	GROUP COMPANIES	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) :	**8,98,87,993**	**0**	**8,98,87,993**	**57.19**	**17,97,75,986**	**0**	**17,97,75,986**	**57.03**	**(0.16)**
Foreign										
(a)	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	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) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total holding of promoters									
	(A)=(A)(1) + (A)(2)	**8,98,87,993**	**0**	**8,98,87,993**	**57.19**	**17,97,75,986**	**0**	**17,97,75,986**	**57.03**	**(0.16)**
(B)	Public shareholding									
Institutions										
(a)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS	69,780	2	69,782	0.04	77,351	4	77,355	0.02	(0.02)
(c)	MUTUAL FUNDS / UTI	56,28,951	75	56,29,026	3.58	31,47,161	0	31,47,161	1.00	(2.58)
(d)	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES	16,55,970	0	16,55,970	1.05	30,62,645	0	30,62,645	0.97	(0.08)
(f)	FII'S/FPIS	2,41,88,633	1,200	2,41,89,833	15.39	5,60,43,043	1,600	5,60,44,643	17.77	2.39
(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)	ALTERNATE INVESTMENT FUND	5,16,268	0	5,16,268	0.33	10,67,304	0	10,67,304	0.34	0.01
	SUB TOTAL (B)(1) :	**3,20,59,602**	**1,277**	**3,20,60,879**	**20.40**	**6,33,97,504**	**1,604**	**6,33,99,108**	**20.11**	**(0.29)**

Category of Shareholder		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
NON-INSTITUTIONS										
(a)	BODIES CORPORATE	1,77,36,373	3,319	1,77,39,692	11.29	3,60,34,801	4,584	3,60,39,385	11.43	0.15
(b)	CLEARING MEMBER	56,891	0	56,891	0.04	1,27,662	0	1,27,662	0.04	0.00
(c)	INDIVIDUAL									
	(CAPITAL UPTO TO ₹ 1 LAKH)	1,01,21,772	11,47,583	1,12,69,355	7.17	1,92,54,454	19,51,284	2,12,05,738	6.73	(0.44)
	(CAPITAL GREATER THAN ₹ 1 LAKH)	48,73,724	0	48,73,724	3.10	1,19,09,080	0	1,19,09,080	3.78	0.68
(d)	ANY OTHERS (Specify)	2,32,162	0	2,32,162	0.15	6,52,733	0	6,52,733	0.21	0.00
(i)	TRUSTS	25,860	0	25,860	0.02	44,768	0	44,768	0.01	(0.00)
(ii)	NON RESIDENT INDIANS (NRI)/ FOREIGN INDIVIDUALS	8,54,462	1,80,506	10,34,968	1	18,68,443	2,20,437	20,88,880	1.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(iv)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(v)	OVERSEAS BODIES CORPORATES	0	140	140	0.00	0	280	280	0.00	0.00
(e)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(2) :	**3,39,01,244**	**13,31,548**	**3,52,32,792**	**22.42**	**6,98,91,941**	**21,76,585**	**7,20,68,526**	**22.86**	**0.45**
	TOTAL PUBLIC SHAREHOLDING									
	(B)=(B)(1) + (B)(2)	**6,59,60,846**	**13,32,825**	**6,72,93,671**	**42.81**	**13,32,89,445**	**21,78,189**	**13,54,67,634**	**42.97**	**0.16**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**									
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(b)	PROMOTER AND PROMOTER GROUP	0	0	0	0.00	0	0	0	0.00	0.00
(c)	PUBLIC	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (C)(1) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	(C)=(C)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	GRAND TOTAL (A) + (B) + (C)	**15,58,48,839**	**13,32,825**	**15,71,81,664**	**100.00**	**31,30,65,431**	**21,78,189**	**31,52,43,620**	**100.00**	**0.00**

57,120 equity shares of face value ₹ 2/- each forfeited by the Board of Directors of the Company in its' meeting held on 29.01.2015.

ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
PROMOTERS –INDIVIDUALS								
1.	Ashok Kumar Goel	4,23,760	0.27	0.00	8,47,520	0.27	0.00	0.00
2.	Kavita Goel	10,990	0.01	0.00	21,980	0.01	0.00	0.00
3.	Nand Kishore	0	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**4,34,750**	**0.28**	**0.00**	**8,69,500**	**0.28**	**0.00**	**0.00**
PROMOTERS -DOMESTIC COMPANIES								
1.	Ganjam Trading Company Private Limited	100	0.00	0.00	200	0.00	0.00	0.00
2.	Rupee Finance And Management Private Limited	88,929	0.06	0.00	1,77,858	0.06	0.00	0.00
3.	Pan India Paryatan Private Limited	25,200	0.02	0.00	50400	0.02	0.00	0.00
	Total	**1,14,229**	**0.08**	**0.00**	**2,28,458**	**0.08**	**0.00**	**0.00**
PROMOTERS – TRUSTS								
1	Ashok Kumar Goel (Trustee- Ashok Goel Trust)	8,93,39,014	56.84	0.00	1,78,6,78,028	56.68	0.00	(0.16)
	Total	**8,93,39,014**	**56.84**	**0.00**	**1,78,6,78,028**	**56.68**	**0.00**	**(0.16)**

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

Sr No.	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning of the year (01.04.2018)	% of total shares of the company				No. of shares	% of total shares of the company
1	Ashok Kumar Goel (Trustee : Ashok Goel Trust)	8,93,39,014	56.84	23.06.2018	8,98,87,993	Bonus issue	17,97,75,986	56.68
2	Ashok Kumar Goel	4,23,760	0.27	23.06.2018	4,23,760	Bonus issue	8,47,520	0.27
3	Nandkishore	0	0	-	0	-	0	0

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

Sr No	Name of the Shareholder	No. of Shares at the beginning /End of the year	Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
						Number of Shares	Percentage of total shares of the company
1	NTASAIN DISCOVERY MASTER FUND	52,68,283	31-Mar-18	0	Transfer	52,68,283	1.67
			23-Jun-18	52,68,283	Transfer	1,05,36,566	3.34
			24-Aug-18	1,78,353	Transfer	1,07,14,919	3.40
			31-Aug-18	7,24,837	Transfer	1,14,39,756	3.63
			07-Sep-18	11,11,200	Transfer	1,25,50,956	3.98
			14-Sep-18	1,66,500	Transfer	1,27,17,456	4.03
			21-Sep-18	67,000	Transfer	1,27,84,456	4.06
			28-Sep-18	65,000	Transfer	1,28,49,456	4.08
			18-Jan-19	55,000	Transfer	1,29,04,456	4.09
			25-Jan-19	4,25,258	Transfer	1,33,29,714	4.23
			01-Feb-19	40,20,388	Transfer	1,73,50,102	5.50
			08-Feb-19	3,80,055	Transfer	1,77,30,157	5.62
			15-Feb-19	31,710	Transfer	1,77,61,867	5.63
		1,77,61,867	30-Mar-19	0	Transfer	1,77,61,867	5.63
2	CLAREVILLE CAPITAL OPPORTUNITIES MASTER FUND LIMITED	47,86,948	31-Mar-18	0	Transfer	47,86,948	1.52
			23-Jun-18	47,86,948	Transfer	95,73,896	3.04
		95,73,896	30-Mar-19	0	Transfer	95,73,896	3.04
3	GAGANDEEP CREDIT CAPITAL PVT LTD	34,76,686	31-Mar-18	0	Transfer	34,76,686	1.10
			23-Jun-18	34,76,686	Transfer	69,53,372	2.21
		69,53,372	30-Mar-19	0	Transfer	69,53,372	2.21
4	GOVERNMENT PENSION FUND GLOBAL	27,56,292	31-Mar-18	0	Transfer	27,56,292	0.87
			23-Jun-18	27,56,292	Transfer	55,12,584	1.75
		55,12,584	30-Mar-19	0	Transfer	55,12,584	1.75
5	FIDELITY ACTIVE STRATEGY - ASIA FUND	23,26,815	31-Mar-18	0	Transfer	23,26,815	0.74
			06-Apr-18	-35,363	Transfer	22,91,452	0.73
			13-Apr-18	-35,253	Transfer	22,56,199	0.72
			20-Apr-18	-44,248	Transfer	22,11,951	0.70
			27-Apr-18	-41,065	Transfer	21,70,886	0.69
			11-May-18	1,13,090	Transfer	22,83,976	0.72
			18-May-18	7,250	Transfer	22,91,226	0.73
			25-May-18	64,690	Transfer	23,55,916	0.75
			01-Jun-18	-27,445	Transfer	23,28,471	0.74
			07-Jun-18	-15,525	Transfer	23,12,946	0.73
			15-Jun-18	71,367	Transfer	23,84,313	0.76
			23-Jun-18	23,84,313	Transfer	47,68,626	1.51
			29-Jun-18	39,638	Transfer	48,08,264	1.53
			06-Jul-18	2,08,249	Transfer	50,16,513	1.59

Sr No	Name of the Shareholder	No. of Shares at the beginning /End of the year	Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year Number of Shares	Percentage of total shares of the company
			13-Jul-18	1,45,825	Transfer	51,62,338	1.64
			20-Jul-18	-24,762	Transfer	51,37,576	1.63
			10-Aug-18	-22,416	Transfer	51,15,160	1.62
			17-Aug-18	-29,682	Transfer	50,85,478	1.61
			24-Aug-18	-1,94,944	Transfer	48,90,534	1.55
			31-Aug-18	-3,69,789	Transfer	45,20,745	1.43
			14-Sep-18	-88,587	Transfer	44,32,158	1.41
			28-Sep-18	4,85,599	Transfer	49,17,757	1.56
			05-Oct-18	1,58,015	Transfer	50,75,772	1.61
			19-Oct-18	2,67,200	Transfer	53,42,972	1.69
			26-Oct-18	4,52,631	Transfer	57,95,603	1.84
			02-Nov-18	-55,014	Transfer	57,40,589	1.82
			09-Nov-18	-63,283	Transfer	56,77,306	1.80
			16-Nov-18	-3,666	Transfer	56,73,640	1.80
			23-Nov-18	2,34,168	Transfer	59,07,808	1.87
			30-Nov-18	8,838	Transfer	59,16,646	1.88
			07-Dec-18	-3,06,338	Transfer	56,10,308	1.78
			14-Dec-18	-1,57,551	Transfer	54,52,757	1.73
			21-Dec-18	-2,13,281	Transfer	52,39,476	1.66
			28-Dec-18	-4,25,833	Transfer	48,13,643	1.53
			04-Jan-19	-1,85,146	Transfer	46,28,497	1.47
			18-Jan-19	2,16,232	Transfer	48,44,729	1.54
			25-Jan-19	-92,993	Transfer	47,51,736	1.51
			01-Feb-19	3,13,648	Transfer	50,65,384	1.61
			15-Feb-19	-1,33,967	Transfer	49,31,417	1.56
			22-Feb-19	-1,26,000	Transfer	48,05,417	1.52
			01-Mar-19	-1,19,663	Transfer	46,85,754	1.49
			08-Mar-19	-74,006	Transfer	46,11,748	1.46
			15-Mar-19	-1,50,733	Transfer	44,61,015	1.42
			22-Mar-19	-1,30,620	Transfer	43,30,395	1.37
			29-Mar-19	-81,261	Transfer	42,49,134	1.35
		42,49,134	30-Mar-19	0	Transfer	42,49,134	1.35
6	SHAMYAK INVESTMENT PRIVATE LIMITED	20,76,329	31-Mar-18	0	Transfer	20,76,329	0.66
			23-Jun-18	20,76,329	Transfer	41,52,658	1.32
		41,52,658	30-Mar-19	0	Transfer	41,52,658	1.32

Sr No	Name of the Shareholder	No. of Shares at the beginning /End of the year	Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
						Number of Shares	Percentage of total shares of the company
7	FIDELITY FUNDS - ASIAN SMALLER COMPANIES POOL	10,80,267	31-Mar-18	0	Transfer	10,80,267	0.34
			23-Jun-18	10,80,267	Transfer	21,60,534	0.69
			28-Sep-18	4,67,531	Transfer	26,28,065	0.83
			02-Nov-18	6,91,906	Transfer	33,19,971	1.05
			30-Nov-18	1,75,765	Transfer	34,95,736	1.11
			07-Dec-18	2,49,004	Transfer	37,44,740	1.19
			14-Dec-18	1,20,191	Transfer	38,64,931	1.23
			28-Dec-18	2,38,123	Transfer	41,03,054	1.30
			01-Feb-19	31,631	Transfer	41,34,685	1.31
		41,34,685	30-Mar-19	0	Transfer	41,34,685	1.31
8	VEENA INVESTMENTS PRIVATE LIMITED	18,84,255	31-Mar-18	0	Transfer	18,84,255	0.60
			23-Jun-18	18,84,255	Transfer	37,68,510	1.20
		37,68,510	30-Mar-19	0	Transfer	37,68,510	1.20
9	ZEE ENTERTAINMENT ENTERPRISES LTD	18,22,000	31-Mar-18	0	Transfer	18,22,000	0.58
			23-Jun-18	18,22,000	Transfer	36,44,000	1.16
		36,44,000	30-Mar-19	0	Transfer	36,44,000	1.16
10	LAXMI NARAIN GOEL	18,00,255	31-Mar-18	0	Transfer	18,00,255	0.57
			11-May-18	84,000	Transfer	18,84,255	0.60
			23-Jun-18	18,84,255	Transfer	37,68,510	1.20
			07-Dec-18	-1,68,510	Transfer	36,00,000	1.14
		36,00,000	30-Mar-19	0	Transfer	36,00,000	1.14
11	DSP SMALL CAP FUND	20,92,849	31-Mar-18	0	Transfer	20,92,849	0.66
			23-Jun-18	20,92,849	Transfer	41,85,698	1.33
			07-Sep-18	-10,00,000	Transfer	31,85,698	1.01
			21-Sep-18	-25,543	Transfer	31,60,155	1.00
			28-Sep-18	-11,29,153	Transfer	20,31,002	0.64
			05-Oct-18	-1,58,000	Transfer	18,73,002	0.59
			19-Oct-18	-4,82,374	Transfer	13,90,628	0.44
			26-Oct-18	-13,90,628	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
12	FRANKLIN INDIA SMALLER COMPANIES FUND	18,51,101	31-Mar-18	0	Transfer	18,51,101	0.59
			23-Jun-18	18,51,101	Transfer	37,02,202	1.17
			05-Oct-18	-558	Transfer	37,01,644	1.17
			01-Feb-19	-37,01,644	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00

(v) **Shareholding of Directors and Key Managerial Personnel (KMP):**

Sr No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
i)	At the beginning of the year	4,23,760	0.27	4,23,760	0.27
ii)	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. bonus (23.06.2018):	-	4,23,760	0.27	8,47,520
	Increase:				
	Appointment of Director who holds shares in the Company	3,000	0.00	8,50,520	0.27
	Inter se Transfer	-	-	-	-
iii)	At the end of the year	-	-	8,50,520	0.27

V. INDEBTEDNESS

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

(₹ In lakhs)

Particulars of Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	6,918	12,323	-	19,241
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19	114	-	133
Total (i+ii+iii)	**6,937**	**12,437**	**-**	**19,374**
Change in Indebtedness during the financial year				
Addition	-	4,279	-	4,279
Reduction	(4,596)	-	-	(4,596)
Net Change	**(4,596)**	**4,279**	**-**	**(317)**
Indebtedness at the end of the financial Year				
i) Principal Amount	2,341	16,517	-	18,858
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	199	-	199
Total (i+ii+iii)	**2,341**	**16,716**	**-**	**19,057**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

(₹ in lakhs)

Sl No.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Ashok Goel Chairman & Managing Director	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961*	635	635
	b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	0	0
	c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as a % of profit - others (Variable Pay)	156	156
5	Others, please specify Provident fund, LTA and others	37	37
	Total	**828**	**828**
	Ceiling as per the Act: Total managerial remuneration is within the limit of 10% of the profit of the Company as per section 198 of the Companies Act 2013. '0' zero denotes less than lakh. *includes variable pay / commission for the financial year 2017-18.		

B. Remuneration to other Directors:

(₹ In lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Atul Goel	Mr. Boman Moradian	Mr. Mukund M. Chitale	Ms. Radhika Pereira	Mr. Ramesh Gupta	
1.	Independent Directors						
	• Fee for attending board/committee meetings	-	4.45	2.70	3.00	-	10.15
	• Commission	-	15.00	15.00	15.00	-	45.00
	• Others, please specify	-	-	-	-	-	-
	Total (1)	**-**	**19.45**	**17.70**	**18.00**	**-**	**55.15**
	Other Non-Executive Directors						
	• Fees for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B) = (1+2) Total Managerial Remuneration	**-**	**19.45**	**17.70**	**18.00**	**-**	**55.15**

Overall Ceiling as per above Commission is within the limit of 1% of the net profit of the Companies Act.

C. **Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(₹ In lakhs)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel				Total
		Head – Legal & Company Secretary	Chief Financial Officer			
		Suresh Savaliya	A V Ganapathy	Mr. Nikhil Dujari	Vinay Mokashi	
1	Gross Salary					
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	47.00	113.00	8.00	30.00	198.00
	b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-	-	12.00	12.00
	c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	27.78#	27.78#
3	Sweat Equity	-	-	-	-	-
4	Commission - as a % of profit - others, specify	-	-	-	-	-
5	Others (Provident fund, LTA, Variable Pay etc.)	9.00	30.00	0.00	2.00	41.00
	Total	**56.00**	**143.00**	**8.00**	**71.78**	**278.78**

'0' zero denotes less than lakh

Mr. A V Ganapathy retired from the services of the company wef 13.07.2018

Mr. Nikhil Dujari was associated with the company for the month of August and resigned from service due to family reason.

45,666 Equity shares were allotted under ESOS 2014 @ 60.83 per share, Mr. Vinay Mokashi has been promoted as chief financial officer of the company wef 1 November 2018.

Above does not include variable pay/PLI for the FY 2018-19, since the appraisal is in process. KMPs are entitled to other benefits, facilities etc as per policy of the Company.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made if any (give details)
A.	**COMPANY**					
	Penalty					
	Punishment			NIL		
	Compounding					
B.	**DIRECTORS**					
	Penalty					
	Punishment			NIL		
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment			NIL		
	Compounding					

For and on behalf of the Board
Essel Propack Limited

Ashok Goel
Chairman & Managing Director

07 May 20,19, Mumbai

Annexure 7

Business Responsibility Reporting

[Pursuant to Reg. 34 of the SEBI (Listing Obligations & Disclosure requirements) Regulations 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1 Corporate Identity Number (CIN) of the Company: L74950MH1982PLC028947

2 Name of the Company: Essel Propack Limited

3 Registered address: P.O. Vasind, Taluka: Shahapur, District: Thane, Maharashtra 421604

4 Website: www.esselpropack.com

5 Email id: complianceofficer@ep.esselgroup.com

6 Financial Year Reported: 1 April 2018 to 31 March 2019.

7 Sectors that the Company is engaged in (industrial activity code-wise): The Company is mainly engaged in the business of manufacturing of collapsible laminated and plastic tubes and providing packaging solutions. NIC Code 3131, 22201.

8 List three key products/services that the Company manufactures/provides (as in balance sheet):

The Company is mainly engaged in the business of manufacturing of collapsible laminated and plastic tubes and providing packaging solutions. As a part of the said business, the Company also earns revenue from providing packaging solution, royalty and other ancillary services and business. Additional details are mentioned in the financial statements in this Annual Report.

9 Total number of locations where business activity is undertaken by the Company: the Company is having manufacturing facilities at Vasind, Wada in Maharashra, Nalagarh in Himachal Pradesh, Bhilad in Gujarat, Katenipara (Assam) wef 23 July 2018 and Goa.

Company's international business operations are carried out by various direct and indirect subsidiaries overseas and the major ones are in Mauritius, United Kingdom, China, Poland, Germany, Colombia, USA etc. Further details of the Subsidiaries are referred in the Board's Report, MDA and annexures thereto.

10 Markets served by the Company: The Company is in B2B business and serves various markets including FMCG, Beauty & Cosmetics, Pharma & Health, Food, Home and Oral.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Financial details including paid-up capital, turnover profit after tax and others are given in financial statement contained in this Annual Report.

1 Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%): During the year, the Company has spent amount towards various CSR activities as mentioned in detail in the CSR Report which forms a part of Board Report and this Annual Report.

2 List of activities in which expenditure in 1 above has been incurred: Please refer the report on CSR activities contained in this Annual Report.

SECTION C: OTHER DETAILS

1 Does the Company have any Subsidiary Company/ Companies?

The Company has various direct and indirect subsidiaries. Further details in this respect are mentioned in the Board's Report and MGT9 / annual return contained in this Annual Report.

2 Do the subsidiary companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary companies: No

3 Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No

SECTION D: BR INFORMATION

1 Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies.

Corporate Policies including the Business Responsibility Policies of the Company are engrained in day-to-day business operations of the Company and are implemented by the management and it is responsibility of concerned functionary or head of the department in charge of the relevant functions at various offices / manufacturing facilities of the Company. Mr. Ashok Goel, Chairman and Managing Director of the Company oversee the implementation of the BR policies keeping in view the executives' feedback and reporting.

b) Details of BR Head: Mr. Ashok Goel, Chairman & Managing Director, DIN 00025350, Tel: 022 24819000 / 9200, executive.assistant@ep.esselgroup.com

2 Principle-wise (as per NVGS) BR Policy/policies

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1 Business ethics	P2 Product Respo.	P3 Emp. wellbeing	P4 Shareholders Eng.	P5 Human Rights	P6 Env. protection	P7 Pub. & regulatory	P8 CSR	P9 Customer relations
1	Do you have policy/policies for	yes	yes	yes	yes	yes	yes	yes	yes	yes
2	Has the policy being formulated in consultation with the relevant stakeholders	yes	yes	yes	yes	yes	yes	yes	yes	yes
3	Does the policy conform to any national/international standards? If yes, specify?	NA	yes	NA	NA	yes	yes	NA	yes	NA
4	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Most of the corporate policies are approved by the Board. Policies mainly relating to business process, operations, HR etc are reviewed / approved by COO/CFO/Director – Human Capital and signed / authenticated by respective owner or functional heads.								
5	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	yes	yes	yes	yes	yes	yes	yes	yes	yes
6	Indicate the link for the policy to be viewed online?	Most of the policies are disseminated for relevant stakeholders on the Company's website. Policies relating to HR and meant for internal use are available on internal web portal.								
7	Has the policy been formally communicated to all relevant and external stakeholders?	yes	yes	yes	yes	yes	yes	yes	yes	yes
8	Does the company have in-house structure to implement the policy/ policies?	Policies are engrained in day-to-day business operations of the Company and are implemented by the concerned functionary or head of the department in charge of the relevant functions at various offices and level and monitored by the management.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies.	Yes. Wherever relevant, the Company has grievance redressal mechanism or practice.								
10	Has the company carries out independent audit/ evaluation of the working of this policy by an internal or external agency?	Policies are evaluated periodically or as may be appropriate depending upon the nature of policies by the MD, COO and/or respective senior executives.								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Within the overall guidance of the COO / MD and Board whenever it is necessary, the Corporate Policies are framed/modified from time to time. Policies or practices in connection with Business Operations and matter relating thereto been followed over a period of time as per industry norms or best practices. The Company also follows the best practice in relation to some business areas and human capital, although no written policies. The Company will frame further policies, whenever the management thinks it relevant at appropriate time.								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
	Any other reason (please specify)									

3 Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

The assessment of BR performance is done on periodically basis by the COO / MD or senior management of the Company.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has started publishing BR report from financial year 2016-17 annually. The BR Reports are available on the Company's website www.esselpropack.com as a part of the annual report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability.

1 Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company considers Corporate Governance as an integral part of management. The Company has a Code of Conduct that is approved by the Board of Directors and this code is applicable to all Board Members and employees and endeavor it to extend this code to its overseas group entities. The code is available on the Company's website www.esselpropack.com. The said Code includes; ethics at work place, restraining giving and receiving of gifts and other benefits in the course of business relationship, maintain confidentiality, anti-bribery policy, conflict of interest, dealing with competitors and other relevant aspects.

Though the Company's code of conduct currently do not apply to external stakeholders including suppliers, contractors, NGOs etc, the Company follows zero tolerance on any acts of bribery, corruption etc by such agencies during their dealings with the Company.

2 How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Details relating to complaints from investors during the financial years and redressal thereof is given in Corporate Governance Report contained in this Annual Report. Additionally the complaints, grievances or views from other stakeholders are dealt with by respective functions within the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1 List up to 3 of your products or service whose design has incorporated social or environmental concerns, risks and/or opportunities.

Essel Propack is committed to the Go Green Initiatives and focused on delivering sustainable solutions. The Company's businesses of manufacturing tubes are in compliance with applicable laws and rules relating to environments. The Company's invention towards 'Go Green – Green Maple Leaf (GML)' is a product with recyclable all plastic laminate, thus reducing its carbon foot print and making it extremely eco-friendly. GML supports and strengthen Essel's Go Green Initiatives, ensuring that we are leading the way in making meaningful contributions for a greener, better, healthier planet. GML tubes have the ability to retain their shape even after repeated use and product dispensation and are available in two specifications with custom theme printing. Setting a new curve in packaging innovation GML is aimed at markets demanding sustainability and replacing EVOH tubes as it has equivalent product stability and shelf life properties, excellent tube resilience and feel. Produced with fully recyclable thermoplastic polymers, GML helps customers and society to achieve their sustainability goal.

2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).

The Company is conscious about judicious use of water, energy and resources in course of production and manufacturing activities. Additional details relating to energy and others are given in the annexure 5 to the Board Report contained in this Annual Report.

3 Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company maintains a healthy relationship with its suppliers, vendors and other service providers and the business practice of the Company include them in its growth. The process of vendor registration lays emphasis on safe working conditions, prevention of child labour, business ethics and general housekeeping by the vendor.

4 Has the company taken any steps to procure goods or services from local & small producers, including

communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company, wherever possible, procures goods and services from vendors in surrounding locality of manufacturing facilities including transportation and labours / staffs. Wherever possible, the Company prefers to support and encourage employment among communities surrounding its place of works.

5 Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Waste generated in course of manufacturing activities is not material. The Company disposes the waste through registered / appropriate agencies involved in proper disposal / recycling.

Essel is planning for a major step forward in its commitment to improve sustainability announced as Project "Liberty" which is a first-of-its-kind and path breaking attempt to recycle multilayer laminates which consists aluminium in the structure, by separating aluminium and polymer into two distinct and reusable streams without the use of chemicals or heat. With intent to help various stakeholders and green environment efforts, Essel has collaborated with multiple major technical partners across the globe and co-developed a solid-state environmental friendly process to liberate aluminum from the laminate/tubes. Essel uses two basic structures to make laminated tubes: (a) Plastic Barrier Laminate (PBL) tubes –made of all plastic layers and are easily recyclable and (b) Aluminum Barrier Laminate (ABL) tubes –made with combination of polymers and has aluminium foil as the barrier layer. ABL poses challenges in recycling and the company has been working relentlessly over 5 years on developing a solution to separate the polymer and aluminium. With Project 'Liberty' the polymer fraction can be recovered from ABL tubes and the same can be recycled to various packaging applications. The recovered aluminium metal also shall be reused, making every single tube recyclable.

Principle 3: business should promote the well-being of all employees

The Company's belief is that its personnel are to this success and over a period of time the Company has initiated various policies and practices to improve employees well-being and engagement. The Company has aspiration to offer fully integrated Human Resource Management System (HRMS). The Company has launched the ePrism – Human Resource Information System for employees. Amongst a few of many advantage, ePrism offers a single platform to employees to access, control, monitor entire lifecycle in EP – from hire to retire i.e. recruitment, selection, induction, learning & development, performance and reward, career movements and others.

1 Please indicate the total no. of employees: Details relating to employees are mentioned in MDA or Board Report contained in this Annual Report.

2 Please indicate the total number of employees hired on temporary/contractual/casual basis: 1332

3 Please indicate the Number of permanent women employee: 41

4 Please indicate the number of permanent employees with disabilities: 2

5 Do you have an employee association that is recognized by the management: No employees association exist. However employees have access to management to raise their concerns without any fear and its always endeavor of the management to resolve the issues satisfactorily. Wherever the workers unions exist at some manufacturing facilities, the Company cooperates with such union keeping in view larger interest of society, workers and stakeholders.

6 What percentage of your permanent employee is members of this recognized employee association: N.A.

7 Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour /involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8 What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year.

The Company impart training relating to safety and skill upgradation to its employees including casual, temporary and contractual and its always endeavor of the management to cover maximum in the training programmes. The Company organizes various training sessions in-house. The Company has software based module for online survey of employee engagement and employee development plan.

Principle 4: Businesses should respect interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1 Has the company mapped its internal and external stakeholders? Yes/No

The Company has mapped its internal and external stakeholders, the major or key categories include Governments / regulatory authorities. However the process of mapping of stakeholders is an ongoing effort of updation.

2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company is in process to finalize.

3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable & marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

As a part of its business operations, the Company supports various initiatives to create a greener and safer world. The Company's initiative about Go Green is given in this Report. Further details of CSR initiatives by the Company are included in a report on CSR activities forming part of this Annual Report.

Principle 5: Business should respect and promote human rights

1 Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOs/Others?

Essel Propack believes that an organization rests on a foundation of business ethics and valuing of human rights. Essel adheres to all statutes which embody the principles of human rights such as prevention of child labour, woman empowerment, anti-sexual harassment of women etc. the Company promotes awareness of the importance of human rights within its value chain and discourage instances of any abuse.

2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

There were no complaints reported on violation of any Human rights during the financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1 Does the policy related to principle 6 cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOs/ Others?

Nurturing and safeguarding the environment for long term sustainability is of prime importance. The Company has undertaken green initiatives during the year.

2 Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyperlink for webpage etc: No

3 Does the company identify and assess potential environmental risks? Y/N

No. the Company's manufacturing facility is largely machine based and do not emit or pollute the environment.

4 Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed? (please confirm)

The Company does not have specific clean development mechanism. However the Company promotes clean environment initiatives. Company's initiative about 'Go Green' is described in this report.

5 Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Detail relating to energy conservation is given in annexure to the Board report contained in this Report.

6 Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? : Yes

7 Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year: Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

The Company is member / associated with various associations including Organization of Plastics Processors of India (OPPI), Confederation of India Industry (CII), Federation of Indian Chambers of Commerce & Industry (FICCI), Indo-American Chambers of Commerce, Indo-German Chambers of Commerce, All India Association of Industries (AIAA), Bombay Chambers of Commerce and Industry and Maharashtra Economic Development Council

2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company extends its support to various business associations and supports / advocates on various issues, whenever necessary, keeping in view the interest of various stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

1 Does the company have specified programme/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Relevant details of CSR initiatives are included in the Annual Report on CSR forming part of this Annual Report.

2 Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organization?

The Company generally undertakes CSR projects through various agencies. Requisite details of entities through which CSR initiatives were undertaken included in the Annual Report on CSR forming part of this Annual Report. The Company also undertakes CSR activities mainly relating to providing benches, toilets and sanitary measures at various schools, construction of wells, promoting education and rural development for upliftment of society.

3 Have you done any impact assessment of your initiative?

The CSR team of the Company periodically does impact assessment of various initiatives undertaken by the Company.

4 What is your company's direct contribution to community development projects – Amount in INR and the details of projects undertaken.

Refer details of CSR contributions in the Annual report on CSR forming part of this Annual Report.

5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Yes.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There are no material consumer cases / customer complaints outstanding as at the end of financial year.

2 Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information): Not applicable

3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so: Nil

4 Did your company carry out any consumer survey/ consumer satisfaction trends?

Customer service team and other management members whenever necessary, visit the customers to discuss and receive feedback and identifying consumers viewing behavior and emerging trends on consumer preferences. The Company has Creativity and Innovation Department with competent professionals to carry out research and development to cater needs of the customers. To match the expectation of the Company's multinational and domestic customers, Essel continuously develop and offer a diverse range of printing and packaging solutions.

FIVE YEARS' SUMMARY

of Selected Financial Data (India)

(₹ in Lakhs)

Particulars	As per previous GAAP	As per IND AS*			
	2015	2016	2017	2018	2019
Sales and other income	83,022	83,917	90,068	87,429	86,371
Profit before depreciation, amortisation, finance costs and tax	16,199	22,075	17,770	21,174	19,528
Depreciation / Amortisation	4,575	5,063	6,021	6,866	7,510
Profit before tax	7,531	14,425	9,427	12,168	9,735
Profit after tax	5,653	11,250	6,511	8,118	6,404
Dividends (including dividend tax)	3,015	4,158	4,538	4,548	4,924
Cash profit	10,228	16,313	12,532	14,984	13,914
Book value per share	30.56	38.09	39.59	41.63	21.47
Basic earnings per share - ₹ #	1.80	3.58	2.07	2.58	2.03
Dividend per share - ₹	1.60	2.20	2.40	2.40	1.25
Closing share price on BSE at year end (₹ per share)	124.70	161.05	237.05	240.45	116.75
Market capitalisation (As at year end)	195,834	252,920	372,545	377,943	368,047
ASSETS LESS CURRENT LIABILITIES					
Fixed assets (Net)	33,039	33,843	37,922	37,120	44,114
Non-current investments	29,091	22,038	22,060	21,894	21,832
Other Non-current assets, loans and advances	4,341	2,979	3,917	3,525	3,321
Current assets	32,408	32,594	31,823	36,475	30,917
Assets held for sale	-	-	-	-	379
	98,879	**91,454**	**95,722**	**99,014**	**100,563**
Current liabilities	(18,196)	(12,424)	(14,758)	(23,141)	(14,447)
Net Assets	**80,683**	**79,030**	**80,964**	**75,873**	**86,116**
FINANCED BY					
Share capital *	3,142	3,142	3,143	3,145	6,306
Reserves	47,822	56,696	59,066	62,326	61,373
Net Worth	**50,964**	**59,838**	**62,209**	**65,471**	**67,679**
Deferred tax balances	1,667	1,551	1,904	1,255	1,167
Non-current liabilities	28,052	17,641	16,851	9,147	17,270
Capital employed	**80,683**	**79,030**	**80,964**	**75,873**	**86,116**
FINANCIAL RETURNS AND STATISTICS					
Profit after tax as a percent of sales and other income	6.8%	13.4%	7.2%	9.3%	7.4%
Profit before depreciation, finance costs and tax as a percent of sales and other income	19.5%	26.3%	19.7%	24.2%	22.6%
Return on capital employed ^	12.0%	15.4%	14.0%	16.5%	13.5%
Return on net worth % (PAT/ Networth)	11.1%	18.8%	10.5%	12.4%	9.5%
Non-current liability as a percent of total year end Shareholders' Fund	55%	29%	27%	14%	26%
Financial costs cover (Times)	2.84	6.58	5.06	6.69	5.26
(Profit before financial costs and taxation divided by finance costs)					
Number of equity shares outstanding (in Lakhs) **	1,571	1,571	1,572	1,573	3,153
Cash profit to sales and other income	12.3%	19.4%	13.9%	17.1%	16.1%

* The Company had transitioned to Indian Accounting Standards (Ind AS) w.e.f. 1st April 2016. Numbers for FY 16, FY 17, FY 18 and FY 19 numbers are as per Ind AS. Hence not strictly comparable with earlier years presented under previous GAAP.

** Refer Note 19

^ Considering shareholder's fund and total loan funds including short-term borrowings and current maturities of long-term borrowings.

Earnings per share for the previous year has been adjusted to give effect to the issue of bonus equity shares (Refer note 19(d))

FIVE YEARS' SUMMARY

of Selected Financial Data (Consolidated)

(₹ in Lakhs)

Particulars	As per previous GAAP	As per IND AS**			
	2015	2016	2017	2018	2019
Sales and other income	234,392	222,944	242,324	247,279	273,544
Profit before depreciation, amortisation, finance costs and tax	41,172	42,760	45,660	49,112	52,763
Depreciation and amortisation expense	13,179	12,316	14,148	16,707	18,611
Profit before exceptional items and tax	20,057	24,353	25,759	26,914	28,021
Profit after tax attributable to Equity holders of the parent	14,063	17,010	19,032	17,160	19,253
Proposed Dividend (excluding dividend tax)	2,513	3,455	3,770	3,772	3,941
Cash Profit	27,242	29,326	33,180	33,867	37,864
Basic earnings per share* - ₹	4.48	5.42	6.06	5.46	6.12
Dividend per share - ₹	1.60	2.20	2.40	2.40	#1.25
(# post 1:1 bonus shares issue)					
ASSETS LESS CURRENT LIABILITIES					
Goodwill	-	-	1,423	1,423	1,423
Fixed assets (net)	97,600	98,127	118,456	121,159	133,439
Non current investments	4,575	3,038	1,526	1,310	1,679
Other non current assets, loans and advances	6,514	8,560	8,067	8,169	6,143
Current assets	102,306	92,166	96,398	113,399	109,327
	210,995	**201,891**	**225,870**	**245,460**	**252,011**
Current liabilities	(64,730)	(44,268)	(54,497)	(69,124)	(57,402)
Net Assets	**146,265**	**157,623**	**171,373**	**176,336**	**194,609**
FINANCED BY					
Share capital	3,142	3,142	3,143	3,145	6,306
Reserves and surplus	75,155	93,336	100,756	121,914	132,490
Net Worth	**78,297**	**96,478**	**103,899**	**125,059**	**138,796**
Non controlling interest	808	814	572	430	516
Deferred tax balances	1,373	3,047	4,076	3,566	5,095
	80,478	**100,339**	**108,547**	**129,055**	**144,407**
Non current liabilities	65,787	57,284	62,826	47,281	50,202
Capital employed	**146,265**	**157,623**	**171,373**	**176,336**	**194,609**
FINANCIAL RETURNS AND STATISTICS					
Profit after tax as a percent of Sales and other income	6.0%	7.6%	7.9%	6.9%	7.0%
Profit before depreciation, amortisation, finance costs and tax as a percent of Sales and other income	17.6%	19.2%	18.8%	19.9%	19.3%
Return on Capital Employed (Profit before Finance Costs and Tax/Avg Capital Employed) (With Goodwill) ^	16.4%	18.3%	17.7%	16.8%	17.4%
Return on Net worth (PAT/Avg Networth) (With Goodwill)	18.9%	19.7%	19.0%	15.0%	14.6%
Non current liabilities as a percentage of Shareholders' funds	84%	59%	60%	38%	36%
Finance Costs Cover (Times) (Profit before Finance Costs and Taxation/Finance Costs)	3.5	5.1	5.5	5.9	5.7
Cash profit to sales and other income	11.6%	13.2%	13.7%	13.7%	13.8%

** The Company's financials for FY 16, FY 17, FY18 and FY 19 presented above are as per Ind AS. Hence not strictly comparable with earlier year FY15 presented under previous GAAP.

^ Considering shareholder's funds and total loan funds including short-term borrowings and current maturities of long-term borrowings.

* Earnings per share for the previous years have been adjusted to give effect to the issue of bonus equity shares during FY19.

INDEPENDENT AUDITOR'S REPORT
on the Standalone Financial Statements

To
The Members of
Essel Propack Limited

1. OPINION

We have audited the accompanying standalone financial statements of Essel Propack Limited ('the Company'), which comprise the balance sheet as at 31 March 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 then ended, and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 opinion.

3. 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.

Contingent liabilities

Claims against the Company not acknowledged as debts is disclosed in note 47A of the standalone financial statements. The existence and probability of payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

Due to level of judgment required relating to estimation and presentation of contingent liabilities, this is considered to be a key audit matter.

Auditor's Response

Our audit procedures included, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the Company not acknowledged as debts as given in note 47A.

We have obtained details of completed tax assessments and demands/claims as at 31 March 2019 from management. We assessed the completeness of the details of these claims through discussion with senior management personnel. We have also reviewed the outcome of the disputed cases at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the standalone financial statements.

4. INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report and Chairman's Statement but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

5. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 also responsible for overseeing the Company's financial reporting process.

6. AUDITOR'S RESPONSIBILITY 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 control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.

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.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. As required by Section143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors of the Company as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

g) With respect to 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:

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

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, 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 statements;

   ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Mumbai, 7 May 2019

ANNEXURE - A

to the Independent Auditor's Report

Annexure referred to in paragraph 7(I) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of Essel Propack Limited on the standalone financial statements for the year ended 31 March 2019

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. Inventories, except for goods-in-transit and stocks lying with third parties have been physically verified by the management. For stocks lying with third parties at the year end, these have been confirmed by them. In our opinion, the frequency of such verification is reasonable. Discrepancies noticed on such verification between physical stocks and the book records were not material and these have been properly dealt with in the books of account.

iii. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans/ guarantees given, investments made and securities provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. According to the records of the Company examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except minor delays in depositing provident fund and profession tax dues. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2019 for a period of more than six months from the date they became payable.

b) There are no dues of service tax and duty of customs which have not been deposited on account of any dispute. The disputed dues of income tax, sales tax, duty of excise and value added tax which have not been deposited are as under:

Name of the Statute	Nature of the Dues	₹ in lakhs	Period to which the amount relate	Forum where dispute is pending
Central Excise Act, 1944	Duty of Excise	227	FY 2001-2002 to FY 2005-2006, FY 2009-2010 to FY 2010-2011 and FY 2013-2014 to FY 2014-2015	Tribunal CESTAT
Maharashtra Value Added Tax Act, 2002	Value added tax	76	FY 2005-2006	Maharashtra Sales Tax Tribunal
Goa Value Added Tax Act, 2005	Value added tax	5	FY 2013-2014	Commissioner of Commercial taxes Panaji, Goa
Himachal Pradesh Value Added Tax Act, 2005	Value added tax	3	FY 2008-2009	Himachal Pradesh Sales Tax Tribunal
Central Sales Tax Act, 1956	Central sales tax	834	FY 2002-2003, FY 2005-2006 to 2008-2009 and 2012-2013	Maharashtra Sales Tax Tribunal
		228	FY 2002-2003 to FY 2004-2005	Commissioner of VAT- Dadra and Nagar Haveli
		603	FY 2001-2002 to FY 2004-2005 FY 2008-2009, FY 2011-2012 and FY 2013-14	Deputy / Joint Commissioner of Sales Tax (Appeals)
		134	FY 2014-2015	Deputy Commissioner Sales tax
		31	FY 2009-2010, FY 2011-2012 to FY 2014-2015	Assistant Commissioner of Commercial Taxes
The Income Tax Act, 1961	Income tax–Penalty	55	FY 2006-2007	Income Tax Appellate Tribunal
		380	FY 2007-2008 and FY 2012-2013	Commissioner of Income Tax (Appeals)
	Income tax	38	FY 2006-2007 and FY 2012-2013	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or dues to debenture holders.

ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Amount raised by way of term loan during the year has been applied for the purpose for it was raised.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the records of the Company examined by us, and 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. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Mumbai, 7 May 2019

ANNEXURE - B
to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 7(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of Essel Propack Limited on the standalone financial statements for the year ended 31 March 2019

We have audited the internal financial controls over financial reporting of Essel Propack Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 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 Act.

AUDITOR'S RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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 issued by the Institute of Chartered Accountants of India.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Mumbai, 7 May 2019

BALANCE SHEET
as at 31 March 2019

(₹ in lakhs)

	Note	2019	2018
Assets			
Non-current assets			
(a) Property, plant and equipment	4	40,930	34,160
(b) Capital work-in-progress	4	1,992	1,723
(c) Intangible assets	5	125	276
(d) Intangible assets under development	5	1,067	961
(e) Financial assets			
(i) Investments	6	21,832	21,894
(ii) Loans	7	945	571
(iii) Others	8	30	20
(f) Non-current tax assets (net)	9	939	523
(g) Other non-current assets	10	1,407	2,411
Total non-current assets		**69,267**	**62,539**
Current assets			
(a) Inventories	11	8,291	8,305
(b) Financial assets			
(i) Trade receivables	12	14,845	12,913
(ii) Cash and cash equivalents	13	322	717
(iii) Bank balances other than cash and cash equivalents	14	97	87
(iv) Loans	15	2,238	11,122
(v) Others	16	1,070	477
(c) Other current assets	17	4,054	2,854
Total current assets		**30,917**	**36,475**
Assets held for sale	18	379	-
Total assets		**100,563**	**99,014**
Equity and liabilities			
Equity			
(a) Equity share capital	19	6,306	3,145
(b) Other equity	20	61,373	62,326
Total equity		**67,679**	**65,471**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Borrowings	21	14,986	7,262
(b) Other non current liabilities	22	387	-
(c) Provisions	23	1,897	1,885
(d) Deferred tax liabilities (net)	40	1,167	1,255
Total non-current liabilities		**18,437**	**10,402**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	2,341	5,699
(ii) Trade payables	25		
- Dues of micro enterprises and small enterprises		88	404
- Dues of creditors other than micro enterprises and small enterprises		4,809	5,004
(iii) Others	26	6,287	10,807
(b) Other current liabilities	27	391	418
(c) Provisions	28	531	431
(d) Current tax liabilities (net)	29	-	378
Total current liabilities		**14,447**	**23,141**
Total equity and liabilities		**100,563**	**99,014**
Notes forming part of the financial statements	1 - 61		

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2019

(₹ in lakhs)

	Note	2019	2018
Income			
Revenue from operations	30	84,631	85,225
Other income	31	708	960
Interest income	32	1,032	1,244
Total income		**86,371**	**87,429**
Expenses			
Cost of materials consumed	33	38,158	36,598
Changes in inventories of finished goods and goods-in-process	34	(180)	(350)
Excise duty on sale of goods	59	-	2,254
Employee benefits expense	35	9,071	8,570
Finance costs	36	2,283	2,140
Depreciation and amortisation expense	37	7,510	6,866
Other expenses	38	19,794	19,183
Total expenses		**76,636**	**75,261**
Profit before tax		**9,735**	**12,168**
Tax expense	40		
Current tax		3,354	4,660
Deferred tax charge/(credit)		(23)	(610)
Total tax expense		**3,331**	**4,050**
Profit for the year		**6,404**	**8,118**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan	44	(185)	(113)
Income tax effect on above		65	39
Other comprehensive income/(loss) for the year		**(120)**	**(74)**
Total comprehensive income for the year		**6,284**	**8,044**
Earnings per equity share of ₹ 2 each fully paid up	39		
Basic (₹)		2.03	2.58
Diluted (₹)		2.03	2.58
Notes forming part of the financial statements	1 - 61		

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2019

A Equity share capital

(₹ in lakhs)

	Note	
Balance as at 1 April 2017 *	19	3,143
Changes in equity share capital	19(a)	2
Balance as at 31 March 2018	19	3,145
Changes in equity share capital	19(a)	3,161
Balance as at 31 March 2019	19	6,306

* Including forfeited shares of ₹ 1 lakh [Refer note 19(g)]

B Other equity

(₹ in lakhs)

	Note	Capital reserve	Securities premium	Debenture redemption reserve	Share options outstanding account	General reserve	Retained earnings	Total other equity
Balance as at 1 April 2017		3,983	10,987	2,250	725	12,541	28,580	**59,066**
Profit for the year		-	-	-	-	-	8,118	**8,118**
Other comprehensive income/(loss) for the year		-	-	-	-	-	(74)	**(74)**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**8,044**	**8,044**
Share options exercised during the year	20 & 43	-	96	-	-	-	-	**96**
Amount transferred from share options outstanding account on exercise of options	20 & 43	-	35	-	(35)	-	-	**-**
Share based payments	20 & 43							
- Share based payment expense (net)		-	-	-	(176)	-	-	**(176)**
- Options granted to / (forfeited) of employees of subsidiaries		-	-	-	(166)	-	-	**(166)**
- Transferred to retained earnings on lapse of vested options		-	-	-	(15)	-	15	**-**
Equity dividend	45	-	-	-	-	-	(3,770)	**(3,770)**
Tax on equity dividend	45	-	-	-	-	-	(768)	**(768)**
Balance as at 31 March 2018		**3,983**	**11,118**	**2,250**	**333**	**12,541**	**32,101**	**62,326**
Balance as at 1 April 2018		**3,983**	**11,118**	**2,250**	**333**	**12,541**	**32,101**	**62,326**
Profit for the year		-	-	-	-	-	6,404	**6,404**
Other comprehensive income/(loss) for the year		-	-	-	-	-	(120)	**(120)**
Total comprehensive income for the year		-	-	-	-	-	**6,284**	**6,284**
Share options exercised during the year	20 & 43	-	517	-	-	-	-	**517**
Transferred from share options outstanding account on exercise of options	20 & 43	-	192	-	(192)	-	-	**-**
Share based payments	20 & 43							
- Options lapsed of employees of subsidiaries		-	-	-	(62)	-	-	**(62)**
Utilised towards issue of bonus equity shares	19(d) & 20	-	(3,144)	-	-	-		**(3,144)**
Trasferred to retained earnings		-	-	(1,000)	-	-	1,000	**-**
Equity dividend	45	-	-	-	-	-	(3,772)	**(3,772)**
Tax on equity dividend	45	-	-	-	-	-	(776)	**(776)**
Balance as at 31 March 2019		**3,983**	**8,683**	**1,250**	**79**	**12,541**	**34,837**	**61,373**

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
} Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

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forming part of the financial statements

1 CORPORATE INFORMATION

Essel Propack Limited (hereinafter referred to as 'EPL' or 'the Company' or 'the parent company') is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company's registered office is located at P.O. Vasind, Taluka : Shahpur District: Thane, Maharashtra -421604, India. The Company is engaged in manufacture of plastic packaging material in the form of multilayer collapsible tubes and laminates used primarily for packaging of consumer products in the Beauty & Cosmetics, Health & Pharmaceuticals, Food, Home and Oral care categories.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2019 were authorised for issue by the Board of Directors at their meeting held on 7 May 2019.

2 BASIS OF PREPARATION AND OTHER SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

a) The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and rules framed thereunder and guidelines issued by Securities and Exchange Board of India (SEBI).

These financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities (including derivative instruments), non-current asset held for sale, defined benefit plan assets and liabilities and share based payments being measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or a liability at the measurement date.

The financial statements are presented in Indian Rupees ('INR') with values rounded off to the nearest lakhs (00,000), except otherwise indicated. Zero '0' denotes amount less than a lakh.

b) Current and non-current classification

Assets and liabilities are classified as current if expected to realise or settle within twelve months after the balance sheet date. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 Accounting pronouncements issued

i) New Standards adopted

Ind AS 115 "Revenue from Contracts with Customers"

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaced Ind AS 11 "Construction Contracts" and Ind AS 18 " Revenue" and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

The Company has adopted Ind AS 115 w.e.f. 1 April 2018 using the modified retrospective approach. However, the adoption of the standard did not have any impact on the financial statements.

Comparative amounts have not been adjusted and continued to be reported in accordance with Ind AS 18 “Revenue”. Refer note 2.3(l)(i) below for the Company’s accounting policy for revenue recognition as per Ind AS 115.

ii) New standards / amendments to existing standards issued but not effective

a) Ind AS 116 “Leases”

On 30 March 2019, the Ministry of Corporate Affairs (MCA) issued the companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standards (Ind AS) 116, “Leases”, which is applicable to the Company w.e.f. 1 April, 2019. Ind AS 116 eliminates the current classification model for lessee’s lease contracts as either operating or finance leases and, instead, introduces a single lessee accounting model requiring lessees to recognize right-of-use assets and lease liabilities for leases with a term of more than twelve months. This brings the previous off-balance leases on the balance sheet in a manner largely comparable to current finance lease accounting. Ind AS 116 is effective for financial year beginning on or after 1 April 2019. The Company will adopt the standard for the financial year beginning 1 April 2019. By applying Ind AS 116, straight-line operating lease expense will be replaced by depreciation expense on right-of-use assets and interest expense on lease liabilities.

The Company is currently assessing the impact of adopting Ind AS 116 on the Financial Statements. It is intended to use most of the simplifications available under Ind AS 116

b) Ind AS 12 Income Taxes (Amendments relating to income tax consequences of dividend and uncertainty over income tax treatments) :

The amendment relating to income tax consequences of dividend clarify that a Company shall recognize the income tax consequences of dividends in the statement of profit and loss, other comprehensive income or equity according to where the Company originally recognized those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the Company pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the Company has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the Company is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) Company has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statement.

c) Ind AS 109 Financial Instruments (Prepayment Features with Negative Compensation) :

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statement.

d) Ind AS 19 Employee Benefits (Plan Amendment, Curtailment or Settlement) :

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

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In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statement.

e) Ind AS 23 Borrowing Costs:
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for Its intended use or sale, that borrowing becomes part of the funds that an Company borrows generally when calculating the capitalization rate on general borrowings. The Company does not expect any impact from this amendment.

2.3 Summary of significant accounting policies

a) Investment in subsidiaries

Investments in subsidiaries are accounted at cost in accordance with Ind AS 27 "Separate financial statements. Refer note 6 for the list of significant investments.

b) Property, plant and equipment

i) Free hold land is carried at cost. Other property, plant and equipment are stated at original cost of acquisition/ installation (net of goods and services tax / cenvat credit availed) less accumulated depreciation and impairment loss, if any. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for its intended use and estimated cost for decommissioning of an asset. Further, in respect of accounting periods commencing on or after 7 December, 2006, exchange differences arising on reporting of long-term foreign currency monetary items which are recognised in the financial statements till the period ending 31 March 2016 at rates different from those at which they were initially recorded during the period, or reported in the previous financial statements are added to or deducted from the cost of the assets and depreciated over the balance life of the asset, where these monetary items pertain to the acquisition of depreciable property, plant and equipment.

ii) Capital work-in-progress comprises cost of property, plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment

i) Depreciation on property, plant and equipment is provided to the extent of depreciable amount on straight-line method over the useful life of asset as specified in Part-C of Schedule II to the Act. Depreciation is charged on pro-rata basis for asset purchased / sold during the year. Depreciation on the following assets is provided considering a shorter useful life as compared to Schedule II useful life, based on management estimate in view of possible technology obsolescence and product life cycle implications.

Assets	Useful life
Tooling, Moulds, Dies	7 years
Hydraulic works, Pipelines and Slucies (HWPS)	10 years
Overhauling of plant and machinery	5 years

Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

ii) Premium on leasehold land and leasehold improvements are amortised over the normal period of lease.

c) Intangible assets

i) Intangible assets are stated at cost of acquisition less accumulated amortisation. Intangible assets with finite lives are amortised on a straight-line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

ii) On transition to Ind AS, the Company had elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

iii) Intangibles assets with finite lives are amortised as follows:

- Softwares : ERP software 10 years and others 3 years
- Patents : 10 years

d) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

e) Non-current assets held for sale

The Company classifies non-current assets as held-for-sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held-for-sale only if the management expects to complete the sale within one year from the date of classification. Non- current assets classified as held-for-sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held-for-sale are not depreciated or amortized.

f) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the tenure of such borrowings. All other borrowing costs are charged to the statement of profit and loss as finance costs. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs under Ind AS 23.

g) Financial assets

i) Recognition and measurement

The Company at initial recognition measures a financial asset at its fair value plus transaction costs that are directly attributable to it's acquisition. However, transaction costs relating to financial assets to be subsequently valued at fair value through profit or loss(FVTPL) are expensed in the statement of profit and loss for the year.

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The Company subsequently recognises its financial assets either at FVTPL, fair value through other comprehensive income (FVOCI) or at amortised cost, based on the Company's business model for managing the financial assets and their contractual cash flows. This has been explained below separately for debt instruments and equity instruments.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such instruments is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in interest income using the effective interest rate method (EIR).

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss. Gain and losses on fair value of such instruments are recognised in the statement of profit and loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity instruments (other than investments in subsidiaries) at fair value. Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss in the event of de-recognition. Dividends from such instruments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

ii) Impairment of financial assets

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

iii) De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

h) Derivatives and embedded derivatives

i) The Company enters into certain derivative contracts (mainly foreign exchange forward contracts) to hedge risks, which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are recognised in the statement of profit and loss.

ii) Derivatives embedded in a host contract that are assets within the scope of Ind AS 109 or are closely related to the host contract, are not separated. Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host, and are measured at fair value through profit or loss.

i) Borrowings and other financial liabilities

i) Borrowings and other financial liabilities are initially recognised at fair value net of transaction costs incurred that are directly attributable to the acquisition of the financial liability.

ii) Subsequently recognition is done at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included in finance costs in the statement of profit and loss.

iii) Borrowings and other financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss.

j) Employee benefits

i) Short-term benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

ii) Defined benefit plans

a) Post-employment and other long-term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

b) Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in other comprehensive income in the period in which they occur.

iii) Defined contribution plans

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

k) Share based payments

Equity settled share based compensation benefits are provided to employees under the Essel Employee Stock Option Scheme 2014. The fair value of options granted under the Essel Employee Stock Option Scheme 2014 is recognised as an employee benefits expense with a corresponding increase in equity as "Share options outstanding account". The total amount to be recognised is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees holdings shares for a specific period of time).

The total expenses are amortised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service and non-market performance vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity. In case vested options forfeited or expires unexercised, the related balance standing to the credit of the "Share options outstanding account" is transferred to "Retained earnings".

In case of equity settled share based payments to employees of subsidiaries, in the separate financial statements, the parent company recognises the impact in the investment in the subsidiaries.

l) Revenue recognition

i) Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer involving single performance obligation, which is generally at the time of delivery as per the contract. In case of exports, the control is deemed to be transferred when the goods are shipped. There is no continuing management involvement with the goods, and the amount can be measured reliably. It is measured at the fair value of the consideration received or receivable, inclusive of excise duty (upto 30 June 2017) and net of returns, trade discounts, volume rebates and value added tax/sales tax/goods and services tax (w.e.f. 1 July 2017).

Revenue from royalty and service charges

- Revenue from royalty recceived under the licensing agreements are recognised over the period during which the underlying sales are recognised as per the terms of agreement.
- Revenue from services are recognized over period of time on performance of obligations as per the terms of the agreement. However, revenue from services comprising of development of art work and such other services, involving single performance obligation, are recognised at a point in time.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which the Company will be entitled in exchange for transferring the promised goods or services to the customer. Where customers are provided with discounts, rebates etc, such discounts and rebates will give rise to variable consideration. The Company follows the 'most likely amount' method in estimating the amount of variable consideration.

Contract balances

a) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised. Contract liabilities are recognised as revenue when the Company performs under the contract.

b) Trade receivables

A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date.

ii) Export incentives / benefits are accounted on accrual basis.

iii) Dividend income is recognised when the right to receive the payment is established by the balance sheet date.

iv) Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method and shown under interest income in the statement of profit and loss.

m) Government grants

i) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

ii) Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

iii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

n) Inventories

i) Inventories are valued at lower of cost and estimated net realisable value.

ii) Cost of raw materials, packing material and stores and spares are determined on moving average cost method.

ii) Cost of finished goods and goods-in-process includes cost of direct materials, labour and other manufacturing overheads.

o) Foreign currency transactions

i) The functional currency of the Company is Indian rupee (₹ or INR) which is also the presentation currency. All other currencies are accounted for as foreign currency.

ii) Transactions denominated in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the date of transaction.

iii) Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

iv) Exchange differences, in respect of accounting periods commencing on or after 7 December 2006, arising on reporting of long-term foreign currency monetary items which are recognised in the financial statements till the period ending 31 March 2016 at rates different from those at which they were initially recorded or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset. Any other income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

p) Income taxes

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

ii) The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

iii) Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

iv) Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

v) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

vii) Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

q) Leases

Leases where the Company is a lessee and has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s) Provisions, contingent liabilities and contingent assets

i) Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

ii) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

iii) A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements.

t) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

u) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the Company.

v) Contributed equity

Equity shares are classified as equity. Post transition to Ind AS with effect from 1 April 2015, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

w) Cash and cash equivalents

i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft but including other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

x) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

3 SIGNIFICANT ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based on the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

i) Defined benefit obligation

The cost of post-employment and other long term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The assumptions used are disclosed in note 44.

ii) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions refer note 41.

iii) Share-based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 43.

iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

v) Impairment of financial assets

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

vi) Taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. The Company records its best estimates of the tax liability in the current tax provision. The management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

vii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

4 PROPERTY, PLANT AND EQUIPMENT

(₹ In lakhs)

Description of assets	Gross carrying amount					Depreciation/Amortisation					Net carrying amount
	As at 1 April 2018	Additions	Disposals	Assets classified as held for sale (Refer note 18)	As at 31 March 2019	Upto 31 March 2018	For the year	Disposals	Assets classified as held for sale (Refer note 18)	Upto 31 March 2019	As at 31 March 2019
Freehold land	517	-	-	225	292	-	-	-	-	-	292
Leasehold land	15	-	-	-	15	-	-	-	-	-	15
Leasehold improvements	833	577	48	-	1,362	123	86	11	-	198	1,164
Buildings	4,562	854	0	230	5,186	662	226	0	76	812	4,374
Plant and machinery										-	-
- Owned	39,954	11,844	125	-	51,673	14,548	6,207	41	-	20,714	30,960
- Leased	1,914	-	-	-	1,914	852	284	-	-	1,136	778
Equipments											
- Owned	2,420	1,011	1	-	3,430	693	353	1	-	1,045	2,384
- Leased	103	-	-	-	103	69	23	-	-	92	11
Furniture and fixtures	1,094	296	0	-	1,390	306	132	0	-	438	952
TOTAL(A)	**51,413**	**14,582**	**174**	**455**	**65,365**	**17,253**	**7,311**	**53**	**76**	**24,435**	**40,930**
Capital work-in-progress											**1,992**

5 INTANGIBLE ASSETS

(₹ In lakhs)

Description of assets	Gross carrying amount					Depreciation/Amortisation					Net carrying amount
	As at 1 April 2018	Additions	Disposals	Assets classified as held for sale (Refer note 18)	As at 31 March 2019	Upto 31 March 2018	For the year	Disposals	Assets classified as held for sale (Refer note 18)	Upto 31 March 2019	As at 31 March 2019
Software	809	41	-	-	850	597	190	-	-	787	63
Patents	81	7	-	-	88	17	9	-	-	26	62
TOTAL(B)	**890**	**48**	**-**	**-**	**938**	**614**	**199**	**-**	**-**	**813**	**125**
TOTAL(A+B)	**52,303**	**14,630**	**174**	**455**	**66,303**	**17,867**	**7,510**	**53**	**76**	**25,248**	**41,055**
Intangible assets under development											**1,067**

Notes:

(i) Buildings include roads, residential flats, tubewell, watertanks and share in co-operative society.

(ii) Additions to plant and machinery includes exchange difference of ₹ 51 lakhs capitalised during financial year 2018-19.

(iii) For details of property, plant and equipment pledged as security, refer note 46.

4 PROPERTY, PLANT AND EQUIPMENT

(₹ In lakhs)

Description of assets	Gross carrying amount				Depreciation/Amortisation				Net carrying amount
	As at 1 April 2017	Additions	Disposals	As at 31 March 2018	Upto 31 March 2017	For the year	Disposals	Upto 31 March 2018	As at 31 March 2018
Freehold land	517	-	-	517	-	-	-	-	517
Leasehold land	15	-	-	15	-	-	-	-	15
Leasehold improvements	586	247	-	833	42	81	-	123	710
Buildings	4,046	603	87	4,562	455	212	5	662	3,900
Plant and machinery									
- Owned	35,476	4,505	26	39,955	8,919	5,638	9	14,548	25,407
- Leased	1,914	-	-	1,914	568	284	-	852	1,062
Equipments									
- Owned	2,066	356	2	2,420	399	295	1	693	1,727
- Leased	103	-	-	103	46	23	-	69	34
Furniture and fixtures	1,050	45	1	1,094	185	122	1	306	788
TOTAL(A)	**45,773**	**5,756**	**116**	**51,413**	**10,614**	**6,655**	**16**	**17,253**	**34,160**
Capital work-in-progress									**1,723**

5 INTANGIBLE ASSETS

(₹ In lakhs)

Description of assets	Gross carrying amount				Depreciation/Amortisation				Net carrying amount
	As at 1 April 2017	Additions	Disposals	As at 31 March 2018	Upto 31 March 2017	For the year	Disposals	Upto 31 March 2018	As at 31 March 2018
Software	764	45	-	809	394	203	-	597	212
Patents	81	-	-	81	9	8	-	17	64
TOTAL(B)	**845**	**45**	**-**	**890**	**403**	**211**	**-**	**614**	**276**
TOTAL(A+B)	**46,618**	**5,801**	**116**	**52,303**	**11,017**	**6,866**	**16**	**17,867**	**34,436**
Intangible assets under development									**961**

Notes:

(i) Buildings include roads, residential flats, tubewell, watertanks and share in co-operative society.

(ii) Additions to plant and machinery includes exchange difference of ₹ 198 lakhs capitalised during financial year 2017-18.

(iii) For details of property, plant and equipment pledged as security, refer note 46.

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6 NON-CURRENT INVESTMENTS (AT COST)

(₹ in lakhs)

	2019	2018
(A) Investments in equity shares of wholly owned subsidiaries - Unquoted		
830,000 (31 March 2018: 830,000) of US$ 10 each of Lamitube Technologies Limited, Mauritius	8,994	8,994
1,261 (31 March 2018: 1,261) of no par value of Arista Tubes Inc., USA *	7,443	7,443
1,600 (31 March 2018: 1,600) of US$ 1000 each of Lamitube Technologies (Cyprus) Limited, Cyprus	720	720
	17,157	**17,157**
(B) Investments in preference shares of wholly owned subsidiary - Unquoted		
10,400 (31 March 2018: 10,400) Non-cumulative optionally convertible redeemable preference shares of US$ 1000 each of Lamitube Technologies (Cyprus) Limited, Cyprus with fixed rate of dividend of US$ 110 per share	4,535	4,535
	4,535	**4,535**
(C) Value of stock options granted to employees of subsidiaries		
As per last balance sheet	202	368
Add/(Less): Options forfeited/lapsed during the year (Refer note 43)	(62)	(166)
	140	202
Total (A + B + C)	**21,832**	**21,894**
Aggregate book value of unquoted investments	21,832	21,894
Aggregate amount of impairment in value of investment	-	-

(All the above securities are fully paid up)

* 7.35% is held through Lamitube Technologies (Cyprus) Limited

7 NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	2019	2018
(Unsecured, considered good)		
Security deposits		
- Related parties (Refer note 54)	519	471
- Others	426	92
Loans and advances to employees	-	8
Total	**945**	**571**

Security deposits are interest free non-derivative financial assets carried at amortised cost. These primarily include deposits given against rented premises and various deposits with government authorities. The carrying value may be affected by changes in the credit risk of the counterparties.

8 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in lakhs)

	2019	2018
Deposits with banks having original maturity period of more than twelve months*	30	20
Total	**30**	**20**

* Deposited with / lien in favour of various Government authorities / banks.

9 NON-CURRENT TAX ASSETS

(₹ in lakhs)

	2019	2018
Balances with government authorities - Direct tax (net of provisions)	939	523
Total	**939**	**523**

10 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	2019	2018
Capital advances	512	1,551
Prepaid expenses	378	398
Balances with Government authorities - Indirect tax	517	462
Total	**1,407**	**2,411**

11 INVENTORIES

(₹ in lakhs)

	2019	2018
Raw materials (Including goods-in-transit 31 March 2019: ₹ 347 lakhs, 31 March 2018: ₹ 576 lakhs)	2,351	3,087
Goods-in-process	2,918	2,861
Finished goods (Including goods-in-transit 31 March 2019: ₹ 371 lakhs, 31 March 2018: ₹ 248 lakhs)	371	248
Stores and spares	2,558	2,029
Packing materials	93	80
Total	**8,291**	**8,305**

Inventories were written down to net realisable value by ₹ 65 lakhs (31 March 2018 ₹ 40 lakhs). This amount is recognised as an expense during the year and included in “Changes in inventories of finished goods and goods-in-process” in the statement of profit and loss.

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12 TRADE RECEIVABLES (UNSECURED)

(₹ in lakhs)

	2019	2018
Considered good		
- Related parties (Refer note 54)	1,374	470
- Others	13,471	12,443
Credit impaired	607	553
	15,452	**13,466**
Less: Allowance for bad and doubtful debts	(607)	(553)
Total	**14,845**	**12,913**

Trade receivables are non-interest bearing and credit terms are generally 30 to 90 days. The Company's exposure to credit and currency risks related to trade receivables is disclosed in note 42.

13 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	2019	2018
Balance with banks in Current accounts	280	364
Cheques on hand/ Remittances in transit	42	353
Total	**322**	**717**

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	2019	2018
Unclaimed dividend accounts	97	87
Total	**97**	**87**

15 CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	2019	2018
Unsecured, considered good		
Security deposits - Others	234	447
Loans and advances to		
- Employees	25	46
- Others	1,979	10,629
Total	**2,238**	**11,122**

16 OTHER CURRENT FINANCIAL ASSETS

(₹ in lakhs)

	2019	2018
Deposits with bank having original maturity period of more than twelve months*	2	12
Insurance claim receivable (Refer note 48)	193	193
Derivative instruments at fair value through profit or loss		
- Foreign exchange forward contracts	-	38
Other receivables from		
- Subsidiaries (Refer note 54)	375	234
Government grant receivable	500	-
Total	**1,070**	**477**

*Deposited with / lien in favour of various Government authorities / banks.

17 OTHER CURRENT ASSETS

(₹ in lakhs)

	2019	2018
Advances against goods and services	531	514
Prepaid expenses	266	314
Balances with Government authorities - Indirect tax (net)	2,989	1,962
Export benefits receivable	268	64
Total	**4,054**	**2,854**

18 ASSETS HELD FOR SALE

(₹ in lakhs)

	2019	2018
Building	154	-
Freehold land	225	-
Total	**379**	**-**

In January 2019, the Board of directors of the Company decided to sell land and building located at one of its factory units, which was not in use. The sale of said land and building concluded in April 2019 and has been reported as "Assets held for sale" as at 31 March 2019 as per Ind AS 105 "Non-current assets held for sale and discontinued operations".

19 EQUITY SHARE CAPITAL

(₹ in lakhs)

	2019	2018
Authorised		
350,000,000 (31 March 2018: 250,050,000) equity shares of ₹ 2 each	**7,000**	**5,001**
Issued		
315,300,740 (31 March 2018: 157,238,784) equity shares of ₹ 2 each	**6,306**	**3,145**
Subscribed and paid up		
315,243,620 (31 March 2018: 157,181,664) equity shares of ₹ 2 each fully paid up (Refer note (a) below)	6,305	3,144
Add: 57,120 equity shares of ₹ 2 each forfeited (Refer note (g) below)	1	1
Total	**6,306**	**3,145**

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a) Reconciliation of number of shares outstanding (excluding forfeited shares)

	2019		2018	
	Number of equity shares	(₹ in lakhs)	Number of equity shares	(₹ in lakhs)
At the beginning of the year	**157,181,664**	**3,144**	**157,101,498**	**3,142**
Add/(less): Changes during the year				
Allotted pursuant to issue of bonus shares (Refer note (d) below)	157,181,664	3,144	-	-
Allotted on exercise of employee share options	880,292	17	80,166	2
Outstanding at the end of the year	**315,243,620**	**6,305**	**157,181,664**	**3,144**

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholder holding more than 5% equity shares

Name of Shareholder	2019		2018	
	Number of equity shares*	Percentage of holding	Number of equity shares	Percentage of holding
Ashok Kumar Goel (Trustee - Ashok Goel Trust)	178,678,028	56.68%	89,339,014	56.84%
Ntasian Discovery Master Fund	17,761,867	5.63%	5,268,283	3.35%

* After considering issue of bonus equity shares [Refer note (d) below]

d) The Board of Directors at its meeting held on 26 April 2018, recommended issue of bonus equity shares, in the ratio of one equity share of ₹ 2 each fully paid up for every one equity share of the Company held by the shareholders as on a record date. The above issue of bonus shares has been approved by the shareholders in the annual general meeting held on 13 June 2018. Consequently, the Company allotted 15,71,81,664 equity shares of ₹ 2 each fully paid up bonus shares by capitalisation of securities premium amounting to ₹ 3,144 Lakhs.

e) There are no shares bought back or shares issued for consideration other than cash during five years preceding 31 March 2019.

f) For details of shares reserved for issue under the employee share based payment plan of the Company (Refer note 43).

g) Forfeited shares consist of 35,725 partly paid up equity shares and 21,395 fully paid up bonus shares forfeited during earlier year. The amount of ₹ 1 Lakh in relation to the forfeiture will be transferred to reserves upon cancellation of these shares.

20 OTHER EQUITY

(₹ in lakhs)

		2019	2018
a)	**Capital reserve**		
	As per last balance sheet	3,983	3,983
b)	**Securities premium**		
	As per last balance sheet	11,118	10,987
	Add/(Less): Amount received during the year on exercise of options	517	96
	Transferred from share options outstanding account on exercise of options	192	35
	Utilised towards issue of bonus equity shares [Refer note 19(d)]	(3,144)	-
		8,683	**11,118**
c)	**Other reserves**		
i)	**Debenture redemption reserve**		
	As per last balance sheet	2,250	2,250
	Add: Transferred to retained earnings	(1,000)	-
		1,250	**2,250**
ii)	**Share options outstanding account (Refer note 43)**		
	As per last balance sheet	333	725
	Add/(less): Share based payment expense / (credit) (net)	-	(176)
	Options granted /(forfeited) to employees of subsidiaries	-	(166)
	Transferred to retained earnings on lapse of vested options	(62)	(15)
	Transferred to securities premium on exercise of options	(192)	(35)
		79	**333**
iii)	**General reserve**		
	As per last balance sheet	12,541	12,541
iv)	**Retained earnings**		
	As per last balance sheet	32,101	28,580
	Add/(Less):		
	Profit for the year	6,404	8,118
	Item of other comprehensive income recognised directly in retained earnings		
	- Remeasurement gains/(losses) on defined benefit plan (net of tax)	(120)	(74)
	Transferred from debenture redemption reserve	1,000	-
	Transferred from share options outstanding account on lapse of vested options	-	15
	Equity dividend paid	(3,772)	(3,770)
	Tax on equity dividend paid	(776)	(768)
		34,837	**32,101**
	Total	**61,373**	**62,326**

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forming part of the financial statements

Nature and purpose of reserves

i) Capital reserve

Capital reserve represents capital surplus and not normally available for distribution as dividend.

ii) Securities premium

Securities premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

iii) Debenture redemption reserve (DRR)

The Company had issued redeemable non-convertible debentures and accordingly DRR is required to be created pursuant to the Companies (Share capital and Debentures) Rules 2014. DRR is required to be created, out of profits of the Company available for payment of dividend, upto an amount which is equal to 25% of the total value of the debentures issued.

iv) Share options outstanding account

Represent the fair value at respective grant dates of options granted and outstanding for vesting/exercise, under Essel Employee Stock Option Scheme 2014. This balance will be transferred to share capital and security premium account as and when the options get exercised from time to time or to retained earnings in the event of forfeiture, non-vesting or lapse.

v) General reserve

The reserve is a distributable reserve maintained by the Company out of transfers made from annual profits.

vi) Retained earnings

Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

vii) Other comprehensive income

Other comprehensive income comprises of re-measurement gains/(losses) of defined benefit obligations.

21 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

	2019	2018
Secured		
Nil (31 March 2018: 400) units of redeemable non-convertible debentures of face value of ₹ 1,000,000 each (Refer note (a) below)	-	4,013
Finance Lease Obligations (Refer note (b) below)	-	183
	-	**4,196**
Unsecured		
500 (31 March 2018: 500) units of redeemable non-convertible debentures of face value of ₹ 1,000,000 each (Refer note (c) below)	5,109	5,099
Term loan from bank (Refer note (d) below)	10,059	-
Buyers credit from banks (Refer note (e) below)	866	3,433
Deferred sales tax loans (Refer note (f) below)	663	879
	16,697	**9,411**
Total	**16,697**	**13,607**
Less: Current maturities disclosed under Other current financial liabilities (Refer note 26)	1,711	6,345
	14,986	**7,262**

Nature of security and terms of repayments for long-term borrowings

a)	Listed redeemable non-convertible debentures of ₹ Nil (31 March 2018: ₹ 4,013 Lakhs) are secured by first pari passu charge on all fixed assets of the company (except all fixed assets situated at chakan and land and building situated at Goa and Murbad). These debentures are further secured by way of security provided by other related party*.	These debentures carry interest rate at SBI Base Rate + 145 bps p.a. and are redeemable at par in 3 annual instalments commencing from 25 April 2019 in the ratio of 30:30:40 with an put/call option at the end of 3 1/2 years from date of issue, and on each anniversary thereafter until redemption and put option in the event of downgrade of credit rating to BBB+ or below. These debentures are fully redeemed during the year by exercising the call option.
b)	Finance lease obligations are secured by related leased assets.	Leases carry interest rate ranging from 12.36% to 13.50% p.a and are repayable in monthly installments. Finance lease liabilities are fully repaid during the year.
c)	Listed redeemable non-convertible debentures of ₹ 5,109 Lakhs (31 March 2018: ₹ 5,099 Lakhs) are unsecured.	These debentures carry interest rate at 1 year Treasury Bill YTM rate + 145 bps p.a. payable annually and are redeemable at par at the end of 3 years from the date of issue.
d)	Term loan from bank ₹ 10,059 Lakhs (31 March 2018: ₹ Nil) is unsecured.	Term Loan from bank carry variable interet rate based on benchmark rate i.e MCLR of the bank with a put call option at the end of 12 months from the date of first disbursement and every 12 months thereafter and is repayable in 7 half yearly instalments starting from 18th month from the date of first disbursement.
e)	Buyers credit from banks ₹ Nil (31 March 2018: ₹ 2,281 Lakhs) are against security provided and guarantee issued by other related party and ₹ Nil (31 March 2018: ₹ 1,152 Lakhs) are against security provided by other related party. Buyers credit of ₹ 866 Lakhs (31 March 2018: ₹ Nil) are unsecured.	Buyers credit from banks carry interest rate ranging from 0.50% to 3.27% p.a. based on prevailing benchmark rates and are repayable in maximum period of three years from the date of transaction.
f)	Deferred sales tax interest free loans are repayable after a period of 10 to 14 years from the date of loan upto 2024-25.	

*Related party i.e. Aqualand (India) Limited

22 NON CURRENT LIABILITIES

(₹ in lakhs)

	2019	2018
Deferred Government grant	387	-
Total	**387**	**-**

23 NON-CURRENT LIABILITIES - PROVISIONS

(₹ in lakhs)

	2019	2018
Employee benefits	1,323	1,300
Provision for contingency	574	585
Total	**1,897**	**1,885**

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24 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

	2019	2018
Secured (Refer note below)		
Working capital loan from banks	2,341	2,738
	2,341	**2,738**
Unsecured		
Commercial Paper	-	2,961
	-	**2,961**
Total	**2,341**	**5,699**

Short-term borrowings of ₹ 2,341 lakhs (31 March 2018: ₹ 2,738 lakhs) are secured by first pari-passu charge on current assets of the Company.

25 TRADE PAYABLES

(₹ in lakhs)

	2019	2018
Dues of micro enterprises and small enterprises (Refer note 53)	88	404
Dues of creditors other than micro enterprises and small enterprises		
- Acceptances	1,833	2,179
- Others	2,976	2,825
Total	**4,897**	**5,408**

26 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

	2019	2018
Current maturities of long-term borrowings (Refer note 21)	1,711	6,162
Current maturities of long-term finance lease obligations (Refer note 21)	-	183
Unclaimed dividend (Refer note 55)	97	87
Payable for capital goods		
- Micro enterprises and small enterprises (Refer note 53)	103	16
- Others	404	253
Employee benefits payable	954	1,279
Derivative instruments at fair value through profit or loss		
- Foreign exchange forward contracts	33	-
Other payables	2,985	2,827
Total	**6,287**	**10,807**

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27 OTHER CURRENT LIABILITIES

(₹ in lakhs)

	2019	2018
Contract liabilities - Advance from customers (Refer note 58)	68	124
Statutory dues	256	294
Deferred Government grant	67	-
Total	**391**	**418**

28 CURRENT LIABILITIES - PROVISIONS

(₹ in lakhs)

	2019	2018
Employee benefits	531	431
Total	**531**	**431**

29 CURRENT TAX LIABILITIES

(₹ in lakhs)

	2019	2018
Direct tax payable (net)	-	378
Total	**-**	**378**

30 REVENUE FROM OPERATIONS (REFER NOTE 59)

(₹ in lakhs)

	2019	2018
Sales of products	79,872	81,504
Other operating revenues		
Royalty/Service charges	3,835	3,011
Sale of scrap	397	391
Export and other incentives	527	319
Total	**84,631**	**85,225**

31 OTHER INCOME

(₹ in lakhs)

	2019	2018
Interest on income tax refund	171	323
Net gain on disposal of property, plant and equipment	36	197
Gain on sale of current investments	20	7
Dividend from current investments	0	-
Government grant	46	-
Miscellaneous income	434	433
Total	**708**	**960**

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32 INTEREST INCOME

(₹ in lakhs)

	2019	2018
Interest income on financial assets at amortised cost		
- Loans	950	1,136
- Deposits	23	19
Unwinding of discount on security deposits	59	89
Total	**1,032**	**1,244**

33 COST OF MATERIALS CONSUMED

(₹ in lakhs)

	2019	2018
Inventory at the beginning of the year	3,087	2,250
Add: Purchases (net)	37,422	37,435
	40,509	**39,685**
Less: Inventory at the end of the year	2,351	3,087
Total	**38,158**	**36,598**

34 CHANGES IN INVENTORIES OF FINISHED GOODS AND GOODS-IN-PROCESS

(₹ in lakhs)

	2019	2018
Inventory at the end of the year		
Goods-in-process	2,918	2,861
Finished goods	371	248
	3,289	**3,109**
Inventory at the beginning of the year		
Goods-in-process	2,861	2,695
Finished goods	248	64
	3,109	**2,759**
Total	**(180)**	**(350)**

35 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

	2019	2018
Salaries, wages and bonus	7,796	7,470
Contribution to provident and other funds	456	433
Gratuity	99	84
Share based payment (credit)/expense (net) (Refer note 43)	-	(176)
Staff welfare expenses	720	759
Total	**9,071**	**8,570**

36 FINANCE COSTS

(₹ in lakhs)

	2019	2018
Interest expense		
- Borrowings	1,860	1,328
- Defined benefit obligation	79	76
- Others	16	7
Exchange difference regarded as an adjustment to borrowing costs	88	111
Other borrowing costs	240	618
Total	**2,283**	**2,140**

37 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

	2019	2018
Depreciation on property, plant and equipment	7,311	6,655
Amortisation of intangible assets	199	211
Total	**7,510**	**6,866**

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38 OTHER EXPENSES

(₹ in lakhs)

	2019	2018
Stores and spares	2,613	2,236
Packing materials	2,558	2,534
Power and fuel	3,836	3,729
Job work / labour charges	3,031	2,710
Other manufacturing expenses	167	196
Lease rent		
- Factory premises	737	623
- Plant and equipment	471	850
Repairs and maintenance		
- Buildings	73	61
- Plant and machinery	525	472
- Others	156	159
Rent	729	644
Rates and taxes	141	125
Insurance	98	71
Directors' sitting fees	10	7
Travelling and conveyance expenses	304	254
Professional and consultancy charges	624	622
Communication charges	89	95
Donation	0	1
Exchange difference (net)	111	88
Payment to auditors (Refer details below)	37	35
Expenditure towards corporate social responsibility (Refer note 56)	56	78
Freight and forwarding expenses	1,684	1,662
Bad and doubtful debts (net)	135	187
Miscellaneous expenses	1,609	1,745
Total	**19,794**	**19,183**
Payment to auditors for:		
Audit fees	21	21
Certifications (including fees for limited reviews)	16	14
Reimbursement of expenses	0	0
Total	**37**	**35**

39 EARNINGS PER SHARE *

	2019	2018
Profit after tax (₹ in lakhs)	6,404	8,118
Weighted average number of basic equity shares (Nos.)	314,773,502	314,296,560
Weighted average number of diluted equity shares (Nos.)	314,802,196	314,830,746
Nominal value of equity shares (₹)	2.00	2.00
Basic earnings per share (₹)	2.03	2.58
Diluted earnings per share (₹)	2.03	2.58

* Earnings per share for the previous year has been adjusted to give effect to the issue of bonus equity shares (Refer note 19(d)).

40 INCOME TAX

a) The major components of income tax for the year ended 31 March 2019 are as under:

i) Income tax related to items recognised directly in the statement of profit and loss during the year

(₹ in lakhs)

	2019	2018
Current tax		
Current tax on profits for the year	3,354	4,660
Adjustments for current tax of prior periods	-	-
Total current tax expense	**3,354**	**4,660**
Deferred tax		
Relating to origination and reversal of temporary differences	(23)	(610)
Income tax expense reported in the statement of profit and loss	**3,331**	**4,050**

ii) Deferred tax related to items recognised in other comprehensive income (OCI) during the year

(₹ in lakhs)

	2019	2018
Deferred tax on remeasurement of defined benefit plan	65	39
Deferred tax recognised in OCI	**65**	**39**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in lakhs)

	2019	2018
Accounting profit before tax	**9,735**	**12,168**
Income tax @ 34.944% (31 March 2018 @ 34.944%)	**3,402**	**4,252**
Adjustments in respect of current income tax in respect of previous years	-	-
Non-deductible expenses for tax purpose	69	55
Additional allowance for tax purpose	(242)	(77)
Other allowances for tax purpose	(23)	(62)
Expenses/(reversals) not deductible/(taxable)	(29)	(66)
Effect of change in tax rate	-	(12)
Other temporary differences	154	(40)
Income tax expense charged to the statement of profit and loss	**3,331**	**4,050**

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c) Deferred tax relates to the following:

(₹ in lakhs)

	Balance sheet		Recognised in the statement of profit and loss		Recognised in OCI	
	2019	2018	2019	2018	2019	2018
a) Taxable temporary differences						
Depreciation on property, plant, equipment and intangible assets	2,303	2,174	129	(525)	-	-
Unamortised ancillary borrowing costs	6	10	(4)	(23)	-	-
Total (a)	**2,309**	**2,184**	**125**	**(548)**	**-**	**-**
b) Deductible temporary differences						
Employee benefits / expenses allowable on payment basis	669	637	33	(9)	(65)	(39)
Allowance for bad and doubtful debts	212	193	(19)	(2)	-	-
Other deductible temporary differences	261	99	(162)	(51)	-	-
Total (b)	**1,142**	**929**	**(148)**	**(62)**	**(65)**	**(39)**
Net deferred tax (assets)/liabilities (a-b)	**1,167**	**1,255**				
Deferred tax charge/(credit) (a+b)			**(23)**	**(610)**	**(65)**	**(39)**

d) The Company has brought forward long term capital losses of ₹ 2,726 lakhs (31 March 2018 ₹ 2,714 lakhs) that are available for offsetting for eight years against future taxable long term capital gains till FY 2023-2024. Deferred tax assets of ₹ 635 lakhs (31 March 2018 ₹ 632 lakhs) have not been recognized in respect of these losses in view of uncertainty of future taxable long term capital gains.

41 FAIR VALUE MEASUREMENTS

i) Financial instruments by category:

(₹ in lakhs)

	2019		2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets (other than investment in subsidiaries)				
Non current assets				
Loans	-	945	-	571
Current assets				
Trade receivables	-	14,845	-	12,913
Cash and bank balances*	-	451	-	836
Loans	-	2,238	-	11,122
Derivative instruments	-	-	38	-
Other financial assets	-	1,068	-	427
Total financial assets	**-**	**19,547**	**38**	**25,869**
Financial liabilities				
Non-current liabilities				
Borrowings	-	14,986	-	7,262
Current liabilities				
Borrowings	-	2,341	-	5,699
Trade payables	-	4,897	-	5,408
Derivative instruments	33	-	-	-
Other financial liabilities	-	6,254	-	10,807
Total financial liabilities	**33**	**28,478**	**-**	**29,176**

* Including deposits with banks having original maturity period of more than twelve months of ₹ 32 lakhs (31 March 2018 ₹ 32 lakhs) shown under other current and non-current financial assets.

ii) Fair value hierarchy

The fair values of the financial assets and liabilities are the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

iii) Financial assets (other than investment in subsidiaries) and liabilities measured at fair value through profit or loss at each reporting date

(₹ in lakhs)

	2019			2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at FVTPL						
Derivative instruments - foreign exchange forward contracts	-	-	-	-	38	-
Total	**-**	**-**	**-**	**-**	**38**	**-**
Financial liabilities measured at FVTPL						
Derivative instruments - foreign exchange forward contracts	-	33	-	-	-	-
Total	**-**	**33**	**-**	**-**	**-**	**-**

iv) Non-current financial assets (other than investment in subsidiaries) and liabilities measured at amortised cost at each reporting date

(₹ in lakhs)

	2019		2018	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Loans	1,003	945	602	571
Other financial assets	30	30	17	20
Non-current financial liabilities				
Borrowings	14,986	14,986	7,262	7,262

a) The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

b) The fair values for "Other non-current financial assets " comprising of lease rental deposits and bank deposits (due for maturity after twelve months from the reporting date) are based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs including counterparty credit risk.

c) The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities approximates the fair values due to the short-term maturities of these financial assets / liabilities.

d) There have been no transfers between level 1, level 2 and level 3 for the years ended 31 March 2019 and 31 March 2018.

v) Valuation techniques used to determine fair value and significant estimates and judgements made in:

The fair value of foreign exchange forward contracts is determined using forward exchange rates at the balance sheet date. The fair values of the remaining financial instruments is determined using discounted cash flow method.

42 (A) FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk - Foreign currency; and
- Market risk - Interest rate

A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Company is exposed to credit risk from its operating activities (primarily trade receivables), lease rental deposits, deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed.

i) Trade receivables

The Company extends credit to customers in the normal course of business. The Company considers factors such as financial conditions / market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

ii) The ageing analysis of the trade receivables (other than due from related parties) has been considered from the date the invoice falls due.

(₹ in lakhs)

	2019	2018
Up to 3 months	13,232	12,088
3 to 6 months	135	246
More than 6 months	104	109
Total	**13,471**	**12,443**

iii) The following table summarizes the change in the allowances for bad and doubtful debts:

(₹ in lakhs)

	2019	2018
As at beginning of the year	**553**	**551**
Add/(less):		
Provided during the year	172	171
Amounts written off	(80)	(142)
Reversals of provision	(38)	(27)
As at end of the year	**607**	**553**

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The Company uses provision matrix whereby trade receivables are considered impaired based on past trends where such receivables are outstandings for more than one year. The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2019 and 31 March 2018 is not material and the same has not been recognised. The reversal for lifetime expected credit loss on customer balances for the year ended 31 March 2019 is ₹ Nil (31 March 2018 : ₹ Nil).

iv) Other financial instruments

The Company considers factors such as track record, size of the institution, market reputation, financial strength/rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions from whom the Company has also availed borrowings. Security deposits against leasing of premises/equipments are refundable upon closure of the lease and hence credit risk associated with such deposits is relatively low.

B Liquidity risk

i) Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables, derivative instruments and other financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and overdraft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

ii) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

As at 31 March 2019 (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long-term borrowings	1,519	14,980	18	16,517
Short-term borrowings	2,341	-	-	2,341
Interest payable	1,276	1,844	-	3,120
Trade payables	4,897	-	-	4,897
Other financial liabilities	4,576	-	-	4,576
Total	**14,609**	**16,824**	**18**	**31,451**

As at 31 March 2018 (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Maturities of non – derivative financial liabilities				
Long-term borrowings	6,227	7,208	70	13,505
Short-term borrowings	5,736	-	-	5,736
Interest payable	431	674	-	1,105
Trade payables	5,408	-	-	5,408
Other financial liabilities	4,462	-	-	4,462
Total	**22,264**	**7,882**	**70**	**30,216**

C Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The Company's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

i Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. The Company is exposed to foreign exchange risk on their receivables, payables and foreign currency loans which are mainly held in the United State Dollar ("USD"), the Euro ("EUR"), the Swiss Franc ("CHF") and the Chinese Yuan ("CNY"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD, the EUR, the CHF, and the CNY may change in a manner that has a material effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including minimising cross currency transactions, using natural hedge and the use of derivatives like foreign exchange forward contracts to minimise the impact to results of the exchange rate movements. the unhedged exposures are maintained and kept to minimum feasible.

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The Company's exposure to foreign currency risk at the end of the reporting period are as under -

(₹ in lakhs)

	2019					2018				
	USD	EUR	CHF	CNY	Others	USD	EUR	CHF	CNY	Others
Financial assets										
Trade receivables	1,679	156	-	-	4	1,287	37	-	-	4
Others	446	71	-	387	-	254	56	-	183	-
Derivative assets										
Foreign exchange forward contracts	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	**2,125**	**227**	**-**	**387**	**4**	**1,541**	**93**	**-**	**183**	**4**
Financial liabilities										
Borrowings	393	-	461	-	-	370	-	1,245	-	-
Trade payables	1,693	201	93	-	1	1,271	70	-	-	-
Others	10	-	2	-	-	4	-	2	-	-
Derivative liabilities										
Foreign exchange forward contracts	(566)	-	(461)	-	-	(533)	-	(1,245)	-	-
Net exposure to foreign currency risk	**1,530**	**201**	**95**	**-**	**1**	**1,112**	**70**	**2**	**-**	**-**

The above table excludes foreign currency exposures (financial liabilities) of ₹ Nil (31 March 2018: ₹ 1,829 lakhs) denominated primarily in USD and CHF currencies for which the exchange differences (net) are being capitalised to cost of property, plant and equipment. Accordingly the corresponding foreign exchange forward contracts against these financial liabilities amounting to ₹ Nil (31 March 2018: ₹ 1,829 lakhs) have been excluded.

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD, EUR, CHF, CNY and other currencies with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

Currencies / Sensitivity	2019		2018	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
	(Loss) / Gain		(Loss) / Gain	
USD	29.73	(29.73)	21.31	(21.31)
EUR	1.28	(1.28)	1.15	(1.15)
CHF	(4.74)	4.74	0.41	(0.41)
CNY	19.34	(19.34)	9.14	(9.14)
Others	0.16	(0.16)	0.20	(0.20)

ii Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of hedged products optimised borrowing mix / composition etc.

a) Interest rate risk exposure

(₹ in lakhs)

	2019	2018
Variable rate borrowings	18,195	18,180
Fixed rate borrowings	663	1,061
Total borrowings	**18,858**	**19,241**

b) Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis point increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All other parameters are held constant.

(₹ in lakhs)

Impact on profit after tax	(Loss) / Gain	
	2019	2018
Interest rates - increase by 50 basis points	(91)	(91)
Interest rates - decrease by 50 basis points	91	91

42 (B) CAPITAL MANAGEMENT

Risk management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / retire debt. The primary objective of the Company's capital management is to maximise the shareholders' value.

For the purpose of the Company's capital management, equity includes issued capital, securities premium and other reserves. Net debt includes loans less cash and bank balances. The Company manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

(₹ in lakhs)

The capital composition is as follows:	2019	2018
Gross debt (inclusive of long term and short term borrowing)	18,858	19,241
Less: - Cash and bank balances*	451	836
Net debt	**18,407**	**18,405**
Total equity	67,679	65,471
Total capital	**86,086**	**83,876**
Gearing Ratio	**21%**	**22%**

* Including deposits with banks having original maturity period of more than twelve months of ₹ 32 lakhs (31 March 2018 ₹ 32 lakhs) shown under other current and non current financial assets.

Loan covenants

Borrowings contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, debt to EBITDA ratio, interest service coverage ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended once the Company meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of adoption of the consolidated financial statements. The Company has also satisfied all other debt covenants prescribed in the respective sanction of bank loan. The deferred sales tax loans and finance leases do not carry any debt covenant.

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43 SHARE-BASED PAYMENTS

Employee stock option plan

a) During the year 2014-15, the Company had instituted an Essel Employee Stock Option Scheme 2014 ("the Scheme") as approved by the Board of Directors for issuance of stock options to the eligible employees of the Company and of its subsidiaries, other than directors, promoters or person belonging to promoter group.

Subject to terms and conditions of the Scheme, the said options vested on each of 1 July 2016, 1 July 2017 and 1 July 2018 to the extent mentioned in the letter of grant and can be exercised within a maximum period of four years from the date of vesting. When exercisable, each option is convertible into one equity share of ₹ 2 each fully paid up.

b) **Summary of options granted under the Scheme**

	2019		2018	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	121.65	766,828	127.83	1,920,842
Add : Issue of bonus equity shares [Refer note 19(d)]	-	766,828	-	-
Adjusted value and number of options	**60.83**	**1,533,656**	**127.83**	**1,920,842**
Exercised during the year (Refer Note (i) below)	60.83	(880,292)	121.65	(80,166)
Forfeited / lapsed during the year				
- Non-vested options (Refer Note (ii) below)	-	-	134.96	(1,039,514)
- Vested options (Refer Note (iii) below)	60.83	(285,700)	121.65	(34,334)
Closing balance		**367,664**		**766,828**
Vested and exercisable	60.83	367,664	121.65	766,828

c) **Expiry date and exercise prices of the share options outstanding at the end of the year:**

Grant date	Expiry date	2019		2018	
		Exercise price	Nos of options	Exercise price	Nos of options
19 March 2015	30 June 2020	* 60.83	367,664	121.65	766,828
Total			**367,664**		**766,828**
Weighted average remaining contractual life of options outstanding at end of period			1.25		2.25

* Adjusted for bonus equity shares

d) The fair value of each option granted is estimated on the date of grant using the black scholes model with the following assumptions

Scheme	
Grant date	19/Mar/2015
Weighted average fair value of options granted (₹)	49.20
Exercise price - Before issue of bonus shares (₹)	121.65
Exercise price - After issue of bonus shares (₹)	60.83
Share price at the grant date before issue of bonus shares (₹)	116.50
Share price at the grant date after issue of bonus shares (₹)	58.25
Expected volatility	47.55%
Risk free interest rate	7.64%
Dividend yield	1.28%
Expected life of the options (years)	3.29 to 5.29

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

e) Expense arising from share based payments transactions (Non-vested options)

(₹ in lakhs)

	2019	2018
Expense / (credit) arising from share based payments (net)	-	(342)
Less: Options granted/(forfeited) to/(from) employees of subsidiaries recognised as deemed investment in subsidiaries	-	(166)
Employee share based payment expense /(credit) recognised in the statement of profit and loss (net) (Refer note 35)	-	(176)

Notes:

(i) The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2019 was ₹102.70 (31 March 2018: ₹ 277.77).

(ii) Forfeited on account of non-market performance vesting conditions not achieved.

(iii) Lapsed on account of employees resigned without exercising.

44 GRATUITY AND OTHER LONG-TERM BENEFIT PLANS

The disclosures of employee benefits as defined in the Ind AS 19 - "Employee Benefits" are given below:

a. The Company makes annual contributions to the employees' gratuity fund scheme, a funded defined benefit plan which is managed by the LIC of India and HDFC Bank. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.

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c. Details of post retirement gratuity plan are as follows:-

i. Net expenses recognised during the year in the statement of profit and loss

(₹ in lakhs)

	2019	2018
Current service cost	99	84
Interest cost (net)	79	76
Net expenses recognised in the statement of profit and loss	**178**	**160**

ii. Net expenses recognised during the year in other comprehensive income (OCI)

(₹ in lakhs)

	2019	2018
Actuarial (gains) / losses arising from changes in demographic assumptions	106	(6)
Actuarial (gains) / losses arising from changes in financial assumptions	21	83
Actuarial (gains) / losses arising from changes in experience assumptions	60	38
Expected return on plan assets excluding interest	(2)	(2)
Net expenses recognised in (OCI)	**185**	**113**

iii. Net liability recognised in the balance sheet

(₹ in lakhs)

	2019	2018
Present value of obligation	1,844	1,569
Less: Fair value of plan assets	534	559
Net liability recognized in balance sheet	**1,310**	**1,010**

iv. Reconciliation of opening and closing balances of defined benefit obligation

(₹ in lakhs)

	2019	2018
Defined benefit obligation as at the beginning of the year	1,569	1,304
Current service cost	99	84
Interest cost	123	100
Actuarial (gain) / loss on obligation	187	115
Benefits paid	(134)	(34)
Defined benefit obligation at the end of the year	**1,844**	**1,569**

v. Reconciliation of opening and closing balance of fair value of plan assets

(₹ in lakhs)

	2019	2018
Fair values of plan assets at the beginning of the year	559	324
Interest income	44	24
Return on plan assets, excluding interest income	2	2
Employer contribution	63	243
Benefits paid	(134)	(34)
Fair value of plan assets at year end	**534**	**559**

vi. Reconciliation of opening and closing balance of net defined benefit obligation

(₹ in lakhs)

	2019	2018
Net defined benefit obligation as at the beginning of the year	1,010	980
Current service cost	99	84
Interest cost (net)	79	76
Actuarial (gain) / loss on obligation	187	115
Return on plant assets, excluding interest income	(2)	(2)
Employer contribution	(63)	(243)
Benefits paid	-	-
Net defined benefit obligation at the end of the year	**1,310**	**1,010**

vii. Investment details

(₹ in lakhs)

	2019	2018
Insurer Managed Funds	534	559

viii. Actuarial assumptions

	2019	2018
Mortality Table	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate
Discount rate(per annum)	7.50%	7.87%
Expected rate of return on plan assets (per annum)	7.50%	7.87%
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	Service 4 years and below - 10%, others - 1%	Service 4 years and below - 10%, others - 1%

ix. Quantitative sensitivity analysis

(₹ in lakhs)

	2019	2018
Projected benefit obligation on current assumptions	1,844	1,569
Increase by 1% in discount rate	(56)	(96)
Decrease by 1% in discount rate	61	111
Increase by 1% in rate of salary increase	62	112
Decrease by 1% in rate of salary increase	(57)	(99)
Increase by 1% in rate of employee turnover	3	15
Decrease by 1% in rate of employee turnover	(4)	(17)

NOTES
forming part of the financial statements

x. Maturity analysis of projected benefit obligation: from the fund

(₹ in lakhs)

	2019	2018
Projected benefits payable in future years from the date of reporting		
1st Following Year	796	239
2nd Following Year	156	33
3rd Following Year	148	524
4th Following Year	144	49
5th Following Year	151	61
Sum of years 6 to 10	546	460
Sum of Years 11 and above	591	1,916

Notes:

1 Amounts recognized as an expense and included in the Note 35 "Employee benefits expense" are gratuity ₹ 99 Lakhs (31 March 2018 ₹ 84 Lakhs) and leave encashment ₹ -10 Lakhs (31 March 2018 ₹ 153 Lakhs). Net interest cost on defined benefit obligation recognised in Note 36 under "Finance costs" is ₹ 79 Lakhs (31 March 2018 ₹ 76 Lakhs).

2 The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3 "Contribution to provident and other funds" which is a defined contribution plan is recognized as an expense in Note 35 of the financial statements.

45 DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

		2019	2018
a.	**Dividends on equity shares declared and paid**		
	Final dividend paid in current year for the year ended 31 March 2018 ₹ 2.40 per share (paid in previous year for the year ended 31 March 2017: ₹ 2.40 per share)	3,772	3,770
	Dividend distribution tax on above	776	768
b.	**Proposed dividends on equity shares**		
	Final dividend proposed for the year ended 31 March 2019 ₹1.25 per share (31 March 2018: ₹ 2.40 per share)	3,941	3,772
	Dividend distribution tax on above	984	776

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at the reporting date.

46 COLLATERAL / SECURITY PLEDGED

The carrying amount of assets pledged as security for current and non-current borrowings of the Company and for a loan of USD 11.50 Million (31 March 2018: USD 11.50 Million) availed by a subsidiary are as under:

(₹ in lakhs)

	2019	2018
Property, plant and equipment	38,164	34,652
Inventories	8,291	8,305
Other current and non-current assets excluding investments	25,947	31,700
Total assets pledged	**72,402**	**74,657**

47 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

		2019	2018
A.	**Claims against the Company not acknowledged as debt**		
	(a) Disputed indirect taxes	3,036	2,991
	(b) Disputed direct taxes	2,099	3,809
	(c) Deferred sales tax liability assigned	206	340
	(d) Other claims not acknowledged as debts	43	50

(₹ in lakhs)

		2019	2018
B.	**Guarantees excluding financial guarantees**		
	Bank guarantees given by the Company	297	278

(₹ in lakhs)

		2019	2018
C.	**Other money for which the Company is contingently liable**		
	(a) Unexpired letters of credit (net of liability provided)	73	40
	(b) Duty benefit availed under EPCG scheme, pending export obligations	2,383	2,831

(₹ in lakhs)

		2019	2018
D.	**Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	971	2,178

(₹ in lakhs)

		2019	2018
E.	**Financial guarantees provided**		
	Corporate guarantees and letter of comfort given for loans taken by subsidiaries. Loans outstanding against these guarantees and letter of comfort is ₹ 36,885 lakhs (31 March 2018: ₹ 40,553 lakhs)	47,166	52,775

NOTES
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48 Insurance claim receivable of ₹ 193 lakhs (31 March 2018: ₹ 193 lakhs) is in respect of transit damage to certain plant and machinery, which is under litigation before National Consumer Disputes Redressal Commission, New Delhi (Refer Note 16).

49 LEASES

a. Finance Lease

The Company has acquired plant and machinery and equipment under finance lease which are capitalized under property, plant and equipment. The minimum lease payments required under the finance lease that have initial or remaining non-cancellable lease terms and their present value are as follows:

(₹ in lakhs)

	2019	2018
Minimum lease payment as at 31 March		
Not later than one year	-	188
Later than one year but not later than five years	-	-
Total minimum lease payments	**-**	**188**
Less: Amount representing finance charges	-	5
Present value of minimum lease payments as at 31 March	**-**	**183**
Not later than one year	-	183
Later than one year but not later than five years	-	-

b. Operating Lease

The Company has taken office and factory units, residential facilities, plant and machinery (including equipment), IT assets, vehicles, etc. under cancellable/ non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of these leases varies from eleven to one hundred and eight months. The rental obligations are as follows:

(₹ in lakhs)

	2019	2018
Lease rental charges for the year	1,598	1,440
Future lease rental obligation payable (under non-cancellable leases) as at 31 March		
Not later than one year	1,707	1,449
Later than one year but not later than five years	4,796	4,960
Later than five years	1,458	1,459
Total	**7,961**	**7,868**

50 SEGMENT INFORMATION

The financial statements of the Company contain both the consolidated financial statements as well as the separate financial statements. Hence, the Company has presented segment information on the basis of the consolidated financial statements as permitted by Ind AS 108 “Operating Segments.” The Company has only one major identifiable business segment viz. Plastic Packaging Material.

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forming part of the financial statements

51 INFORMATION REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

a. Loans given

(₹ in lakhs)

	2018	Given	Repaid	2019
Sprit Infrapower & Multiventures Private Limited (excluding interest receivable)	9,607	-	7,628	1,979

b. Investments made

There are no investments other than disclosed in Note 6 - Non-current investments.

c. Corporate guarantees and letter of comfort given on behalf of subsidiaries

(₹ in lakhs)

Name of the Subsidiary		2019	2018
i.	Lamitube Technologies Limited, Mauritius	26,901	33,892
ii.	Essel Propack Polska Sp. z.o.o., Poland	13,003	11,552
iii.	Essel Propack LLC, USA	3,458	7,331
iv	Essel Colombia SAS, Colombia	3,804	-
		47,166	**52,775**

d. Security provided for loan availed by the subsidiary

Name of the Subsidiary	Sanctioned loan Amount			
	2019		2018	
	USD in Lakhs	₹ in Lakhs	USD in Lakhs	₹ in Lakhs
Lamitube Technologies Limited, Mauritius	**125**	**8,644**	**125**	**8,147**

Notes

i. All the loans/guarantees and security given are for general business purposes.

ii. The loan is interest bearing and is at arm's length.

iii. Security provided by the Company in clause (d) above is collateral to the corporate guarantee given in clause c (i) above

iv. The outstanding loan amount availed by the subsidiaries against the corporate guarantees/ letter of comfort given and security provided by the Company is ₹ 36,885 lakhs (31 March 2018 ₹ 40,553 lakhs).

v. Amounts disclosed in (c) and (d) are translated at respective year-end foreign exchange rates.

52 DISCLOSURE AS REQUIRED BY SCHEDULE V (A)(2) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Investments by Loanee in the equity shares of the Company as at 31 March 2019

	Number of fully paid up equity shares	
	2019	2018
Sprit Infrapower & Multiventures Private Limited	**1,221,549**	**784,025**

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forming part of the financial statements

53 MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act") are given as follows:

(₹ in lakhs)

		2019	2018
i.	Principal amount payable to suppliers under the Act		
	- For capital goods	103	16
	- For Others	88	404
ii.	Principal amount due to suppliers under the Act	27	344
iii.	Interest accrued and due to suppliers under the Act, on the above amount	0	2
iv.	Payment made to suppliers (Other than interest) beyond the appointed day, during the year	1,444	1,256
v.	Interest paid to suppliers under the Act	-	-
vi.	Interest due and payable to suppliers under the Act, for payments already made	15	5
vii.	Interest accrued and remaining unpaid at the end of the year under the Act	48	33
viii.	The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

54 RELATED PARTY DISCLOSURES

a. List of related parties

i Subsidiary companies

Name of the subsidiary	Proportion of interest (including beneficial interest) / voting power (either directly / indirectly through subsidiaries)		Country of Incorporation
	2019	2018	
Direct subsidiaries			
Arista Tubes Inc. *	100%	100%	United States of America
Lamitube Technologies (Cyprus) Limited	100%	100%	Cyprus
Lamitube Technologies Limited	100%	100%	Mauritius
Step down subsidiaries			
The Egyptian Indian Company for Modern Packaging S.A.E. #	-	-	Egypt
Essel Propack MISR for Advanced Packaging S.A.E.	75%	75%	Egypt
Lamitube Hong Kong Trading Company Limited #	-	-	Hong Kong
Essel Packaging (Guangzhou) Limited	100%	100%	China
Essel Packaging (Jiangsu) Limited	100%	100%	China
Essel Propack Philippines, Inc	100%	100%	Philippines

Name of the subsidiary	Proportion of interest (including beneficial interest) / voting power (either directly / indirectly through subsidiaries)		Country of Incorporation
	2019	2018	
MTL de Panama S.A.	100%	100%	Panama
Arista Tubes Limited	100%	100%	United Kingdom
Essel Propack UK Limited	100%	100%	United Kingdom
Essel de Mexico, S.A. de C.V.	100%	100%	Mexico
Tubopack de Colombia S.A. ##	100%	100%	Colombia
Essel Propack LLC	100%	100%	Russia
Essel Colombia S.A.S.	100%	100%	Colombia
Essel Propack Polska Sp. z.o.o.	100%	100%	Poland
Essel Deutschland GmbH & Co.,KG	100%	100%	Germany
Essel Deutschland Management GmbH	100%	100%	Germany
Essel Propack America, LLC	100%	100%	United States of America

* 7.35% is held through Lamitube Technologies (Cyprus) Limited

\# Liquidated / de-registered during the previous year.

\## Under liquidation

ii Associate company

Name of Company	Extent of Holding		Country of Incorporation
	2019	2018	
P.T. Lamipak Primula	30%	30%	Indonesia

iii Other related parties with whom transactions have taken place during the year and balances outstanding at the year-end

Other related parties

Aqualand (India) Limited, Ayepee Lamitubes Limited, Ganjam Trading Company Private Limited (merged with Vyoman Tradelink India Private Limited w.e.f 27 August 2018), Ebix Payment Services Private Limited (Formerly known as ITZ Cash Card Limited), Shrotra Enterprises Private Limited, Essel World Leisure Private Limited.

iv Key management personnel / Directors

Executive director	Mr. Ashok Goel (Chairman and Managing Director)
Independent director	Mr. Boman Moradian
Independent director	Mr. Mukund M. Chitale
Independent director	Ms. Radhika Pereira
Non - executive director	Mr. Atul Goel
Non - executive director	Mr. Ramesh Chander Gupta (w.e.f 14 March 2019)

NOTES
forming part of the financial statements

v Transactions with related parties

(₹ in lakhs)

(I)	Transactions	2019	2018
a)	**Sales of goods**		
	Subsidiaries	**1,802**	**1,325**
	Essel Propack Polska Sp. z.o.o.	227	365
	Essel Propack America, LLC	51	16
	Essel Propack MISR for Advanced Packaging S.A.E.	281	322
	Essel Packaging (Guangzhou) Limited	15	-
	Essel Propack LLC	343	262
	Essel Deutschland GmbH & Co. KG	381	323
	Essel de Mexico, S.A de C.V.	338	2
	Others	166	35
	Other related parties	**-**	**21**
	Shrotra Enterprises Private Limited	-	21
b)	**Recoveries from Subsidiaries**	**261**	**447**
	Essel Propack Polska Sp. z.o.o.	15	70
	Essel Propack America, LLC	21	50
	Essel Propack MISR for Advanced Packaging S.A.E.	66	81
	Essel Packaging (Guangzhou) Limited	42	128
	Essel Propack LLC	19	15
	Essel Deutschland GmbH & Co. KG	6	13
	Essel de Mexico, S.A. de C.V.	4	24
	Others	88	66
c)	**Royalty/Service charges income**		
	Subsidiaries	**1,858**	**1,462**
	Essel Packaging (Guangzhou) Limited	1,059	894
	Essel Propack MISR for Advanced Packaging S.A.E.	310	234
	Essel Propack Polska Sp. z.o.o.	83	36
	Essel Propack America, LLC	59	27
	Essel Deutschland GmbH & Co. KG	261	209
	Others	86	61
d)	**Guarantee commission income**		
	Subsidiaries	**399**	**433**
	Lamitube Technologies Limited	292	331
	Essel Propack Polska Sp. z.o.o.	84	100
	Others	23	2

(₹ in lakhs)

(I)	Transactions	2019	2018
e)	**Sale of property, plant and equipment**		
	Subsidiaries	**117**	**-**
	Essel Propack Polska Sp. z.o.o.	69	-
	Essel Propack MISR for Advanced Packaging S.A.E.	45	-
	Essel Propack Philippines, Inc	3	-
f)	**Purchase of goods and services**		
	Subsidiaries	**94**	**14**
	Essel Propack America, LLC	7	1
	Essel Propack Polska Sp. z.o.o.	0	2
	Essel Packaging (Guangzhou) Limited	19	4
	Essel Deutschland GmbH & Co. KG	68	7
	Other related parties	**70**	**53**
	Ebix Payment Services Private Limited	68	53
	Essel World Leisure Private Limited	2	-
g)	**Rent expenses**		
	Other related parties	**1,072**	**1,017**
	Ayepee Lamitubes Limited	-	10
	Vyoman Tradelink India Private Limited	1,072	1,007
h)	**Guarantee commission paid**		
	Other related parties	**134**	**449**
	Aqualand (India) Limited	134	449
i)	**Repayment of deposits given**		
	Other related parties	**-**	**1,250**
	Ayepee Lamitubes Limited	-	1,250
j)	**Remuneration paid/provided**	**661**	**640**
	Mr. Ashok Goel	661	640
k)	**Commission to directors**	**45**	**45**
	Mr. Boman Moradian	15	15
	Mr. Mukund M. Chitale	15	15
	Ms. Radhika Pereira	15	15
l)	**Sitting fees**	**10**	**7**
	Mr. Boman Moradian	3	3
	Mr. Mukund M. Chitale	4	2
	Ms. Radhika Pereira	3	2

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(₹ in lakhs)

(II)	Balances outstanding	2019	2018
a)	**Trade receivables**		
	Subsidiaries	**1,374**	**470**
	Essel Propack America, LLC	5	4
	Essel Packaging (Guangzhou) Limited	387	182
	Essel Propack MISR for Advanced Packaging S.A.E.	240	53
	Essel Propack LLC	138	130
	Essel Deutschland Gmbh & Co., KG	89	58
	Essel Colombia SAS	109	5
	Essel Propack Polska Sp. z.o.o.	144	38
	Essel Propack Philippines, Inc	3	-
	Essel de Mexico, S.A. de C.V.	259	-
b)	**Deposits given**		
	Other related parties	**850**	**850**
	Vyoman Tradelink India Private Limited	850	850
c)	**Other receivables**		
	Subsidiaries	**374**	**234**
	Essel Propack America, LLC	46	29
	Essel Propack MISR for Advanced Packaging S.A.E.	43	52
	Essel Packaging (Guangzhou) Limited	45	60
	Essel Propack Polska Sp. z.o.o.	55	29
	Essel Colombia SAS	111	14
	Others	74	50
d)	**Trade and other payables**		
	Subsidiaries	**15**	**16**
	Essel Propack America, LLC	0	7
	Essel Propack Polska Sp. z.o.o.	-	2
	Essel Deutschland Gmbh & Co., KG	14	7
	Essel Packaging (Guangzhou) Limited	1	-
	Other related parties	**132**	**38**
	Vyoman Tradelink India Private Limited	132	35
	Ayepee Lamitubes Limited	-	3
e)	**Investments in equity/preference shares**		
	Subsidiaries	**21,692**	**21,692**
	Lamitube Technologies Limited	8,994	8,994
	Lamitube Technologies (Cyprus) Limited	5,255	5,255
	Arista Tubes Inc.	7,443	7,443

(₹ in lakhs)

(II)	Balances outstanding	2019	2018
f)	**Guarantees and letter of comfort provided for loans availed by subsidiaries**	**47,166**	**52,775**
	Lamitube Technologies Limited	26,901	33,892
	Essel Propack Polska Sp. z.o.o.	13,003	11,552
	Essel Propack America, LLC	3,458	7,331
	Essel Colombia SAS, Colombia	3,804	-
g)	**Guarantees / securities provided on Company's behalf**		
	Other related parties	**9,500**	**16,000**
	Aqualand (India) Limited	9,500	16,000
	Loan outstanding Nil (31 March 2018: ₹ 7,440 lakhs)		
h)	**Remuneration payable**	**157**	**153**
	Mr. Ashok Goel	157	153
i)	**Commission payable (gross)**	**45**	**45**
	Mr. Boman Moradian	15	15
	Mr. Mukund M. Chitale	15	15
	Ms. Radhika Pereira	15	15

Notes:

i) All transactions with related parties are made on arm's length basis in the ordinary course of business. The outstanding balances at year end are unsecured due to be settled for consideration in cash.

ii) Sprit Infrapower and Multiventures Private Limited (Formerly Sprit Textiles Private Limited) ceased to be a related party post F.Y. 2016-17 and accordingly not reported in the above disclosures for current as well as in the previous financial year.

iii) The above disclosures are excluding Ind AS adjustments.

vi) Break up of remuneration of key management personnel of the Company

(₹ in lakhs)

		2019	2018
	Chairman and Managing director		
i.	Salaries, allowances and perquisites ^	467	450
ii.	Contribution to provident and other funds	37	37
iii.	Performance bonus *	157	153
	Total	**661**	**640**

^ Excludes leave encashment and gratuity liability provided in the books on the basis of actuarial valuation on an overall Company basis. Further the Essel Employee Stock Option Scheme 2014 does not extend to chairman and managing director, hence there is no share based compensation benefit.

* The performance bonus for the current year has been provided in the accounts as recommended by the nomination and remuneration committee and approved by the Board of Directors. The total remuneration to Managing Director computed as per the Companies Act, 2013 is within limits prescribed u/s 197 of the Companies Act, 2013.

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55 Dividend of ₹ 5 Lakhs (31 March 2018 ₹ 3 Lakhs) unclaimed for a period of more than seven years is transferred to Investor Education and Protection Fund during the year. There is no amount due and outstanding to be credited to Investor Educaton and Protection Fund as at 31 March 2019.

56 CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company has spent ₹ 56 lakhs (31 March 2018 ₹ 78 lakhs) towards various CSR initiatives as against ₹ 209 lakhs (31 March 2018 ₹ 179 lakhs) as required by Section 135 read with Schedule VII of the Companies Act 2013. CSR spend has been charged to the statement of profit and loss under "Other expenses" in line with ICAI guidance note issued in May 2015.

57 RESEARCH AND DEVELOPMENT EXPENDITURE (R&D)

During the year, the Company has incurred total R & D expenditure of ₹890 lakhs (31 March 2018 ₹532 lakhs) including capital expenditure of ₹275 lakhs (31 March 2018 ₹Nil), out of which the Company has claimed weighted tax deduction on eligible R & D expenditure of ₹867 lakhs (31 March 2018 ₹440 lakhs) including capital expenditure of ₹275 lakhs (31 March 2018 ₹Nil) under section 35(2AB) of the Income Tax Act, 1961.

58 DISCLOSURES PERTAINING TO IND AS 115 " REVENUE FROM CONTRACTS WITH CUSTOMERS"

a) Reconciliation of contract liabilities as at the beginning and at the end of the year

(₹ in lakhs)

	2019
Opening balance of contract liabilities	124
Add: contract liabilities recognised during the year	576
Less: Revenue recognised out of contract liabilities	632
Closing balance of contract liabilities as at 31 March 2019	**68**

b) Revenue recognised during the year from performance obligations satisfied (or partially satisfied) in the previous period, is ₹ 127 lakhs on account of change in transaction price

c) Disaggregation of revenue

Disaggregation of revenue based on timing is given below:

(₹ in lakhs)

	2019			
Timing of transfer of goods/services	**Sale of products***	**Royalty**	**Service charges**	**Total**
Revenue recognised at a point in time	80,269	-	509	80,778
Revenue recognised over time	-	1,439	1,887	3,326

* Includes sale of scrap

d) There are no discounts / rebates given during the year and hence revenue from sale of goods reported in "Revenue from operations" is as per contracted price.

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59 GOODS AND SERVICES TAX

Following the commencement of Goods and Services Tax (GST) with effect from 1 July 2017, Revenue from operations for the period beginning 1 July 2017 is reported net of GST recovered, as required by Ind AS. However, prior to GST regime excise duty recovered was included as part of Revenue from operations for the reporting period till 30 June 2017 as required by Ind AS. Accordingly, the revenue from operations for the year ended 31 March 2019 are not comparable with the corresponding previous year presented in the financial statements. To facilitate comparison, the following additional information is being provided:

(₹ in lakhs)

	2019	2018
Revenue from operations as reported*	84,631	85,225
Excise duty included in above (till 30 June 2017)	-	2,254
Revenue from operations excluding excise duty	**84,631**	**82,971**

* Effective 1 July 2017 following transition to GST, revenue is reported net of GST recovered.

60 RECONCILIATION BETWEEN OPENING AND CLOSING BALANCES IN THE BALANCE SHEET FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES AS REQUIRED BY IND AS 7 "STATEMENT OF CASH FLOWS" IS AS UNDER:

(₹ in lakhs)

	As at 31 March 2018	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2019
				Interest accured	Other changes(Refer notes below)	
Equity share capital	3,145	17	-	-	3,144	6,306
Securities premium	11,118	517	-	-	(2,952)	8,683
Non-convertible debentures (including current maturities)	9,112	-	(4,000)	(8)	5	5,109
Long-term borrowings (including current maturities)	4,312	10,000	(2,783)	72	(13)	11,588
Finance lease (including current maturities)	183	-	(181)	(2)	-	-
Short-term borrowings	5,699	13,500	(16,897)	39	-	2,341

Notes :

i) Other changes in equity share capital and securities premium are on account of issue of bonus equity shares and transfer from share options outstanding account on exercise of share options (Refer note 19(d) and 20).

ii) Other changes in borrowings are on account of amortisation of ancillary borrowing costs.

61 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped / rearranged wherever necessary to correspond with current year's classifications / disclosures.

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Vinay Mokashi
Chief Financial Officer

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
} Directors

Suresh Savaliya
Company Secretary and Head - Legal

STATEMENT OF CASH FLOWS
for the year ended 31 March 2019

(₹ in lakhs)

		2019	2018
A.	**Cash flow from operating activities**		
	Profit before tax	**9,735**	**12,168**
	Adjustments for:		
	Depreciation and amortisation expense	7,510	6,866
	Share-based payment (credit)/expense (net)	-	(176)
	Interest expense	1,860	1,335
	Interest income	(973)	(1,478)
	Unwinding of discount on security deposits	(59)	(89)
	Net gain on disposal of property, plant and equipment	(36)	(197)
	Gain on sale of current investments	(20)	(7)
	Dividend Income	(0)	-
	Bad and doubtful debts (net of provision)	135	187
	Deferred rent amortisation	71	95
	Government grant	(46)	-
	Amortisation of ancillary borrowing costs	64	56
	Remeasurement gains/(losses) on defined benefit plan	(185)	(113)
	Exchange adjustments (net)	(63)	40
	Operating profit before working capital changes	**17,993**	**18,687**
	Adjustments for:		
	(Increase) / decrease in trade and other receivables	(4,119)	(1,731)
	(Increase) / decrease in inventories	14	(1,632)
	Increase /(decrease) in trade and other payables	(2)	824
	Cash generated from operations	**13,886**	**16,148**
	Direct taxes paid (net of refunds)	(4,148)	(4,362)
	Net cash from operating activities (A)	**9,738**	**11,786**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment / intangible assets (including under progress)	(13,729)	(6,714)
	Sale of property, plant and equipment	157	299
	(Increase) / decrease in other bank balances	(10)	(13)
	Purchase of current investments	(9,150)	(17,205)
	Sale of current investments	9,170	17,212
	Interest received	1,986	1,197
	Loan given repaid	7,628	-
	Dividend received	0	-
	Net cash used in investing activities (B)	**(3,948)**	**(5,224)**

STATEMENT OF CASH FLOWS
for the year ended 31 March 2019

(₹ in lakhs)

		2019	2018
C.	**Cash flow from financing activities**		
	Proceeds from issue of equity shares [including securities premium of ₹ 517 lakhs (31 March 2018: ₹ 96 lakhs) and excluding issue of bonus shares]	534	98
	Proceeds from issue of non-convertible debentures	-	5,000
	Redemption of non-convertible debentures	(4,000)	(5,000)
	Proceeds from long-term borrowings	10,000	-
	Repayment of long-term borrowings	(2,783)	(3,742)
	Proceeds from short-term borrowings	13,500	14,349
	Repayment of short-term borrowings	(16,500)	(12,443)
	Increase / (decrease) in other borrowings (net)	(397)	1,981
	Repayment under finance lease	(181)	(343)
	Interest paid	(1,805)	(1,252)
	Ancillary borrowing cost incurred	(15)	(10)
	Dividend paid (including tax)	(4,538)	(4,524)
	Net cash used in financing activities (C)	**(6,185)**	**(5,886)**
	Net changes in cash and cash equivalents(A+B+C)	**(395)**	**676**
	Cash and cash equivalents at the beginning of the year	717	41
	Cash and cash equivalents at the end of the year	**322**	**717**

Notes:

1. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 60 of the financial statements.
2. Previous year figures are regrouped / rearranged wherever necessary.

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

INDEPENDENT AUDITOR'S REPORT
on the Consolidated Financial Statements

To
The Members of
Essel Propack Limited

1. OPINION

We have audited the accompanying consolidated financial statements of Essel Propack Limited ('the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements and on other financial information of subsidiaries and associate referred to in the Other Matters paragraph below, 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 the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2019, and their consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and their consolidated cash flows for the year ended on that date.

2. BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules 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 obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.

3. 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 for the year ended 31 March 2019. 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.

a) Contingent liabilities

Claims against the Group not acknowledged as debts is disclosed in note 40(a)(A) of the consolidated financial statements. The existence and the probability of payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.

Due to level of judgment required relating to estimation and presentation of contingent liabilities, this is considered to be a key audit matter.

Auditor's Response

Our audit procedures included, among others, assessing the appropriateness of the management's judgment in estimating the value of contingent liabilities as given in note 40(a)(A).

We have obtained details of completed tax assessments and demands/claims as at 31 March 2019 from management and assessed the completeness of the details of contingent liabilities through discussion with senior management personnel. We have reviewed the outcome of the disputed cases at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the consolidated financial statements.

b) Assessment of impairment of Goodwill

Consolidated financial statements of the Group includes goodwill on consolidation of ₹ 1,423 lakhs and goodwill pertaining to acquisition of associate of ₹ 514 lakhs.

Management has conducted annual goodwill impairment testing and as a result of the testing conducted, management assessed that no impairment was needed. Goodwill impairment testing requires substantial management judgment over the projected future business performance and cash flows. Certain assumptions made by management in the impairment review are key judgments, including gross profit rate and net sales.

Auditors Response

As part of our audit procedures we assessed the key assumptions used in impairment testing performed by management by:

- assessing the growth and profitability estimates and comparing them to historical performance;
- comparing the estimates with the latest approved budgets and strategic plans;
- testing the accuracy and the underlying calculations.

We also assessed the adequacy of the related disclosure information.

4. INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report and Chairman's Statement but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

5. MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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, respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 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 and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

6. AUDITOR'S RESPONSIBILITY 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 the 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 control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 ability of the Group and its associates 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 and its associates 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 and its associates 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 of which we are the independent auditors. For the other 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

7. OTHER MATTERS

a) We did not audit the financial statements of eighteen subsidiaries whose financial statements reflect total assets of ₹ 296,453 lakhs as at 31 March 2019, total revenues of ₹ 221,155 lakhs, total net profit after tax of ₹ 23,036 lakhs, total comprehensive income of ₹ 22,804 lakhs and total cash outflows of ₹ 3,068 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports 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 these subsidiaries and our report in terms of Section 143(3) of the Act, in so far as it relates to these subsidiaries, is based solely on the reports of the other auditors.

b) The consolidated financial statements include Group's share of net profit after tax of ₹ 532 lakhs for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of an associate whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements and our report in terms of Section 143(3) of the Act, in so far as it relates to the aforesaid associate, is based solely on such management certified financial statements.

All subsidiaries and associate of the Company are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors (in case of associate certified by the management) under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associate located outside India based on accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors/management certified financial statements.

Our opinion on the consolidated financial statements above, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) The consolidated balance sheet, 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 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 Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors of the Holding Company as at 31 March 2019 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Mumbai, 7 May 2019

CONSOLIDATED BALANCE SHEET

as at 31 March 2019

(₹ in lakhs)

	Note	2019	2018
Assets			
Non-current assets			
(a) Property, plant and equipment	4(a)	125,317	112,343
(b) Capital work-in-progress	4(b)	3,059	3,205
(c) Goodwill		1,423	1,423
(d) Other intangible assets	4(c)	3,996	4,650
(e) Intangible assets under development	4(d)	1,067	961
		134,862	**122,582**
(f) Investment in associate accounted for using equity method	5	1,679	1,310
(g) Financial assets			
(i) Loans	6	973	1,358
(ii) Others	7	30	20
		1,003	**1,378**
(h) Deferred tax assets (net)	55(c)	738	543
(i) Non-current tax assets (net)	8	1,386	879
(j) Other non-current assets	9A	3,016	4,125
Total non-current assets		**142,684**	**130,817**
Current assets			
(a) Inventories	10	32,343	28,639
(b) Financial assets			
(i) Trade receivables	11	49,340	45,904
(ii) Cash and cash equivalents	12	9,035	11,574
(iii) Bank balances other than cash and cash equivalents	13	4,405	5,771
(iv) Loans	14	2,378	11,278
(v) Others	15	929	247
(c) Current tax assets (net)	16	534	78
(d) Other current assets	9B	9,984	9,903
Total current assets		**108,948**	**113,394**
Assets held for sale	17	379	-
Total assets		**252,011**	**244,211**
Equity and liabilities			
Equity			
(a) Equity share capital	18	6,306	3,145
(b) Other equity	19	132,490	121,914
(c) Non-controlling interest		516	430
Total equity		**139,312**	**125,489**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Borrowings	20	46,929	44,922
(b) Other non-current liabilities	21	1,284	1,309
(c) Provisions	22	1,989	2,359
(d) Deferred tax liabilities (net)	55(c)	5,095	3,566
Total non-current liabilities		**55,297**	**52,156**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	11,263	14,505
(ii) Trade payables	24		
- Dues of micro enterprises and small enterprises		88	404
- Dues of creditors other than micro enterprises and small enterprises		20,562	18,438
(iii) Others	25	19,777	27,730
(b) Other current liabilities	26	3,802	3,674
(c) Provisions	27	701	592
(d) Current tax liabilities (net)	28	1,209	1,223
Total current liabilities		**57,402**	**66,566**
Total equity and liabilities		**252,011**	**244,211**
Notes forming part of the consolidated financial statements	1 - 62		

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Vinay Mokashi
Chief Financial Officer

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
} Directors

Suresh Savaliya
Company Secretary and Head - Legal

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2019

(₹ in lakhs)

	Note	2019	2018
Income			
Revenue from operations	29	270,693	244,642
Other income	30	1,742	1,318
Interest income	31	1,109	1,319
Total income		**273,544**	**247,279**
Expenses			
Cost of materials consumed	32	116,871	105,341
Changes in inventories of finished goods and goods-in-process	33	(390)	(1,681)
Excise duty on sale of goods	51	-	2,254
Employee benefits expense	34	50,056	43,379
Finance costs	35	6,131	5,502
Depreciation and amortisation expense	36	18,611	16,707
Other expenses	37	54,244	48,863
Total expenses		**245,523**	**220,365**
Profit before share of profit/(loss) of an associate and exceptional items		**28,021**	**26,914**
Share of profit /(loss) of an associate		532	(104)
Profit before exceptional items and tax		**28,553**	**26,810**
Exceptional items (net)	44	(305)	498
Profit before tax		**28,858**	**26,312**
Tax expense	55		
Current tax		8,036	9,124
Deferred tax charge/(credit)		1,283	(233)
Total tax expense		**9,319**	**8,891**
Profit for the year		**19,539**	**17,421**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan	52	(211)	(75)
Income tax effect on above		72	29
- Share of OCI of associate		17	(36)
Income tax effect on above		(4)	7
		(126)	**(75)**
Items that will be reclassified to profit or loss			
Exchange differences on translation of			
- Financial statements of foreign operations		(1,334)	8,873
- Share of associate		(3)	2
		(1,337)	**8,875**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended 31 March 2019

(₹ in lakhs)

	Note	2019	2018
Other comprehensive income / (loss) for the year		**(1,463)**	**8,800**
Total comprehensive income for the year		**18,076**	**26,221**
Total comprehensive income attributable to:			
Owners of the parent		17,751	25,942
Non-controlling interest		325	279
Of the total comprehensive income above,			
Profit for the year attributable to:			
Owners of the parent		19,253	17,160
Non-controlling interest		286	261
Of the total comprehensive income above,			
Other comprehensive income / (loss) for the year attributable to:			
Owners of the parent		(1,502)	8,782
Non-controlling interest		39	18
Earnings per equity share of ₹ 2 each fully paid up	45		
Basic (₹)		6.12	5.46
Diluted (₹)		6.11	5.45
Notes forming part of the consolidated financial statements	1 - 62		

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2019

A Equity share capital

(₹ in lakhs)

	Note	
Balance as at 1 April 2017*	18	3,143
Changes in equity share capital	18(a)	2
Balance as at 31 March 2018	18	3,145
Changes in equity share capital	18(a)	3,161
Balance as at 31 March 2019	18	6,306

* including forfeited shares of ₹ 1 lakh [Refer note 18(g)]

B Other equity

(₹ in lakhs)

	Note	Capital reserve	Capital reserve on Consolidation	Securities premium	Debenture redemption reserve	Legal reserve	Share options outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Attributable to owners of the parent	Non controlling interest	Total
Balance as at 1 April 2017		**4,019**	**55,314**	**10,987**	**2,250**	**2,205**	**725**	**545**	**31,956**	**(7,245)**	**100,756**	**572**	**101,328**
Profit for the year		-	-	-	-	-	-	-	17,160	-	17,160	261	17,421
Other comprehensive income /(loss) for the year		-	-	-	-	-	-	-	(75)	8,359	8,284	18	8,302
Exchange loss reclassified to the consolidated statement of profit and loss on liquidation of subsidiary		-	-	-	-	-	-	-	-	498	498	-	498
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17,085**	**8,857**	**25,942**	**279**	**26,221**
On account of liquidation of subsidiary		-	-	-	-	-	-	-	-	-	-	(167)	(167)
Share options exercised	19 & 53	-	-	96	-	-	-	-	-	-	96	-	96
Share based payments:													
Share based payment credit (net)	53	-	-	-	-	-	(342)	-	-	-	(342)	-	(342)
Transferred to retained earnings on lapse of vested options	19 & 53	-	-	-	-	-	(15)	-	15	-	-	-	-
Transferred from share options outstanding account on exercise of option	19 & 53	-	-	35	-	-	(35)	-	-	-	-	-	-
Transferred to legal reserve	19	-	-	-	-	649	-	-	(649)	-	-	-	-
Equity dividend	48	-	-	-	-	-	-	-	(3,770)	-	(3,770)	-	(3,770)
Tax on equity dividend	48	-	-	-	-	-	-	-	(768)	-	(768)	-	(768)
Dividend to non-controlling interest		-	-	-	-	-	-	-	-	-	-	(254)	(254)
Balance as at 31 March 2018		**4,019**	**55,314**	**11,118**	**2,250**	**2,854**	**333**	**545**	**43,869**	**1,612**	**121,914**	**430**	**122,344**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2019

(₹ in lakhs)

	Note	Capital reserve	Capital reserve on Consolidation	Securities premium	Debenture redemption reserve	Legal reserve	Share options outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Attributable to owners of the parent	Non controlling interest	Total
Profit for the year		-	-	-	-	-	-	-	19,253	-	19,253	286	19,539
Other comprehensive income /(loss) for the year		-	-	-	-	-	-	-	(126)	(1,376)	(1,502)	39	(1,463)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**19,127**	**(1,376)**	**17,751**	**325**	**18,076**
Share options exercised during the year	19 & 53	-	-	517	-	-	-	-	-	-	517	-	517
Share based payments:													
Transferred to retained earnings on lapse of vested options	19 & 53	-	-	-	-	-	(62)	-	62	-	-	-	-
Transferred from share options outstanding account on exercise of option	19 & 53	-	-	192	-	-	(192)	-	-	-	-	-	-
Utilised towards issue of bonus equity shares	18(d) & 19	-	-	(3,144)	-	-	-	-	-	-	(3,144)	-	(3,144)
Transferred to retained earnings		-	-	-	(1,000)	-	-	-	1,000	-	-	-	-
Transferred to legal reserve	19	-	-	-	-	691	-		(691)	-	-	-	-
Equity dividend	48	-	-	-	-	-	-	-	(3,772)	-	(3,772)	-	(3,772)
Tax on equity dividend	48	-	-	-	-	-	-	-	(776)	-	(776)	-	(776)
Dividend to non-controlling interest		-	-	-	-	-	-	-	-	-	-	(239)	(239)
Balance as at 31 March 2019		**4,019**	**55,314**	**8,683**	**1,250**	**3,545**	**79**	**545**	**58,819**	**236**	**132,490**	**516**	**133,006**

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059

Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

NOTES
forming part of the consolidated financial statements

1 CORPORATE INFORMATION

Essel Propack Limited (hereinafter referred to as "EPL" or the "Company" or the "parent company") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company's registered office is located at P.O. Vasind, Taluka: Shahapur, District: Thane, Maharashtra - 421604, India.

The Company alongwith its subsidiaries (the "Group") and associate is engaged in manufacture of plastic packaging material in the form of multilayer collapsible tubes and laminates used primarily for packaging of consumer products in the Beauty & Cosmetics, Health & Pharmaceuticals, Food, Home and Oral care categories.

The Consolidated Financial Statements (hereinafter referred to as 'CFS') of the group and associate for the year ended 31 March 2019 were authorised for issue by the Board of Directors at their meeting held on 7 May 2019.

2 BASIS OF PREPARATION AND OTHER SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated financials statements

a) The CFS have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and rules framed thereunder and guidelines issued by Securities and Exchange Board of India (SEBI).

The CFS have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities (including derivative instruments), non-current assets held for sale, defined benefit plan assets and liabilities, and share based payments being measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or a liability at the measurement date.

The CFS are presented in Indian Rupees ('INR') with values rounded off to the nearest lakhs (00,000), except otherwise indicated. "0" Zero denotes amount less than a lakh.

b) Current and non-current classification

Assets and liabilities are classified as current if expected to realise or settle within twelve months after the balance sheet date. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 Accounting pronouncements issued

i) New Standards adopted

Ind AS 115 "Revenue from Contracts with Customers"

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115, "Revenue from Contracts with Customers" related to revenue recognition which replaced Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and provide a single, comprehensive model for all contracts with customers.

The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

The Group has adopted Ind AS 115 w.e.f. 1 April 2018 using the modified retrospective approach. However, the adoption of the standard did not have any impact on the consolidated financial statements.

Comparative amounts have not been adjusted and continued to be reported in accordance with Ind AS 18 "Revenue". Refer note 2.4(k)(i) below for the Group's accounting policy for revenue recognition as per Ind AS 115."

ii) New standards / amendments to existing standards issued but not effective

a) Ind AS 116 "Leases"

On 30 March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standard (Ind AS) 116, "Leases", which is applicable to the Group w.e.f. 1 April, 2019. Ind AS 116 eliminates the current classification model for lessee's lease contracts as either operating or finance leases and, instead, introduces a single lessee accounting model requiring lessees to recognize right-of-use assets and lease liabilities for leases with a term of more than twelve months. This brings the previous off-balance leases on the balance sheet in a manner largely comparable to current finance lease accounting. Ind AS 116 is effective for financial year beginning on or after 1 April 2019. The Group will adopt the standard for the financial year beginning 1 April 2019. By applying Ind AS 116, straight-line operating lease expense will be replaced by depreciation expense on right-of-use assets and interest expense on lease liabilities.

The Group is currently assessing the impact of adopting Ind AS 116 on the consolidated financial statements. It is intended to use most of the simplifications available under Ind AS 116.

b) Ind AS 12 Income Taxes (Amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that a Company shall recognize the income tax consequences of dividends in consolidated statement of profit and loss, other comprehensive income or equity according to where the Company originally recognized those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the Group pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the Group has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the Group is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) Group has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its consolidated financial statements.

c) Ind AS 109 Financial Instruments (Prepayment Features with Negative Compensation)

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its consolidated financial statements.

d) **Ind AS 19 Employee Benefits (Plan Amendment, Curtailment or Settlement)**
The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its consolidated financial statements.

e) **Ind AS 23 Borrowing Costs:**
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that a Group borrows generally when calculating the capitalization rate on general borrowings. The Group does not expect any impact from this amendment.

2.3 Principles of consolidation and equity accounting

i) Subsidiaries

a) The consolidated financial statements incorporate the financial statements of EPL and its subsidiaries.

b) Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date on which control ceases.

c) The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the parent i.e. year ended 31 March 2019.

d) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

e) Listed below are the subsidiaries considered in the CFS. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date that control ceases.

Name of the Subsidiaries	Proportion of interest (including beneficial interest) / voting power (either directly / indirectly through subsidiaries)		Country of incorporation
	2019	2018	
Direct Subsidiaries			
Arista Tubes, Inc. *	100%	100%	United States of America
Lamitube Technologies (Cyprus) Limited	100%	100%	Cyprus
Lamitube Technologies Limited	100%	100%	Mauritius
Step down Subsidiaries			
Egyptian Indian Company for Modern Packaging S.A.E.#	---	---	Egypt
Essel Propack MISR for Advanced Packaging S.A.E.	75%	75%	Egypt
Lamitube Hongkong Trading Company Limited #	---	---	Hong Kong
Essel Packaging (Guangzhou) Limited	100%	100%	China
Essel Packaging (Jiangsu) Limited	100%	100%	China
Essel Propack Philippines, Inc.	100%	100%	Philippines
MTL de Panama, S.A.	100%	100%	Panama
Arista Tubes Limited	100%	100%	United Kingdom
Essel Propack UK Limited	100%	100%	United Kingdom
Essel Deutschland Management GmbH	100%	100%	Germany
Essel Deutschland GmbH & Co. KG	100%	100%	Germany
Essel de Mexico, S.A. de C.V.	100%	100%	Mexico
Tubopack de Colombia S.A.S.**	100%	100%	Colombia
Essel Colombia S.A.S.	100%	100%	Colombia
Essel Propack LLC	100%	100%	Russia
Essel Propack Polska Sp. z.o.o.	100%	100%	Poland
Essel Propack America, LLC	100%	100%	United States of America

* 7.35% is held through Lamitube Technologies (Cyprus) Limited

Liquidated / deregistered during the previous year.

** Under liquidation

ii) Associate

a) Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

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b) Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of investments.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment.

c) List of investment in associate accounted for using "Equity method" is as under:

Name of the Associate	Extent of holding		Relationship	Country of Incorporation
	2019	2018		
P.T. Lamipak Primula	30%	30%	Associate	Indonesia

2.4 Summary of significant accounting policies

a. Property, plant and equipment

i) Free hold land is carried at cost. Other property, plant and equipment are stated at original cost of acquisition / installation (net of goods and services tax / cenvat credit availed) less accumulated depreciation and impairment loss, if any. Cost includes cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working condition for its intended use and estimated cost for decommissioning of an asset. Further, in respect of accounting periods commencing on or after 7 December 2006, exchange differences arising on revaluation of long-term foreign currency monetary items recognised in the consolidated financial statements till the period ending 31 March 2016 at rates different from those at which they were initially recorded during the period or reported in the previous financial statements, are added to or deducted from the cost of the assets and depreciated over the balance life of the asset, where these monetary items pertain to the acquisition of depreciable property, plant and equipment.

ii) Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) On transition to Ind AS, the group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment

i) **In case of parent company**

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on straight-line method over the useful life of asset as specified in Part-C of Schedule II to the Act. Depreciation is charged on pro-rata basis for asset purchased / sold during the year. Depreciation on the following assets is provided considering a shorter useful life as compared to Schedule II useful life, based on the management estimate in view of possible technology obsolescence and product life cycle implications.

Assets	Useful Life
Tooling, Moulds, Dies	7 Years
Hydraulic works, Pipelines and Slucies (HWPS)	10 Years
Overhauling of plant and machinery	5 Years

ii) **In case of subsidiaries and associate**

Depreciation on property, plant and equipment is provided at the rates adopted in the accounts of respective subsidiaries and associate as permissible under local laws on straight line basis from the time they are available for use, so as to write off their cost over the estimated useful life of the assets.

iii) Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

iv) Premium on leasehold land and leasehold improvements are amortised over the normal period of lease.

b. Goodwill and other intangible assets

i Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

ii Other intangible assets

a. Intangible assets are stated at cost of acquisition less accumulated amortisation. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss.

b. On transition to Ind AS, the group had elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

c. Intangibles assets with finite lives are amortised as follows:

- Softwares : ERP software 10 years and others 3 years
- Patents and commercial rights : 10 years

c. Impairment of non-financial assets

i) Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or change in circumstances indicate that they might be impaired.

ii) The carrying amounts of other non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the consolidated statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the consolidated statement of profit and loss if there has been a change in the estimate of recoverable amount.

d. Non-current assets held for sale

The Group classifies non-current assets as held-for-sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held-for-sale only if the management expects to complete the sale within one year from the date of classification. Non- current assets classified as held-for-sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held-for-sale are not depreciated or amortized.

e. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the tenure of such borrowings. All other borrowing costs are charged to the consolidated statement of profit and loss as finance costs. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs, in terms of Ind AS 23.

f. Financial assets

i) Recognition and measurement

The group at initial recognition measures a financial asset at its fair value plus transaction costs that are directly attributable to it's acquisition. However, transaction costs relating to financial assets to be subsequently valued at fair value through profit or loss (FVTPL) are expensed in the consolidated statement of profit and loss for the year.

The group subsequently recognises its financial assets either at FVTPL, fair value through other comprehensive income (FVOCI) or at amortised cost, based on the group's business model for managing the financial assets and their contractual cash flows. This has been explained below separately for debt instruments and equity instruments.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such instruments is recognised in the consolidated statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the consolidated statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of profit and loss. Interest income from these financial assets is included in interest income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at fair value through profit or loss. Gain and losses on fair value of such instruments are recognised in the consolidated statement of profit and loss. Interest income from these financial assets is included in other income.

Equity instruments

The group subsequently measures all equity instruments (other than investment in associate) at fair value. Where the group's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of profit and loss in the event of de-recognition. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value. Dividends from such investments are recognised in the consolidated statement of profit and loss as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the consolidated statement of profit and loss.

ii) Impairment of financial assets

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

iii) De-recognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

g. Derivatives and embedded derivatives

i) The group enters into certain derivative contracts (mainly foreign exchange forward contracts) to hedge risks, which are not designated as "hedges". Such contracts are accounted for at fair value through profit or loss and are recognised in the consolidated statement of profit and loss.

ii) Derivatives embedded in a host contract that are assets within the scope of Ind AS 109 or are closely related to the host contract, are not separated. Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.

h. Borrowings and other financial liabilities

i) Borrowings and other financial liabilities are initially recognised at fair value net of transaction costs incurred that are directly attributable to the acquisition of the financial liability.

ii) Subsequently recognition is done at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in finance costs in the consolidated statement of profit and loss.

iii) Borrowings and other financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit and loss.

i. Employee benefits

i) Short-term benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the consolidated statement of profit and loss for the year in which the related services are rendered.

ii) Defined benefit plans

a) Post-employment and other long-term employee benefits are recognised as an expense in the consolidated statement of profit and loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques.

b) Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in other comprehensive income in the period in which they occur.

iii) Defined contribution plans

Payments to defined contribution retirement benefit schemes are charged to the consolidated statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

j. Share based payments

Equity settled share based compensation benefits are provided to employees under the Essel Employee Stock Option Scheme 2014. The fair value of options granted under the Essel Employee Stock Option Scheme 2014 is recognised as an employee benefits expense with a corresponding increase in equity as “Share options outstanding account”. The total amount to be recognised is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity’s share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to hold shares for a specific period of time).

The total expenses are amortised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service and non-market performance vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit and loss, with a corresponding adjustment to equity. In case vested options are forfeited / expires unexercised, the related balance standing to the credit of the “Share options outstanding account” is transferred to “Retained earnings”.

k. Revenue recognition

i) Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue from sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer involving single performance obligation, which is generally at the time of delivery as per the contract. In case of exports, the control is deemed to be transferred when the goods are shipped. There is no continuing management involvement with the goods, and the amount can be measured reliably. It is measured at the fair value of the consideration received or receivable, inclusive of excise duty (upto 30 June 2017) and net of returns, trade discounts, volume rebates and value added tax/sales tax/goods and services tax (w.e.f. 1 July 2017).

Revenue from service charges

Revenue from services are recognized over period of time on performance of obligation as per the terms of the agreement. However, revenue from services comprising of development of art work and such other services, involving single performance obligation, are recognised at a point in time.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which the Group will be entitled in exchange for transferring the promised goods or services to the customer. Where customers are provided with discounts, rebates etc, such discounts and rebates will give rise to variable consideration. The Group follows the 'most likely amount' method in estimating the amount of variable consideration.

Contract balances

a) **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised. Contract liabilities are recognised as revenue when the Group performs under the contract.

b) **Trade receivables**

A receivable represents the Group's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date.

ii) Export incentives / benefits are accounted on accrual basis.

iii) Dividend income is recognised when right to receive the payment is established by the balance sheet date.

iv) Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method and shown under interest income in the consolidated statement of profit and loss.

l. Government grants

i) Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

ii) Government grants relating to income are deferred and recognised in the consolidated statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income.

iii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the consolidated statement of profit and loss on a straight-line basis over the expected lives of the related assets, and presented within other income.

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m. Inventories

i) Inventories are valued at lower of cost or estimated net realisable value.

ii) Cost of raw materials, packing material and stores and spares are determined on moving average cost method.

iii) Cost of finished goods and goods-in-process includes cost of direct materials, labour and other manufacturing overheads.

n. Foreign currency transactions

i) Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Essel Propack Limited's functional and presentation currency.

Transactions denominated in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the date of transaction.

ii) Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

iii) Exchange differences, in respect of accounting periods commencing on or after 7 December 2006, arising on reporting of long-term foreign currency monetary items recognised in the consolidated financial statements till the period ending 31 March 2016 at rates different from those at which they were initially recorded or reported in previous CFS, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset. Any other income or expense on account of exchange difference either on settlement or on restatement is recognised in the consolidated statement of profit and loss.

iv) The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

v) On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to consolidated statement of profit and loss, as part of the gain or loss on sale.

vi) Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

o. Income taxes

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the parent company and it's subsidiaries and associate operate and generate taxable income.

ii) Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

iii) Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

iv) Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associate where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

v) Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associate where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

vi) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

viii) Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

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p. **Leases**

Leases where the group is a lessee and has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

q. **Business combinations**

Business combinations are accounted for using the acquisition method as per Ind AS 103, "Business Combinations". The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

r. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to owners of the parent by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to owners of the parent and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s. **Provisions, contingent liabilities and contingent assets**

i) Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

ii) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

iii) A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group. The group does not recognize a contingent asset but discloses its existence in the consolidated financial statements.

t. Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

u. Contributed equity

Equity shares are classified as equity. Post transition to Ind AS with effect from 1 April 2015, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at bank and on hand and short term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents consists of cash and short term deposit, as defined above, net of outstanding bank overdraft but including other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

w. Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the group, such income or expenses is classified as an exceptional item and accordingly, disclosed in the consolidated financial statements.

3 SIGNIFICANT ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of CFS in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgement in applying the accounting policies, that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based on the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

i) Defined benefit obligation

The cost of post-employment and other long-term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The assumptions used are disclosed in note 52.

ii) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions refer note 58.

iii) Share-based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 53.

iv) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

v) Impairment of financial assets

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

vi) Taxes

The group periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. The group records its best estimates of the tax liability in the current tax provision. The management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

vii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes forming part of the consolidated financial statements but are not recognised.

4(a) PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Description of assets	Gross carrying amount						Depreciation/Amortisation						Net carrying amount
	As at 1 April 2018	Additions	Disposals	Assets held for Sale (Refer note 17)	Translation adjustment	As at 31 March 2019	Upto 31 March 2018	For the year	Disposals	Assets held for Sale (Refer note 17)	Translation adjustment	Upto 31 March 2019	As at 31 March 2019
Freehold land	1,573	-	-	225	(36)	1,312	-	-	-	-	-	-	1,312
Leasehold land	302	-	-	-	-	302	24	8	-	-	-	32	270
Leasehold improvements	2,681	577	48	-	(17)	3,193	1,330	377	11	-	(6)	1,690	1,503
Buildings													
- Owned	16,419	5,168	-	230	(164)	21,193	3,360	834	-	76	(52)	4,066	17,127
- Leased	4,418	-	4,688	-	270	-	376	22	421	-	23	-	-
Plant and machinery													
- Owned	133,627	28,091	1,900	-	(805)	159,013	46,984	14,895	1,504	-	(533)	59,842	99,171
- Leased	1,914	-	-	-	-	1,914	852	284	-	-	-	1,136	778
Equipments													
- Owned	6,263	1,555	184	-	(107)	7,527	3,283	900	166	-	(90)	3,927	3,600
- Leased	103	-	-	-	-	103	68	23	-	-	-	91	12
Furniture and fixtures	2,492	561	19	-	(33)	3,001	1,178	315	3	-	(28)	1,462	1,539
Vehicles	16	-	-	-	-	16	9	2	-	-	-	11	5
Total (A)	**169,808**	**35,952**	**6,839**	**455**	**(892)**	**197,574**	**57,464**	**17,660**	**2,105**	**76**	**(686)**	**72,257**	**125,317**
4(b) Capital work-in-progress													**3,059**
4(c) Other intangible assets													
Software	3,030	177	9	-	(20)	3,178	1,841	538	0	-	(24)	2,355	823
Patents and Commercial rights	4,074	6	-	-	117	4,197	613	413	-	-	(2)	1,024	3,173
Total (B)	**7,104**	**183**	**9**	**-**	**97**	**7,375**	**2,454**	**951**	**-**	**-**	**(26)**	**3,379**	**3,996**
Grand Total (A+B)	**176,912**	**36,135**	**6,848**	**455**	**(795)**	**204,949**	**59,918**	**18,611**	**2,105**	**76**	**(712)**	**75,636**	**129,313**
4(d) Intangible assets under development													**1,067**

Notes:

(i) Buildings include roads, residential flats, tubewell, watertanks and share in co-operative society.

(ii) Additions to plant and machinery includes exchange difference of ₹ 96 lakhs capitalised during the financial year 2018-19.

(iii) For details of property, plant and equipment pledged as security, refer note 41.

(iv) Disposals in leased buildings represents transfer to owned Buildings.

4(a) PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

Description of assets	Gross carrying amount					Depreciation/Amortisation					Net carrying amount
	As at 1 April 2017	Additions	Disposals	Translation adjustment	As at 31 March 2018	Upto 31 March 2017	For the year	Disposals	Translation adjustment	Upto 31 March 2018	As at 31 March 2018
Freehold land	1,430	-	-	143	1,573	-	-	-	-	-	1,573
Leasehold land	276	-	-	26	302	14	7	-	3	24	278
Leasehold improvements	2,129	416	-	136	2,681	706	532	-	92	1,330	1,351
Buildings											
- Owned	14,633	616	96	1,266	16,419	2,408	682	11	281	3,360	13,059
- Leased	4,396	-	-	22	4,418	249	124	-	3	376	4,042
Plant and machinery											
- Owned	117,262	8,149	113	8,329	133,627	30,841	13,213	36	2,967	46,985	86,642
- Leased	2,429	-	517	2	1,914	1,055	284	490	3	852	1,062
Equipments											
- Owned	5,254	631	6	414	6,293	2,249	751	1	298	3,297	2,996
- Leased	103	-	-	-	103	45	23	-	-	68	35
Furniture and fixtures	2,148	161	2	155	2,462	825	238	2	103	1,164	1,298
Vehicles	8	7	-	1	16	8	-	-	1	9	7
Total (A)	**150,068**	**9,980**	**734**	**10,494**	**169,808**	**38,400**	**15,854**	**540**	**3,751**	**57,465**	**112,343**
4(b) Capital work-in-progress											**3,205**
4(c) Other intangible assets											
Software	2,434	406	-	190	3,030	1,253	470	-	118	1,841	1,189
Patents and Commercial rights	3,865	-	-	209	4,074	191	383	-	39	613	3,461
Total (B)	**6,299**	**406**	**-**	**399**	**7,104**	**1,444**	**853**	**-**	**157**	**2,454**	**4,650**
Grand Total (A+B)	**156,367**	**10,386**	**734**	**10,893**	**176,912**	**39,844**	**16,707**	**540**	**3,908**	**59,919**	**116,993**
4(d) Intangible assets under development											**961**

Notes:

(i) Buildings include roads, residential flats, tubewell, watertanks and share in co-operative society.

(ii) Additions to plant and machinery include exchange difference of ₹ 214 lakhs capitalised during the financial year 2017-18.

(iii) For details of property, plant and equipment pledged as security, refer note 41.

5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (REFER NOTE 54)

(₹ in lakhs)

	2019	2018
A) Unquoted		
i) Associate company		
2,100 (31 March 2018: 2,100) equity shares of USD 350 each of PT Lamipak Primula Indonesia (Extent of holding 30%)	508	508
Goodwill	514	514
Share of accumulated profits (including other comprehensive income)	288	504
Dividend received	(173)	(85)
	1,137	**1,441**
Add/(less): Share of profit/(loss) for the year (net of tax on distributable profits)	532	(104)
Share of other comprehensive income/(loss) for the year	10	(27)
Total	**1,679**	**1,310**

6 NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	2019	2018
(Unsecured, considered good)		
Security deposits		
- Related parties (Refer note 46)	519	471
- Others	454	879
Loans and advances to employees	-	8
Total	**973**	**1,358**

Security deposits are interest free non-derivative financial assets carried at amortised cost. These primarily include deposits given against rented premises and various deposits with government authorities. The carrying value may be affected by changes in the credit risk of the counter parties.

7 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in lakhs)

	2019	2018
Deposits with banks having original maturity period of more than twelve months*	30	20
Total	**30**	**20**

* Deposited with / lien in favour of various government authorities / banks

8 NON-CURRENT TAX ASSETS

(₹ in lakhs)

	2019	2018
Balances with Government authorities - Direct tax (net of provisions)	1,386	879
Total	**1,386**	**879**

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9 OTHER ASSETS

(₹ in lakhs)

		2019	2018
A	**Non-current**		
	Capital advances	2,109	3,266
	Prepaid expenses	390	397
	Balance with Government authorities - Indirect taxes (net)	517	462
	Total (A)	**3,016**	**4,125**
B	**Current**		
	Advances against goods and services	3,126	3,941
	Prepaid expenses	1,608	1,411
	Balance with Government authorities - Indirect taxes (net)	4,958	4,473
	Export benefits receivable	292	78
	Total (B)	**9,984**	**9,903**

10 INVENTORIES

(₹ in lakhs)

	2019	2018
Raw materials (includes goods in transit ₹ 1,775 lakhs, 31 March 2018: ₹ 1,644 lakhs)	12,244	10,071
Goods-in-process	6,346	6,394
Finished goods (includes goods in transit ₹ 371 lakhs, 31 March 2018: ₹ 248 lakhs)	5,783	5,345
Stores and spares	7,435	6,339
Packing materials	535	490
Total	**32,343**	**28,639**

Inventories were written down to net realisable value by ₹ 160 lakhs (31 March 2018: ₹ 131 lakhs). This amount is recognised as an expense during the year and included in "Changes in inventories of finished goods and goods-in-process" in the consolidated statement of profit and loss.

11 TRADE RECEIVABLES (UNSECURED)

(₹ in lakhs)

	2019	2018
Considered good	49,340	45,904
Credit impaired	704	651
	50,044	**46,555**
Less: Allowance for bad and doubtful debts	704	651
Total	**49,340**	**45,904**

Trade receivables are non-interest bearing and credit terms are generally 30 to 120 days. The Group's exposure to credit and currency risks related to trade receivables is disclosed in note 56.

12 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	2019	2018
Balance with banks in current accounts	8,765	10,629
Cheques on hand/remittances in transit	224	543
Deposits with banks having original maturity period upto three months	-	384
Cash on hand	46	18
Total	**9,035**	**11,574**

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	2019	2018
Unclaimed dividend accounts	97	87
Deposits with banks having original maturity period of upto twelve months	4,308	5,684
Total	**4,405**	**5,771**

14 CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	2019	2018
(Unsecured, considered good)		
Security deposits	318	532
Loans and advances to		
- Employees	81	117
- Others	1,979	10,629
Total	**2,378**	**11,278**

15 OTHER CURRENT FINANCIAL ASSETS

(₹ in lakhs)

	2019	2018
Deposits with bank having original maturity period of more than twelve months*	2	13
Government grants receivable	731	-
Insurance claim receivable (Refer note 42)	193	193
Derivative instruments at fair value through profit or loss - Foreign exchange forward contracts	3	41
Total	**929**	**247**

* Deposited with / lien in favour of various Government authorities / banks.

16 CURRENT TAX ASSETS

(₹ in lakhs)

	2019	2018
Balances with Government authorities - Direct tax (net of provisions)	534	78
Total	**534**	**78**

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17 ASSETS HELD FOR SALE

(₹ in lakhs)

	2019	2018
Building	154	-
Freehold land	225	-
Total	**379**	**-**

In January 2019, the Board of directors of the Company decided to sell land and building located at one of its factory units, which was not in use. The sale of said land and building concluded in April 2019 and has been reported as "Assets held for sale" as at 31 March 2019 as per Ind AS 105 "Non-current assets held for sale and discontinued operations".

18 EQUITY SHARE CAPITAL

(₹ in lakhs)

	2019	2018
Authorised		
350,000,000 (31 March 2018: 250,050,000) equity shares of ₹ 2 each	**7,000**	**5,001**
Issued		
315,300,740 (31 March 2018: 157,238,784) equity shares of ₹ 2 each	**6,306**	**3,145**
Subscribed and paid up		
315,243,620 (31 March 2018: 157,181,664) equity shares of ₹ 2 each fully paid up (Refer note (a) below)	6,305	3,144
Add: 57,120 equity shares of ₹ 2 each forfeited (Refer note (g) below)	1	1
Total	**6,306**	**3,145**

a) Reconciliation of number of shares outstanding (excluding forfeited shares)

	2019		2018	
	Number of equity shares	(₹ in lakhs)	Number of equity shares	(₹ in lakhs)
At the beginning of the year	**157,181,664**	**3,144**	**157,101,498**	**3,142**
Add/less: Changes during the year				
Allotted pursuant to issue of bonus shares (Refer note (d) below)	157,181,664	3,144	-	-
Allotted on exercise of employee share option	880,292	17	80,166	2
Outstanding at the end of the year	**315,243,620**	**6,305**	**157,181,664**	**3,144**

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholder holding more than 5% equity shares

Name of Shareholder	2019		2018	
	Number of equity shares*	Percentage of holding	Number of equity shares	Percentage of holding
Ashok Kumar Goel (Trustee - Ashok Goel Trust)	178,678,028	56.68%	89,339,014	56.84%
Ntasian Discovery Master Fund	17,761,867	5.63%	5,268,283	3.35%

* After considering issue of bonus equity shares (Refer note (d) below)

d) The Board of Directors at its meeting held on 26 April 2018, recommended issue of bonus equity shares, in the ratio of one equity share of ₹ 2 each fully paid up for every one equity share of the Company held by the shareholders as on a record date. The above issue of bonus shares has been approved by the shareholders in the annual general meeting held on 13 June 2018. Consequently, the Company allotted 157,181,664 equity shares of ₹ 2 each fully paid up bonus shares by capitalisation of securities premium amounting to ₹ 3,144 Lakhs.

e) There are no shares bought back or shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

f) For details of shares reserved for issue under the share based payment plan of the Company (Refer note 53).

g) Forfeited shares consist of 35,725 partly paid up equity shares and 21,395 fully paid up bonus shares forfeited in earlier years. The amount of ₹ 1 lakh in relation to the forfeiture will be transferred to reserves upon cancellation of these shares.

19 OTHER EQUITY

(₹ in lakhs)

	2019	2018
a) Capital reserve	**4,019**	**4,019**
b) Capital reserve on consolidation	**55,314**	**55,314**
c) Securities premium		
As per last balance sheet	11,118	10,987
Add (less): Amount received during the year on exercise of options	517	96
Transferred from share options outstanding account on exercise of options	192	35
Utilised towards issue of bonus equity shares (Refer note 18(d))	(3,144)	-
	8,683	**11,118**
d) Other reserves		
i) Debenture redemption reserve		
As per last balance sheet	2,250	2,250
Add: Transferred to retained earnings	(1,000)	-
	1,250	**2,250**
ii) Legal reserve		
As per last balance sheet	2,854	2,205
Add: Transferred from retained earnings	691	649
	3,545	**2,854**
iii) Share options outstanding account (Refer note 53)		
As per last balance sheet	333	725
Add/(less):		
Share based payment expense / (credit) (net)	-	(342)
Transferred to retained earnings on lapse of vested options	(62)	(15)
Transferred to securities premium on exercise of options	(192)	(35)
	79	**333**
iv) General reserve		
As per last balance sheet	**545**	**545**

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(₹ in lakhs)

		2019	2018
v)	**Retained earnings**		
	As per last balance sheet	43,869	31,956
	Add/(Less):		
	Profit for the year	19,253	17,160
	Item of other comprehensive income recognised directly in retained earnings		
	- Remeasurement gains/(losses) on defined benefit plan (net of tax)	(126)	(75)
	Transferred from / (to)		
	- Debenture redemption reserve	1,000	-
	- Legal reserve	(691)	(649)
	- Share options outstanding account on lapse of vested options	62	15
	Equity dividend paid	(3,772)	(3,770)
	Tax on equity dividend paid	(776)	(768)
		58,819	**43,869**
	Other comprehensive income		
vi)	**Foreign currency translation reserve**		
	As per last balance sheet	1,612	(7,245)
	Add / (Less) : Loss /(gain) reclassified to consolidated statement of profit and loss on liquidation of subsidiary	-	498
	Gain / (loss) during the year	(1,376)	8,359
		236	**1,612**
	Total	**132,490**	**121,914**

Nature and purpose of reserves

i) Capital reserve

Capital reserve represents capital surplus and not normally available for distribution as dividend.

ii) Securities premium

Securities premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

iii) Debenture redemption reserve (DRR)

The Company had issued redeemable non-convertible debentures and accordingly DRR is required to be created pursuant to the Companies (Share capital and Debentures) Rules 2014. DRR is required to be created, out of profits of the Company available for payment of dividend, upto an amount which is equal to 25% of the value of the debentures issued.

iv) Share options outstanding account

Represent the fair value at respective grant dates of options granted and outstanding for vesting/exercise, under Essel Employee Stock Option Scheme 2014. This balance will be transferred to share capital and security premium account as and when the options get exercised from time to time or to retained earnings in the event of forfeiture, non-vesting or lapse.

v) General reserve

These reserves are free reserves maintained by the group out of transfers made from annual profits.

vi) Retained earnings

Retained earnings represent the accumulated earnings net of losses if any made by the group over the years.

vii) Other comprehensive income

Other comprehensive income comprises of re-measurement gains/(losses) of defined benefit obligations, exchange differences on translation of financial statements of foreign operations, etc.

20 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

	2019	2018
Secured		
Nil (400) units of Redeemable Non-convertible debetnures of face value of ₹ 1,000,000 each [Refer note (a) (i) below]	-	4,013
Term loan from banks [Refer note (b) (i) below]	31,952	39,119
Finance Lease Obligations [Refer note (a) (ii) and b (ii) below]	342	4,885
	32,294	**48,017**
Unsecured		
500 (500) units of Redeemable Non-convertible debetnures of face value of ₹ 1,000,000 each [Refer note (a) (iii) below]	5,109	5,099
Term loan from banks [Refer note (a) (iv) and b (iii) below]	13,055	1,471
Buyers credit from banks [Refer note (a) (v) below]	866	3,433
Deferred sales tax loan [Refer note (a) (vi) below]	663	879
	19,693	**10,882**
	51,987	**58,899**
Less: Current maturities disclosed under "Other current financial liabilities" (Refer note 25)	5,058	13,977
Total	**46,929**	**44,922**

Nature of security and terms of repayments for long-term borrowings

a) In Parent Company

i)	Listed redeemable non-convertible debentures of ₹ Nil (31 March 2018: ₹ 4,013 Lakhs) are secured by pari passu first charge on all fixed assets of the Company (except all fixed assets situated at Chakan and land and building situated at Goa and Murbad). These debentures are further secured by way of security provided by other related party*.	These debentures carry interest rate at SBI Base Rate + 145 bps p.a. and are redeemable at par in 3 annual instalments commencing from 25 April 2019 in the ratio of 30:30:40 with a put/call option at the end of 3 1/2 years from date of issue and on each anniversary thereafter until redemption and put option in the event of downgrade of credit rating to BBB+ or below.These debentures are fully redeemed during the financial year 2018-19 by exercising the call option in accordance with the terms of the issue.
ii)	Finance lease obligations are secured by related leased assets.	Leases carry interest rate ranging from 12.36% to 13.50% p.a and are repayable in monthly installments. Finance lease liabilities are fully repaid in the financial year 2018-19.
iii)	Listed redeemable non-convertible debentures of ₹ 5,109 Lakhs (31 March 2018: ₹ 5,099 Lakhs) are unsecured.	These debentures carry interest rate at 1 year Treasury Bill YTM rate + 145 bps p.a. payable annually and are redeemable at par at the end of 3 years from the date of issue.
iv)	Term loan from bank ₹ 10,059 Lakhs (31 March 2018: ₹ Nil) is unsecured.	Term Loan from bank carry variable interest rate based on bench mark rate ie. MCLR of the bank with a put/call option at the end of every 12 months anniversary from the date of first disbursement and is repayable in 7 half yearly instalments starting from 18th month from the date of first disbursement.

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v)	Buyers credit from banks ₹ Nil (31 March 2018: ₹ 2,281 Lakhs) are against security provided and guarantee issued by other related party and ₹ Nil (31 March 2018: ₹ 1,152 Lakhs) are against security provided by other related party, buyer's credit of ₹ 866 Lakhs (31 March 2018: ₹ Nil) are unsecured.	Buyers credit from banks carry interest rate ranging from 0.50% to 3.27% p.a. based on prevailing benchmark rates and are repayable in maximum period of three years from the date of transaction.
vi)	Deferred sales tax interest free loans are repayable after a period of 10 to 14 years from the date of loan upto 2024-25.	

*Other related party i.e. Aqualand (India) Limited

b) In Subsidiaries

i)	Term loans from Banks of ₹ 31,952 Lakhs (31 March 2018: ₹ 39,119 Lakhs) in different currencies are secured by way of charge over fixed assets (excluding leased assets) and / or exclusive charge on the asset financed under the particular loan, inventory, book debts and other current assets of the respective subsidiary company, dividend escrow account, pledge of shares/interest of the overseas subsidiaries, subservient charge on moveable fixed assets and current assets of the Parent Company, corporate guarantee / letter of comfort of the parent Company / affiliate.	Repayable in specified instalment (Monthly, Quarterly, Half yearly and Yearly) repayable by 2024-25. Interest rate for USD denominated loans are ranging from 4.99% to 5.35% p.a. and EUR denominated loans are ranging from 0.99% to 1.95% p.a. linked to prevailing benchmark rates.
ii)	Finance lease obligations are secured by the related assets.	Colombian pesos denominated lease carry interest rate at 13.29% p.a. and repayable in monthly instalments. USD denominated lease is fully repaid in the financial year 2018-19.
iii)	Term Loan from Banks ₹ 2,996 Lakhs (31 March 2018: ₹ 1,471 Lakhs) are unsecured.	Colombian pesos denominated term loan carry interest rate 9.93% p.a. and is repayable in quarterly instalments by 2023-24. EUR denominated term loan from banks is fully repaid in the financial year 2018-19.

21 OTHER NON-CURRENT LIABILITIES

(₹ in lakhs)

	2019	2018
Deferred Government grants	1,284	1,309
Total	**1,284**	**1,309**

22 NON-CURRENT LIABILITIES - PROVISIONS

(₹ in lakhs)

	2019	2018
Employee benefits	1,415	1,374
Provision for contingencies	574	985
Total	**1,989**	**2,359**

23 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

	2019	2018
Secured {Refer note (a) and (b) below}		
Working capital loan from banks	8,522	8,137
	8,522	**8,137**
Unsecured		
Short-term loan from banks	2,307	3,314
Working capital loan from banks	434	93
Commercial paper	-	2,961
	2,741	**6,368**
Total	**11,263**	**14,505**

Nature of security:

Of the total secured short term borrowings

a) In Parent Company

₹ 2,341 Lakhs (31 March 2018: ₹ 2,738 Lakhs) are secured by first pari-passu charge on current assets of the Company.

b) In Subsidiaries

Working capital loan from Banks of ₹ 6,181 Lakhs (31 March 2018: ₹ 5,399 Lakhs) are secured by way of charge over fixed assets (excluding leased assets), inventory, book debts and other current assets of the respective subsidiary companies, corporate guarantee / letter of comfort of the parent Company, and pledge of shares of overseas subsidiary companies.

24 TRADE PAYABLES

(₹ in lakhs)

	2019	2018
Dues of micro enterprises and small enterprises	88	404
Dues of creditors other than micro enterprises and small enterprises		
- Acceptances	1,944	2,229
- Others	18,618	16,209
Total	**20,650**	**18,842**

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

	2019	2018
Current maturities of long term borrowings (Refer note 20)	4,947	13,562
Current maturities of long term finance lease obligations (Refer note 20)	111	415
Unclaimed dividend (Refer note 47)	97	87
Payable for capital goods		
- Micro enterprises and small enterprises	103	16
- Others	520	338
Employee benefits payable	3,056	2,622
Derivative instruments at fair value through profit or loss		
- Foreign exchange forward contracts	33	5
Other payables	10,910	10,685
Total	**19,777**	**27,730**

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26 OTHER CURRENT LIABILITIES

(₹ in lakhs)

	2019	2018
Contract liabilities - Advance from customers (Refer note 59)	371	315
Statutory dues	2,975	2,899
Deferred Government grants	456	460
Total	**3,802**	**3,674**

27 CURRENT LIABILITIES - PROVISIONS

(₹ in lakhs)

	2019	2018
Employee benefits	701	592
Total	**701**	**592**

28 CURRENT TAX LIABILITIES

(₹ in lakhs)

	2019	2018
Direct tax payable (net)	1,209	1,223
Total	**1,209**	**1,223**

29 REVENUE FROM OPERATIONS (Refer note 51)

(₹ in lakhs)

	2019	2018
Sale of products	266,556	241,370
Other operating revenues		
- Service charges	2,584	2,100
- Sale of scrap	1,026	853
- Export and other incentives	527	319
Total	**270,693**	**244,642**

30 OTHER INCOME

(₹ in lakhs)

	2019	2018
Interest on income tax refund	171	323
Government grants	741	527
Net gain on disposal of property, plant and equipment	-	115
Gain on sale of current investments	20	7
Miscellaneous income	810	346
Total	**1,742**	**1,318**

31 INTEREST INCOME

(₹ in lakhs)

	2019	2018
Interest income on financial assets at amortised cost		
- Loans	950	1,136
- Deposits	100	94
Unwinding of discount on security deposits	59	89
Total	**1,109**	**1,319**

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32 COST OF MATERIALS CONSUMED

(₹ in lakhs)

	2019	2018
Inventories at the beginning of the year	10,071	9,211
Purchases (net)	119,044	106,201
	129,115	**115,412**
Less: Inventories at the end of the year	12,244	10,071
Total	**116,871**	**105,341**

33 CHANGES IN INVENTORIES OF FINISHED GOODS AND GOODS-IN-PROCESS

(₹ in lakhs)

	2019	2018
Inventories at the end of the year		
Goods-in-process	6,346	6,394
Finished goods	5,783	5,345
Total (A)	**12,129**	**11,739**
Inventories at the beginning of the year		
Goods-in-process	6,394	5,682
Finished goods	5,345	4,376
Total (B)	**11,739**	**10,058**
Total (B-A)	**(390)**	**(1,681)**

34 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

	2019	2018
Salaries, wages and bonus	41,404	36,205
Contribution to provident and other funds	4,244	3,591
Gratuity	123	109
Share based payment (credit) / expense (net)(Refer note 53)	-	(342)
Staff welfare expenses	4,285	3,816
Total	**50,056**	**43,379**

35 FINANCE COSTS

(₹ in lakhs)

	2019	2018
Interest expense		
- Borrowings	4,851	3,997
- Defined benefit obligation	92	87
- Others	16	7
Exchange differences regarded as an adjustment to borrowing costs	88	111
Other borrowing costs	1,084	1,300
Total	**6,131**	**5,502**

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36 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

	2019	2018
Depreciation on property, plant and equipment	17,660	15,854
Amortisation of intangible assets	951	853
Total	**18,611**	**16,707**

37 OTHER EXPENSES

(₹ in lakhs)

	2019	2018
Stores and spares	5,845	5,289
Packing materials	9,729	8,333
Power and fuel	7,144	6,595
Job work / Labour charges	3,982	3,790
Lease rent		
- Factory premises	1,595	1,377
- Plant and equipment	572	948
Other manufacturing expenses	2,450	2,045
Repairs and maintenance		
- Buildings	265	210
- Plant and machinery	2,766	2,110
- Others	819	1,084
Rent	951	1,047
Rates and taxes	1,106	923
Insurance	419	368
Directors' sitting fees	14	10
Travelling and conveyance expenses	1,605	1,353
Professional and consultancy charges	1,745	1,458
Communication charges	444	426
Net loss on disposal of property, plant and equipment	101	-
Exchange difference (net)	234	800
Payment to auditors (Refer details below)	37	35
Bad and doubtful debts (net)	205	187
Expenditure towards corporate social responsibility (Refer note 49)	56	78
Donation	1	20
Freight and forwarding expenses	8,554	7,774
Commission	121	97
Miscellaneous expenses	3,484	2,506
Total	**54,244**	**48,863**

Payment to auditors for:		
Audit fees	21	21
Certifications (including fees for limited reviews)	16	14
Reimbursement of expenses	0	0
Total	**37**	**35**

38 FINANCE LEASE

The group has acquired plant and machinery and equipments under finance lease which are capitalized under property, plant and equipment. The minimum lease payments required under the finance lease that have initial or remaining non-cancellable lease terms in excess of one year as at 31 March 2019 and their present value are as follows:

(₹ in lakhs)

	2019	2018
Minimum lease payment as at 31 March		
Not later than one year	146	727
Later than one year but not later than five years	271	1,962
Later than five years	-	5,097
Total minimum lease payments	**417**	**7,786**
Less: Amount representing finance charges	75	2,901
Present value of minimum lease payments as at 31 March	**342**	**4,885**
Not later than one year	111	415
Later than one year but not later than five years	231	973
Later than five years	-	3,497

39 OPERATING LEASE

The group has taken factory and office premises, residential facilities, plant and machinery (including equipments) IT assets, vehicles etc. under cancellable / non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of these leases varies from eleven to one hundred and eight months. The rental obligations are as follows:

(₹ in lakhs)

	2019	2018
Lease rental charges for the year	3,118	3,355
Future lease rental obligation payable (under non-cancellable leases) as at 31 March		
Not later than one year	1,857	1,583
Later than one year but not later than five years	4,972	5,015
Later than five years	1,458	1,459
Total	**8,287**	**8,057**

40 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

a) Contingent liabilities

(₹ in lakhs)

		2019	2018
A	**Claims against the group not acknowledged as debts**		
(i)	Disputed indirect taxes	3,036	2,991
(ii)	Disputed direct taxes	2,099	3,809
(iii)	Deferred sales tax liability assigned	206	340
(iv)	Other claims not acknowledged as debts	43	50

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(₹ in lakhs)

		2019	2018
B	**Guarantees excluding financial guarantees**		
	Bank guarantees given by the group	297	278

(₹ in lakhs)

		2019	2018
C	**Other money for which the group is contingently liable**		
(i)	Unexpired letters of credit (net of liability provided)	73	40
(ii)	Duty benefit availed under EPCG scheme, pending export obligations	2,383	2,831

b) Commitments

(i) Capital commitments

(₹ in lakhs)

	2019	2018
Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	2,356	2,578

(ii) Other commitments

(₹ in lakhs)

	2019	2018
Estimated amount of contracts remaining to be executed other than on capital account, not provided for (net of advances)	4,214	2,640

41 COLLATERAL / SECURITY PLEDGED

The carrying amount of assets pledged as security for current and non-current borrowings of the group are as under:

(₹ in lakhs)

	2019	2018
Property, plant and equipment	78,149	74,998
Inventories	14,227	11,650
Other current and non-current assets excluding investments	37,650	46,981
Total assets charged	**130,026**	**133,629**

42 Insurance claim receivable of ₹ 193 lakhs (31 March 2018 : ₹ 193 Lakhs) is in respect of transit damage to certain plant and machinery, which is under litigation before National Consumer Dispute Redressal Commission, New Delhi (Refer Note 15).

43 ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakhs)

Sr. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss for the year		Share in Other Comprehensive Income / (loss) for the year		Share in Total Comprehensive Income / (loss) for the year	
		% of consolidated net assets	Amount	% of consolidated Profit	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated total comprehensive income	Amount
I	**Parent -**								
	Essel Propack Limited	49%	67,678	33%	6,404	7%	(121)	35%	6,283
II	**Subsidiaries - Foreign**								
1	Essel Propack America, LLC	28%	38,795	26%	5,160	-	-	29%	5,160
2	Lamitube Technologies Limited	44%	61,402	21%	4,077	13%	(232)	22%	3,845
3	Lamitube Technologies (Cyprus) Limited	3%	4,256	3%	666	-	-	4%	666
4	Essel Packaging (Guangzhou) Limited	31%	43,379	38%	7,387	-	-	41%	7,387
5	Essel Propack Philippines, Inc	1%	1,360	2%	387	1%	(18)	2%	369
6	MTL de Panama, S.A	2%	3,200	1%	199	-	-	1%	199
7	Arista Tubes Limited	-2%	(2,124)	0%	31	-	-	0%	31
8	Essel Propack UK Limited	1%	1,985	2%	399	-	-	2%	399
9	Essel de Mexico, S.A. de C.V.	2%	3,114	3%	661	-	-	4%	661
10	Tubopack de Columbia S.A.S.	1%	1,059	1%	207	-	-	1%	207
11	Essel Colombia, S.A.S.	0%	327	-2%	(421)	-	-	-2%	(421)
12	Essel Propack LLC (Russia)	1%	1,167	-2%	(388)	-	-	-2%	(388)
13	Essel Propack Polska Sp. z.o.o.	11%	14,855	6%	1,148	-	-	6%	1,148
14	Arista Tubes, Inc (Refer note (ii) below)	1%	2,079	0%	(1)	-	-	0%	(1)
15	Essel Packaging (Jiangsu) Limited	5%	7,366	3%	571	-	-	3%	571
16	Essel Propack MISR for Advanced Packaging S.A.E. (75%)	1%	1,651	5%	950	-	-	5%	950
17	Essel Deutschland GmbH & Co. KG	6%	7,999	9%	1,686	-	-	9%	1,686
18	Essel Deutschland Management GmbH	0%	51	0%	1	-	-	0%	1

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(₹ in lakhs)

Sr. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss for the year		Share in Other Comprehensive Income / (loss) for the year		Share in Total Comprehensive Income / (loss) for the year	
		% of consolidated net assets	Amount	% of consolidated Profit	Amount	% of consolidated Other Comprehensive Income	Amount	% of consolidated total comprehensive income	Amount
III	**Minority Interests**								
	Essel Propack MISR for Advanced Packaging S.A.E (25%)	0%	550	2%	317	-	-	2%	317
IV	**Associate**								
	Foreign								
	PT Lamipak Primula (30%)	1%	1,263	3%	630	-1%	17	4%	647

Note:

(i) Net assets / share of profit or loss of subsidiaries and associate are considered based on the respective audited / unaudited standalone financial statements without considering elimination / consolidation adjustments.

(ii) Excludes earnings of subsidiary, Essel Propack America, LLC included in standalone financial statements.

44 EXCEPTIONAL ITEMS (NET)

i) Exceptional items for the year ended 31 March 2019 represent expenses of ₹ 95 lakhs incurred towards relocation of manufacturing facilities of one of the overseas subsidiaries and write back of an amount of ₹ 400 lakhs being reversal of excess provision for contingency, which is no longer required.

ii) Exceptional items for the year ended 31 March 2018, of ₹ 489 lakhs represents exchange difference arising on translation of foreign operations of a subsidiary in Egypt earlier carried in consolidated equity, now reclassified to the consolidated statement of profit and loss, following liquidation of the said company in the previous year, in accordance with the requirements of Ind AS 21 "The Effects of Changes in Foreign Exchange Rates" and ₹ 9 lakhs being loss incurred on liquidation of the aforementioned subsidiary.

45 EARNINGS PER SHARE (EPS) *

	2019	2018
Profit for the year attributable to owners of the parent (₹ in lakhs)	19,253	17,160
Weighted average number of shares for Basic EPS (Nos.)	314,773,502	314,296,560
Weighted average number of shares for Diluted EPS (Nos.)	314,940,204	315,126,598
Nominal value of equity shares (₹)	2.00	2.00
Earnings per share		
Basic EPS (₹)	6.12	5.46
Diluted EPS (₹)	6.11	5.45

* Earnings per share for the previous year has been adjusted to give effect to the issue of bonus equity shares (Refer note 18(d)).

46 RELATED PARTY DISCLOSURES

a. List of related parties

i) Associate (Refer note 2.3(ii))

P.T. Lamipak Primula

ii) Other related parties with whom transactions have taken place during the year and balances outstanding at the year end

Aqualand (India) Limited, Ayepee Lamitubes Limited, Ganjam Trading Company Private Limited (merged with Vyoman Tradelink India Private Limited w.e.f 27 August 2018), Ebix Payment Services Private Limited (formerly known as ITZ Cash Card Limited), Shrotra Enterprises Private Limited, Essel World Leisure Private Limited.

iii) Key management personnel / Directors

Executive director	Mr. Ashok Goel (Chairman and Managing Director)
Independent director	Mr. Boman Moradian
Independent director	Mr. Mukund M. Chitale
Independent director	Ms. Radhika Pereira
Non - executive director	Mr. Atul Goel
Non - executive director	Mr. Ramesh Chander Gupta (w.e.f.14 March 2019)

b. Transactions with related parties

(A) Transactions during the year

(₹ in lakhs)

		2019	2018
a.	**Sales to and recoveries from**		
	Other related parties	**-**	**21**
	Shrotra Enterprises Private Limited	-	21
b.	**Purchase of goods and services**		
	Other related parties	**70**	**53**
	Ebix Payment Services Private Limited	68	53
	Essel World Leisure Private Limited	2	-
c.	**Rent expenses**		
	Other related parties	**1,072**	**1,017**
	Ayepee Lamitubes Limited	-	10
	Vyoman Tradelink India Private Limited	1,072	1,007
d.	**Guarantee commission paid**		
	Other related parties	**134**	**449**
	Aqualand (India) Limited	134	449
e.	**Repayment of deposits given**		
	Other related parties	**-**	**1,250**
	Ayepee Lamitubes Limited	-	1,250
f.	**Remuneration paid / provided**	**661**	**640**
	Mr. Ashok Goel	661	640

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(₹ in lakhs)

		2019	2018
g.	**Commission to directors**	**45**	**45**
	Mr. Boman Moradian	15	15
	Mr. Mukund M. Chitale	15	15
	Ms. Radhika Pereira	15	15
h.	**Sitting fees**	**10**	**7**
	Mr. Boman Moradian	3	3
	Mr. Mukund M. Chitale	4	2
	Ms. Radhika Pereira	3	2

(B) Balance outstanding

(₹ in lakhs)

		2019	2018
a.	**Deposits given**		
	Other related parties	**850**	**850**
	Vyoman Tradelink India Private Limited	850	850
b.	**Trade and other payables**		
	Other related parties	**132**	**38**
	Vyoman Tradelink India Private Limited	132	35
	Ayepee Lamitubes Limited	-	3
c.	**Guarantees / security provided on group's behalf**		
	Other related parties	**9,500**	**16,000**
	Aqualand (India) Limited	9,500	16,000
	[Loan outstanding ₹ Nil (31 March 2018 : ₹ 7,440 lakhs)]		
d.	**Remuneration payable**	**157**	**153**
	Mr. Ashok Goel	157	153
e.	**Commission payable (Gross)**	**45**	**45**
	Mr. Boman Moradian	15	15
	Mr. Mukund M. Chitale	15	15
	Ms. Radhika Pereira	15	15

Notes:

i) All transactions with related parties are made on arm's length basis in the ordinary course of business. The outstanding balances at year end are unsecured due to be settled for consideration in cash.

ii) Sprit Infrapower and Multiventures Private Limited (Formerly Sprit Textiles Private Limited) ceased to be a related party post F.Y. 2016-17 and accordingly not reported in the above disclosures for current as well as in the previous financial year.

iii) The above disclosures are excluding Ind AS adjustments

c. **Break up of remuneration of key management personnel of the Company**

(₹ in lakhs)

		2019	2018
	Chairman and Managing director		
i.	Salaries, allowances and perquisites ^	467	450
ii.	Contribution to provident and other funds	37	37
iii.	Performance bonus *	157	153
	Total	**661**	**640**

^ Excludes leave encashment and gratuity liability provided in the books on the basis of actuarial valuation on an overall Company basis. Further the Essel Employee Stock Option Scheme 2014 does not extend to chairman and managing director, hence there is no share based compensation benefit.

* The performance bonus for the current year has been provided in the accounts as recommended by the nomination and remuneration committee and approved by the Board of Directors. The total remuneration to Managing Director computed as per the Companies Act, 2013 is within limits prescribed u/s 197 of the Companies Act, 2013.

47 Dividend of ₹ 5 lakhs (31 March 2018 : ₹ 3 lakhs) unclaimed for a period of more than seven years is transferred to Investor Education and Protection Fund during the year. There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2019.

48 DIVIDENDS PAID AND PROPOSED

(₹ in lakhs)

		2019	2018
a.	**Dividends on equity shares declared and paid**		
	Final dividend paid in current year for the year ended 31 March 2018 ₹ 2.40 per share (Paid in previous year for the year ended 31 March 2017 : ₹ 2.40 per share)	3,772	3,770
	Dividend distribution tax on above	776	768
b.	**Proposed dividends on equity shares**		
	Final dividend proposed for the year ended 31 March 2019 ₹ 1.25 per share (31 March 2018 : ₹ 2.40 per share)	3,941	3,772
	Dividend distribution tax on above	984	776

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability (including dividend distribution tax thereon) as at the reporting date.

49 CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company has spent ₹ 56 lakhs (31 March 2018 : ₹ 78 lakhs) towards various CSR initiatives as against ₹ 209 lakhs (31 March 2018 : ₹ 179 lakhs) as required by Section 135 read with Schedule VII of the Companies Act, 2013. CSR expenses have been charged to the consolidated statement of profit and loss under "Other expenses" in line with ICAI guidance note issued in May 2015.

50 RESEARCH AND DEVELOPMENT EXPENDITURE (R & D)

During the year, the Company has incurred total R & D expenditure of ₹ 890 lakhs (31 March 2018 : ₹ 532 lakhs) including capital expenditure of ₹ 275 lakhs (31 March 2018 : ₹ Nil), out of which the Company has claimed weighted tax deduction on eligible R & D expenditure of ₹ 867 lakhs (31 March 2018 : ₹ 440 lakhs) including capital expenditure of ₹ 275 lakhs (31 March 2018 : ₹ Nil) under section 35(2AB) of the Income Tax Act, 1961.

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51 GOODS AND SERVICES TAX

Following the commencement of Goods and Services Tax (GST) with effect from 1 July 2017, revenue from operations for the period beginning 1 July 2017 is reported net of GST recovered, as required by Ind AS in case of parent company. However, prior to GST regime, excise duty recovered was included as part of revenue from operations for the reporting period till 30 June 2017 as required by Ind AS. Accordingly, the revenue from operations for the year ended 31 March 2019 are not comparable with the corresponding previous year figures presented in the consolidated financial statements. To facilitate comparison, the following additional information is being provided:

(₹ in lakhs)

	2019	2018
Revenue from operations as reported*	270,693	244,642
Excise duty included in above (till 30 June 2017)	-	2,254
Revenue from operations excluding excise duty	**270,693**	**242,388**

*Effective from 1 July 2017 following transition to GST, revenue is reported net of GST recovered.

52 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

The disclosures of employee benefits as defined in the Ind AS 19 - "Employee Benefits" are given below:

a. The Company makes annual contributions to the employees' gratuity fund scheme, a funded defined benefit plan which is managed by the LIC of India and HDFC Bank. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.

c. Details of post retirement gratuity plan for India are as follows:-

i. Net expenses recognised during the year in the consolidated statement of profit and loss

(₹ in lakhs)

	2019	2018
Current service cost	99	84
Interest cost	80	76
Net expenses recognised in the consolidated statement of profit and loss	**179**	**160**

ii Net expenses recognised during the year in other comprehensive income (OCI)

(₹ in lakhs)

	2019	2018
Actuarial (gains) / losses arising from changes in demographic assumptions	106	(6)
Actuarial (gains) / losses arising from changes in financial assumptions	21	83
Actuarial (gains) / losses arising from changes in experience assumptions	60	38
Expected return on plan assets excluding interest	(2)	(2)
Net expenses recognised in OCI	**185**	**113**

iii Net liability recognised in the consolidated balance sheet

(₹ in lakhs)

	2019	2018
Present value of obligation	1,844	1,569
Less : Fair value of plan assets	534	559
Liability recognized in consolidated balance sheet	**1,310**	**1,010**

iv. Reconciliation of opening and closing balances of defined benefit obligation

(₹ in lakhs)

	2019	2018
Defined benefit obligation as at the beginning of the year	1,569	1,304
Current service cost	99	84
Interest cost	123	100
Actuarial (gain) / loss on obligation	187	115
Benefits paid	(134)	(34)
Defined benefit obligation at the end of the year	**1,844**	**1,569**

v Reconciliation of opening and closing balance of fair value of plan assets

(₹ in lakhs)

	2019	2018
Fair values of plan assets at the beginning of the year	559	324
Interest income	44	24
Return on plan assets, excluding interest income	2	2
Employer contribution	63	243
Benefits paid	(134)	(34)
Fair value of plan assets at year end	**534**	**559**

vi Reconciliation of opening and closing balance of net defined benefit obligation

(₹ in lakhs)

	2019	2018
Net defined benefit obligation as at the beginning of the year	**1,010**	**980**
Current service cost	99	84
Interest cost (net)	80	76
Actuarial (gain) / loss on obligation	187	115
Return on plan assets, excluding interest income	(2)	(2)
Employer contribution	(64)	(243)
Net defined benefit obligation at the end of the year	**1,310**	**1,010**

vii. Investment details

(₹ in lakhs)

	2019	2018
Insurer Managed Funds	534	559

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viii. Actuarial assumptions

	2019	2018
Mortality Table	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate
Discount rate(per annum)	7.50%	7.87%
Expected rate of return on plan assets (per annum)	7.50%	7.87%
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	Service 4 years and below - 10%, others - 1%	Service 4 years and below - 10%, others - 1%

ix Quantitative sensitivity analysis

(₹ in lakhs)

	2019	2018
Projected benefit obligation on current assumptions	1,844	1,569
Increase by 1% in Discount rate	(56)	(96)
Decrease by 1% in Discount rate	61	111
Increase by 1% in Rate of Salary Increase	62	112
Decrease by 1% in Rate of Salary Increase	(57)	(99)
Increase by 1% in Rate of Employee Turnover	3	15
Decrease by 1% in Rate of Employee Turnover	(4)	(17)

x Maturity analysis of projected benefit obligation from the fund

(₹ in lakhs)

	2019	2018
Projected benefits payable in future years from the date of reporting		
1st Following Year	796	239
2nd Following Year	156	33
3rd Following Year	148	524
4th Following Year	144	49
5th Following Year	151	61
Sum of years 6 to 10	546	460
Sum of years 11 and above	591	1,916

Notes:

1 Amounts recognized as an expense and included in the Note 34 "Employee benefits expense" are gratuity ₹ 99 Lakhs (31 March 2018 ₹ 84 Lakhs) and leave encashment ₹ -10 Lakhs (31 March 2018 ₹ 153 Lakhs). Net interest cost on defined benefit obligation recognised in Note 35 under "Finance costs" is ₹ 79 Lakhs (31 March 2018 ₹ 76 Lakhs).

2 The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3 "Contribution to provident and other funds" which is a defined contribution plan is recognized as an expense in Note 34 of the consolidated financial statements.

d. Details of post retirement gratuity plan in respect of a subsidiary in Philippines are as follows:-

The Company has a funded, noncontributory defined benefit pension plan covering substantially all its regular employees (main plan) and an unfunded, noncontributory defined benefit pension plan covering officers (supplemental plan). The benefits are based on the years of service and compensation of the employees. The tables below summarize the components of net pension benefits cost recognized in profit or loss and the funding status and amounts recognized in the balance sheets for the respective pension plans.

i. Expenses recognised during the year in the statement of profit and loss

(₹ in lakhs)

	2019	2018
Current service cost	24	25
Interest cost	13	11
Net expenses	**37**	**36**

ii. Expenses recognised during the year in other comprehensive income (OCI)

(₹ in lakhs)

	2019	2018
Net actuarial (gain) / loss transferred to OCI	26	(38)

iii. Net liability recognised in the consolidated balance sheet

(₹ in lakhs)

	2019	2018
Fair value of plan assets	146	137
Present value of obligation	238	174
Liability recognized in the consolidated balance sheet	**92**	**37**

iv. Reconciliation of opening and closing balances of defined benefit obligation

(₹ in lakhs)

	2019	2018
Defined benefit obligation as at the beginning of the year	**174**	**202**
Current service cost	24	25
Interest cost	13	11
Actuarial (gain) / loss on obligation	(5)	(26)
Liability transferred in/ (paid)	22	(9)
Benefits paid	-	(21)
Exchange Adjustments	10	(8)
Defined benefit obligation at the end of the year	**238**	**174**

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v. Reconciliation of opening and closing balance of fair value of plan assets

(₹ in lakhs)

	2019	2018
Fair values of plan assets at the beginning of the year	**137**	**128**
Return on plan assets, excluding interest income	11	8
Actuarial gain / (loss) for the year	(10)	2
Employer contribution	-	25
Benefits paid	-	(21)
Exchange Adjustments	8	(5)
Fair value of plan assets at year end	**146**	**137**

vi Reconciliation of opening and closing balance of net defined benefit obligation

(₹ in lakhs)

	2019	2018
Defined benefit obligation as at the beginning of the year	**37**	**74**
Current service cost	24	25
Interest cost (net)	13	11
Actuarial (gain) / loss on obligation	5	(28)
Liability transferred in/ (paid)	22	(9)
Return on plan assets, excluding interest income	(11)	(8)
Employer contribution	-	(25)
Exchange Adjustments	2	(3)
Net defined benefit obligation at the end of the year	**92**	**37**

vii. Actuarial assumptions

	2019	2018
Discount rate(per annum)	6.53%	7.39%
Expected rate of return on plan assets (per annum)	5.23%	5.23%
Rate of escalation in salary (per annum)	6.00%	7.00%

viii. Quantitative sensitivity analysis

(₹ in lakhs)

	2019	2018
Projected benefit obligation on current assumptions	238	174
Increase by 0.5% in Discount rate	237	173
Decrease by 0.5% in Discount rate	239	175
Increase by 0.5% in Rate of Salary Increase	239	175
Decrease by 0.5% in Rate of Salary Increase	237	173
Increase by 0.5% in Rate of Employee Turnover	237	173
Decrease by 0.5% in Rate of Employee Turnover	239	175

Notes:

1 Amounts recognized as an expense and included in the Note 34 “Employee benefits expense” are gratuity ₹ 24 Lakhs (31 March 2018 ₹ 25 Lakhs) and net interest cost on defined benefit obligation recognised in Note 35 under ”Finance costs” is ₹ 13 Lakhs (31 March 2018 ₹ 11 Lakhs).

2 The estimate of future salary increases considered in the actuarial valuation, taking into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

53 SHARE-BASED PAYMENTS

Employee stock option plan

a) During the year 2014-15, the parent company had instituted an Essel Employee Stock Option Scheme 2014 ("the Scheme") as approved by the Board of Directors for issuance of stock options to the eligible employees of the Company and of its subsidiaries, other than directors, promoters or person belonging to promoter group.

Subject to terms and conditions of the Scheme, the said options vested on each of 1 July 2016, 1 July 2017 and 1 July 2018 to the extent mentioned in the letter of grant and can be exercised within a maximum period of four years from the date of vesting. When exercisable, each option is convertible into one equity share of ₹ 2 each fully paid up.

b) Summary of options granted under the Scheme

Currencies / Sensitivity	2019		2018	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	121.65	766,828	127.83	1,920,842
Add : Issue of bonus equity shares (Refer note 18(d))	-	766,828	-	-
Adjusted value and number of options	**60.83**	**1,533,656**	**127.83**	**1,920,842**
Exercised during the year (Refer note (i) below)	60.83	(880,292)	121.65	(80,166)
Forfeited/lapsed during the year				
- Non-vested options (Refer Note (ii) below)	-	-	134.96	(1,039,514)
- Vested options (Refer Note (iii) below)	60.83	(285,700)	121.65	(34,334)
Closing balance		**367,664**		**766,828**
Vested and exercisable	60.83	367,664	121.65	766,828

c) Expiry date and exercise prices of the share options outstanding at the end of the year:

Grant date	Expiry date	2019		2018	
		Exercise price (₹)	Nos of options	Exercise price (₹)	Nos of options
19 March 2015	30 June 2020	* 60.83	367,664	121.65	766,828
Total			**367,664**		**766,828**
Weighted average remaining contractual life of options outstanding at end of period			1.25		2.25

* Adjusted for bonus equity shares

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d) The fair value of each option granted is estimated on the date of grant using the black scholes model with the following assumptions

Scheme	
Grant date	19 March 2015
Weighted average fair value of options granted	49.20
Exercise price - before issue of bonus shares (₹)	121.65
Exercise price - after issue of bonus shares (₹)	60.83
Share price at the grant date before issue of bonus shares (₹)	116.50
Share price at the grant date after issue of bonus shares (₹)	58.25
Expected volatility	47.55%
Risk free interest rate	7.64%
Dividend yield	1.28%
Expected life of the options (years)	3.29 to 5.29

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

e) Expense arising from share based payments transactions

(₹ in lakhs)

	2019	2018
Expense / (credit) arising from share based payments (net) (Refer note 34)	-	(342)

Notes:

(i) The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2019 was ₹ 102.70 (31 March 2018 : ₹ 277.77)

(ii) Forfeited on account of non-market performance vesting conditions not achieved.

(iii) Lapsed on account of employees resigned without exercising.

54 INTEREST IN ASSOCIATE

The group has 30% interest in PT Lamipack Primula (associate) having its operations in Indonesia. The group's interest in the associate is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the group's investment in the associate is as under :

i) Summarised balance sheet is as under:

(₹ in lakhs)

	2019	2018
Current assets	12,541	9,627
Non-current assets*	9,281	7,648
Current liabilities	(12,550)	(10,532)
Non-current liabilities	(5,062)	(4,091)
Equity	**4,210**	**2,652**
Proportion of the Company's ownership (%)	30%	30%
Proportion of the Company's ownership (₹)	1,263	796
Add: Goodwill	514	514
Less: Tax on distributable profits	(98)	-
Carrying amount of the investments (Refer note 5)	**1,679**	**1,310**

*Non-current assets is net of adjustment for policy difference and is after excluding the effect of revaluation of property, plant and equipment done by the associate amounting to ₹ 2,026 lakhs as at 31 March 2019 and ₹ 2,612 lakhs as at 31 March 2018 to align with the Group's policy.

ii) Summarised statement of profit and loss is as under:

(₹ in lakhs)

	2019	2018
Total revenue	17,882	16,339
Profit for the year *	2,099	(348)
Other comprehensive income for the year	56	(119)
Total comprehensive income	**2,155**	**(467)**
Group's share of profit for the year (30%) [excluding tax on distributable profits of ₹ 98 Lakhs (31 March 2018: ₹ Nil)]	630	(104)
Group's share of Other comprehensive income (30%)	17	(36)

*Profit for the year is net of adjustment for policy difference and is after excluding the effect of depreciation on revaluation of property, plant and equipment done by the associate amounting to ₹ 457 lakhs as at 31 March 2019 and ₹ 448 lakhs as at 31 March 2018 to align with the Group's policy.

iii) Dividend received:

(₹ in lakhs)

	2019	2018
Dividend received from Associate	173	85

55 INCOME TAX

a) The major components of income tax for the year ended 31 March 2019 are as under:

i) Income tax related to items recognised directly in the consolidated statement of profit and loss during the year

(₹ in lakhs)

	2019	2018
Current tax		
Current tax on profits for the year	8,215	9,342
Adjustments for current tax of prior periods	(179)	(218)
Total current tax expense	**8,036**	**9,124**
Deferred tax		
Relating to origination and reversal of temporary differences	1,283	(233)
Income tax expense reported in the consolidated statement of profit and loss	**9,319**	**8,891**

ii) Deferred tax related to items recognized in Other Comprehensive Income (OCI) during the year

(₹ in lakhs)

	2019	2018
Deferred tax on remeasurements of the defined benefit plans	72	29
Deferred tax on share of OCI of associate	(4)	7
Deferred tax recognised in OCI	**68**	**36**

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b) Reconciliation of tax expense and the accounting profit for the year is as under:

(₹ in lakhs)

	2019	2018
Profit before tax	**28,858**	**26,312**
Income tax expense calculated at corporate tax rate*	**10,084**	**9,194**
Adjustments in respect of current income tax in respect of previous years	(179)	(218)
Utilisation of unrecognised deferred tax assets on unused tax losses	(76)	(208)
Tax effect on non-deductible expenses	584	1,859
Additional allowance for tax purpose	(709)	(1,077)
Effect of income that is exempted from tax	(407)	(171)
Effect of different tax rates	(133)	(449)
Other temporary differences	155	(39)
Income tax expense charged to the consolidated statement of profit and loss	**9,319**	**8,891**

* The tax rate used for reconciliation above is the corporate tax rate of 34.944% (31 March 2018 : 34.944%) payable by parent entity in India on taxable profits under Indian tax law.

c) Deferred tax relates to the following:

(₹ in lakhs)

		Consolidated balance sheet		Recognized in consolidated statement of profit and loss		Recognized in OCI	
		2019	2018	2019	2018	2019	2018
	Deferred tax liabilities (net)						
i)	**Taxable temporary differences**						
	Depreciation on property,plant and equipment and intangible assets	5,336	3,664	1,672	(717)	-	-
	Tax on undistributed profits of subsidiaries	1,124	944	180	200	-	-
	Unamortised ancillary borrowing costs	6	9	(3)	(24)	-	-
	Other taxable temporary differences	-	18	(18)	18		
		6,466	**4,635**	**1,831**	**(523)**	**-**	**-**
	Less : Deductible temporary differences						
	Employee benefits / expenses allowable on payment basis	1,156	873	(283)	(202)	-	-
	Allowance for bad and doubtful debts	215	196	(19)	(2)	-	-
	Other deductible temporary differences	-	-	-	217	-	-
		1,371	**1,069**	**(302)**	**13**	**-**	**-**
	Deferred tax liabilities (net) (a)	**5,095**	**3,566**	**1,529**	**(510)**	**-**	**-**

(₹ in lakhs)

	Consolidated balance sheet		Recognized in consolidated statement of profit and loss		Recognized in OCI	
	2019	2018	2019	2018	2019	2018
ii) Deferred tax assets (net)						
Deductible temporary differences						
Employee benefits / expenses allowable on payment basis	364	304	8	137	(68)	(36)
Unrealised profit on inter-company transactions	207	113	(94)	83	-	-
Unused tax losses	174	137	(37)	178	-	-
	745	**554**	**(123)**	**398**	**(68)**	**(36)**
Less : Taxable temporary differences						
Other taxable temporary differences	7	11	(4)	(1)	-	-
	7	**11**	**(4)**	**(1)**	**-**	**-**
Deferred tax assets (net) (b)	**738**	**543**	**(127)**	**397**		
Sub-total (a-b)			**1,402**	**(113)**		
Add: Foreign currency translation			(119)	(120)		
Deferred tax charge / (credit) recognised in the consolidated statement of profit and loss			**1,283**	**(233)**	**(68)**	**(36)**

d) The parent company and its subsidiaries have the following unused tax losses which arose on incurrence of capital losses and business losses under the Income Tax for which no deferred tax asset (DTA) has been recognised

(₹ in lakhs)

	2019	2018
Business loss	3,969	3,963
DTA on business loss	788	747
Capital loss	2,726	2,714
DTA on capital loss	635	632

56 FINANCIAL RISK MANAGEMENT

The group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk - Foreign currency; and
- Market risk - Interest rate

A Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including lease rental deposits, deposits with banks and other financial instruments. Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed.

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i) **Trade receivables**

The group extends credit to customers in the normal course of business. The group considers factors such as financial conditions / market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The group monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The group considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The group has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

ii) **The ageing analysis of the receivables (net of allowance for bad and doubtful debts) has been considered from the date the invoice falls due.**

(₹ in lakhs)

	2019	2018
Up to 3 months	48,955	44,133
3 to 6 months	337	1,345
More than 6 months	48	426
Total	**49,340**	**45,904**

iii) **The following table summarizes the change in the allowance for bad and doubtful debts :**

(₹ in lakhs)

As at 1 April 2017	**650**
Provided during the year	174
Amounts written off	(134)
Reversals of provision	(39)
As at 31 March 2018	**651**
Provided during the year	245
Amounts written off	(153)
Reversals of provision	(39)
As at 31 March 2019	**704**

The Group uses a provision matrix whereby trade receivables are considered impaired based on past trends where such receivables are outstanding for more than a year. The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2019 and 31 March 2018 is not material and the same has not been recognised. The reversal for lifetime expected credit loss on customer balances for the year ended 31 March 2019 is ₹ Nil (31 March 2018: ₹ Nil)

iv) **Other financial instruments**

The group considers factors such as track record, size of the institution, market reputation, financial strength / rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the group has also availed borrowings. Security deposits against leasing of premises / equipments are refundable upon closure of the lease and hence credit risk associated with such deposits is relatively low.

B Liquidity risk

i) Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time or at a reasonable price. For the group, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables, derivative instruments and other financial liabilities.

The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debts and overdraft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

ii) **Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

As at 31 March 2019

Maturities of non – derivative financial liabilities (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Long term borrowings	4,925	44,585	2,785	52,295
Short term borrowings	11,127	-	-	11,127
Interest payable	2,979	4,982	113	8,073
Trade payables	20,650	-	-	20,650
Other financial liabilities	14,686	-	-	14,686
Total	**54,367**	**49,567**	**2,898**	**106,831**

Maturities of derivative financial liabilities (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Foreign exchange forward contracts	33	-	-	33
Total	**33**	**-**	**-**	**33**

As at 31 March 2018

Maturities of non – derivative financial liabilities (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Long-term borrowings	13,853	38,342	4,018	56,213
Short-term borrowings	17,504	-	-	17,504
Interest payable	2,318	5,095	1,908	9,321
Trade payables	18,842	-	-	18,842
Other financial liabilities	13,748	-	-	13,748
Total	**66,265**	**43,437**	**5,926**	**115,628**

Maturities of derivative financial liabilities (₹ in lakhs)

	Less than 1 year	Between 1 and 5 years	Beyond 5 years	Total
Foreign exchange forward contracts	5	-	-	5
Total	**5**	**-**	**-**	**5**

C Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligation provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

The group's activities expose it to risks on account of changes in foreign currency exchange rates and interest rates. The Group uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps of varying maturity depending upon the underlying contract as a risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

I Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. The Group is exposed to currency risk on their receivables, payables and foreign currency loans and advances held other than in their respective functional currencies. Such exposure is with respect to the United State Dollar ("USD"), the Euro ("EUR"), the Swiss Franc ("CHF"), the Pound Sterling ("GBP") and others. Consequently, the Group is exposed primarily to the risk that the exchange rate of the functional currency relative to the USD, the EUR, the CHF, the GBP and others may change in a manner that has a material effect on the reported values of the Group's assets and liabilities that are denominated in these foreign currencies.

The group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including minimising cross currency transactions, using natural hedge and use of derivatives like foreign exchange forward contracts in order to minimise the impact of exchange rate movements on the results. The unhedged exposures are monitored and kept to minimum feasible.

Exchange differences arising on translation are accumulated in the Foreign Currency Translation Reserve (FCTR) until the disposal of foreign operations.

a) Foreign currency risk exposure

(₹ in lakhs)

	2019					2018				
	USD	EUR	CHF	GBP	Others	USD	EUR	CHF	GBP	Others
Financial assets										
Trade receivables	7,896	3,422	47	313	2	5,547	2,005	74	61	-
Cash and bank balances	2,522	127	-	-	19	873	205	0	-	-
Others	447	72	-	-	389	253	56	-	-	230
Derivative assets										
Foreign exchange forward contracts	-	-	-	-	-	(13)	-	-	-	-
Net exposure to foreign currency risk (assets)	**10,865**	**3,621**	**47**	**313**	**410**	**6,660**	**2,266**	**74**	**61**	**230**
Financial liabilities										
Borrowings	393	1,444	461	-	-	370	1,002	1,245	-	-
Trade payables	6,727	3,087	381	978	699	4,838	2,897	-	743	491
Others	13	0	2	-	24	32	-	3	-	18
Derivative liabilities										
Foreign exchange forward contracts	(635)	-	(461)	-	(351)	(1,208)	-	(1,245)	-	(247)
Net exposure to foreign currency risk (liabilities)	**6,498**	**4,531**	**383**	**978**	**372**	**4,032**	**3,899**	**3**	**743**	**262**

The above table excludes foreign currency exposures (financial liabilities) of ₹ 3,063 lakhs (31 March 2018 : ₹ 6,768 lakhs) denominated primarily in USD, EUR, GBP and CHF currencies for which the exchange differences (net) are being capitalised to cost of property, plant and equipment. Accordingly the corresponding foreign exchange forward contracts against these financial liabilities amounting to ₹ Nil (31 March 2018 : ₹ 1,829 lakhs) have been excluded.

b) Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD, EUR, CHF, GBP and other currencies with all other variables held constant. The below impact on the group's profit before tax and equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

Currencies / Sensitivity	2019		2018	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
	(Loss) / Gain		(Loss) / Gain	
USD	218.34	(218.34)	131.44	(131.44)
EUR	(45.52)	45.52	(81.66)	81.66
CHF	(16.81)	16.81	3.56	(3.56)
GBP	(33.25)	33.25	(34.09)	34.09
Others	1.91	(1.91)	(1.59)	1.59

NOTES

forming part of the consolidated financial statements

II Interest rate risk

This refers to risk to group's cash flow and profits on account of movement in market interest rates.

For the group the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the group closely monitors market interest and as appropriate make use of hedge products such as interest rate swaps.

a) Interest rate risk exposure

(₹ in lakhs)

	2019	2018
Variable rate borrowings	62,759	62,725
Fixed rate borrowings	663	10,992
Total borrowings	**63,422**	**73,717**

b) Interest rate sensitivity

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis points increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All other parameters are held constant.

(₹ in lakhs)

	Impact on profit after tax	
	2019	2018
Interest rates - (increase) by 50 basis points	(314)	(314)
Interest rates - decrease by 50 basis points	314	314

57 CAPITAL MANAGEMENT

a) Risk management

The group manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / retire debt. The primary objective of the group's capital management is to maximise the shareholders' value.

For the purpose of the group's capital management, equity includes issued capital, securities premium and other reserves. Net debt includes loans less cash and bank balances. The group manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

(₹ in lakhs)

The capital composition is as follows:	2019	2018
Gross debt (inclusive of long term and short term borrowing)	63,422	73,717
Less: Cash and bank balances*	13,472	17,378
Net debt	**49,950**	**56,339**
Total equity (including non-controlling interest)	139,312	125,489
Total capital	**189,262**	**181,828**
Gearing ratio	**26%**	**31%**

* Including deposits with banks having original maturity period of more than 12 months of ₹ 32 lakhs (31 March 2018 ₹ 33 lakhs) shown under other non current financial assets.

b) Loan covenants

Borrowings contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, debt to EBITDA ratio, interest service coverage ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended once the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of adoption of the consolidated financial statements. The Group has also satisfied all other debt covenants prescribed in the respective sanction of bank loan. The deferred sales tax loans and finance leases do not carry any debt covenant.

58 FAIR VALUE MEASUREMENTS

i) Financial instruments by category:

(₹ in lakhs)

	2019		2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Loans	-	3,351	-	12,636
Other financial assets	-		-	
Trade receivables	-	49,340	-	45,904
Cash and bank balances*	-	13,472	-	17,378
Derivative instruments	3	-	41	-
Other financial assets	-	924	-	193
Total financial assets	**3**	**67,087**	**41**	**76,111**
Financial liabilities				
Borrowings (including current maturities)	-	63,250	-	73,404
Trade payables	-	20,650	-	18,842
Derivative instruments	33	-	5	-
Other financial liabilities	-	14,686	-	13,748
Total financial liabilities	**33**	**98,586**	**5**	**105,994**

* Including deposits with banks having original maturity period of more than twelve months of ₹ 32 lakhs (31 March 2018 ₹ 33 lakhs) shown under other non current financial assets.

ii) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table.

a) **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

b) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the group include interest rate swaps and foreign exchange forward contract.

c) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

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forming part of the consolidated financial statements

iii) Financial assets and liabilities measured at fair value through profit or loss at each reporting date

(₹ in lakhs)

	2019			2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at FVTPL						
Derivative instruments	-	3	-	-	41	-
Total	**-**	**3**	**-**	**-**	**41**	**-**
Financial liabilities measured at FVTPL						
Derivative instruments	-	33	-	-	5	-
Total	**-**	**33**	**-**	**-**	**5**	**-**

iv) Non-current financial assets and liabilities measured at amortised cost at each reporting date

(₹ in lakhs)

	2019		2018	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Loans	1,031	973	1,389	1,358
Other financial assets	30	30	17	20
Non-current financial liabilities				
Borrowings	46,929	46,929	44,922	44,922

a) The group's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

b) The fair values for "Non-current financial assets" comprising of lease rental deposits and bank deposits (due for maturity after twelve months from the reporting date) are based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs including counterparty credit risk.

c) The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, current loans, other current financial assets, current borrowings, trade payables and other financial liabilities approximates the fair values due to the short-term maturities of these financial assets / liabilities.

d) There have been no transfers between level 1, level 2 and level 3 for the years ended 31 March 2019 and 31 March 2018.

v) Valuation techniques used to determine fair value

The fair value of foreign exchange forward contracts is determined using forward exchange rates at the balance sheet date. The fair values of the remaining financial instruments is determined using discounted cash flow method.

59 DISCLOSURES PERTAINING TO IND AS 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

a) Reconciliation of contract liabilities as at the beginning and at the end of the year

(₹ in lakhs)

	2019
Opening balance of contract liabilities	315
Add: Contract liabilities recognised during the year	1,266
Less: Revenue recognised out of contract liabilities	1,210
Closing balance of contract liabilities as at 31 March 2019	**371**

b) Revenue recognised during the year from performance obligations satisfied (or partially satisfied) in the previous period, is ₹ 127 lakhs

c) Disaggregated revenue by timing is as follows. Disaggregated revenue by geographical area is disclosed in note 61.

(₹ in lakhs)

Timing of transfer of goods/services	Sale of products*	Service charges	Total
Revenue recognised at a point in time	267,582	1,117	268,699
Revenue recognised over time	-	1,467	1,467

* Includes sale of scrap

d) Revenue reconciliation as per Ind As 115 is as under.

(₹ in lakhs)

	2019
Revenue from sale of goods as per the contracted price*	269,516
Less: Discounts/rebates given	1,934
Revenue recognised in the statement of profit and loss	**267,582**

* Includes sale of scrap

60 RECONCILIATION BETWEEN OPENING AND CLOSING BALANCES IN THE CONSOLIDATED BALANCE SHEET FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES AS REQUIRED BY IND AS 7 "STATEMENT OF CASH FLOWS" IS AS UNDER:

(₹ in lakhs)

	As at 31 March 2018	Cash inflows	Cash outflows	Non-cash changes		As at 31 March 2019
				Interest accured	Other changes (Refer notes below)	
Equity share capital	3,145	17	-	-	3,144	6,306
Securities premium	11,118	517	-	-	(2,952)	8,683
Non-convertible debentures (including current maturities)	9,112	-	(4,000)	(8)	5	5,109
Long-term borrowings (including current maturities)	44,902	17,525	(16,057)	44	122	46,536
Finance lease (including current maturities)	4,885	-	(4,543)	-	-	342
Short-term borrowings	14,505	28,378	(31,583)	(37)	-	11,263

Notes :

i) Other changes in equity share capital and securities premium are on account of issue of bonus equity shares and transfer from share options outstanding account on exercise of share options (Refer note 18(d) and 19).

ii) Other changes in borrowings are on account of amortisation of ancillary borrowing costs and exchange differences.

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forming part of the consolidated financial statements

61 (A) SEGMENT INFORMATION

The Company for evaluating group performance and for allocating resources based on analysis of various performance indicators, has identified four operative segments by geography.

Geographical segmentation:

(a) Africa, Middle East and South Asia (AMESA region) include operations in India and Egypt.

(b) East Asia Pacific (EAP region) includes operations in China and Philippines

(c) Americas region includes operations in United States of America, Mexico and Colombia.

(d) Europe region includes operations in Germany, United Kingdom, Poland and Russia.

Segment reporting as at and for the year ended 31 March 2019

Primary segment disclosure - Geographical segment

(₹ in lakhs)

	AMESA	EAP	Americas	Europe	Unallocated	Eliminations	Total
Revenue							
External sales and services	92,760	60,647	58,769	58,517	-	-	270,693
Inter-segment sales and services	3,203	6,083	119	-	83	(9,488)	-
Total revenue	**95,963**	**66,730**	**58,888**	**58,517**	**83**	**(9,488)**	**270,693**
Segment results	**12,721**	**10,473**	**8,180**	**1,790**	**(1,329)**	**(300)**	**31,535**
Add / (Less) :							
Other income (including interest income of ₹ 1,109 lakhs)							2,851
Exchange difference gain / (loss) (net)							(234)
Finance costs							(6,131)
Share of profit from associate							532
Profit before tax and exceptional items							**28,553**
Less : Exceptional items (net) (Refer note 44)							305
Profit before tax							**28,858**
Less: Tax expense							
Current tax							8,036
Deferred tax charge / (credit)							1,283
Profit after tax before non-controlling interest							**19,539**
Less: Non-controlling interest							286
Profit for the year attributable to owners of the parent							**19,253**

Other segment information:

(₹ in lakhs)

		AMESA	EAP	Americas	Europe	Unallocated	Eliminations	Total
1.	Segment assets*	80,973	60,055	46,368	57,234	13,022	(5,641)	252,011
2.	Segment liabilities	14,404	13,665	5,897	12,895	70,345	(4,507)	112,699
3.	Non current assets**	46,486	26,268	28,092	34,993	3,900	(475)	139,264
4.	Capital expenditure	13,849	4,263	7,988	4,427	-	(125)	30,402
5.	Depreciation and amortisation expense	7,708	3,748	2,835	4,243	162	(85)	18,611

Note :

* Segment assets - unallocated includes investments in associate of ₹ 1,679 lakhs.

** Non-current assets are excluding financial assets, deferred tax assets and investment in associate and joint ventures.

Segment reporting as at and for the year ended 31 March 2018

Primary segment disclosure - Geographical segment

(₹ in lakhs)

	AMESA	EAP	Americas	Europe	Unallocated	Eliminations	Total
Revenue							
External sales and services	91,616	53,221	48,846	50,959	-	-	244,642
Inter-segment sales and services	1,868	4,216	-	-	77	(6,161)	-
Total revenue	**93,484**	**57,437**	**48,846**	**50,959**	**77**	**(6,161)**	**244,642**
Segment results	**14,123**	**9,061**	**6,112**	**1,200**	**(401)**	**484**	**30,579**
Add / (Less) :							
Other income (including interest income of ₹ 1,319 lakhs)							2,637
Exchange difference gain / (loss) (net)							(800)
Finance costs							(5,502)
Share of profit from associate							(104)
Profit before tax and exceptional items							**26,810**
Add : Exceptional items (net) (Refer note 44)							(498)
Profit before tax							**26,312**
Less: Tax expense							
Current tax							9,124
Deferred tax charge / (credit)							(233)
Profit after tax before non-controlling interest							**17,421**
Less: Non-controlling interest							261
Profit for the year attributable to owners of the parent							**17,160**

NOTES
forming part of the consolidated financial statements

Other segment information: (₹ in lakhs)

		AMESA	EAP	Americas	Europe	Unallocated	Eliminations	Total
1.	Segment assets*	70,510	55,039	40,591	57,713	23,018	(2,660)	244,211
2.	Segment liabilities	13,734	10,782	6,470	11,463	78,243	(1,970)	118,722
3.	Non current assets**	40,488	25,695	20,848	36,367	4,726	(538)	127,586
4.	Capital expenditure	6,940	2,246	2,075	2,835	-	(42)	14,054
5.	Depreciation and amortisation expense	7,036	3,432	2,270	3,905	150	(86)	16,707

Note :

* Segment assets - unallocated includes investments in associate of ₹ 1,310 lakhs.

** Non-current assets are excluding financial assets, deferred tax assets and investment in associate and joint ventures.

61 (B) INFORMATION ABOUT MAJOR CUSTOMERS

There is one customer accounting for more than 10% of revenue, amounting to ₹ 30,147 lakhs (31 March 2018 ₹ 27,906 lakhs)

62 Previous year's figures have been regrouped / rearranged wherever necessary to correspond with current year's classifications / disclosures.

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2019

(₹ in lakhs)

		2019	2018
A.	**Cash flow from operating activities**		
	Profit before tax	**28,858**	**26,312**
	Adjustments for:		
	Depreciation and amortisation expense	18,611	16,707
	Share-based payment (credit)/expense (net) (Refer note 53)	-	(342)
	Interest expense	4,851	3,997
	Interest income	(1,050)	(1,230)
	Unwinding of discount on security deposits	(59)	(89)
	Loss / (Gain) on disposal of property, plant and equipment (net)	101	(115)
	Gain on sale of current investments	(20)	(7)
	Dividend on current investments	0	-
	Exceptional item (Refer note 44)	(400)	498
	Share of (profit) / loss from associate	(532)	104
	Bad and doubtful debts (net of provision)	205	187
	Deferred rent amortisation	71	95
	Government grants	(741)	(527)
	Amortisation of ancillary borrowing costs	143	286
	Remeasurement gains/(losses) on defined benefit plan	(211)	(75)
	Exchange adjustments (net)	(1,131)	1,579
	Operating profit before working capital changes	**48,696**	**47,380**
	Adjustments for:		
	(Increase) / decrease in trade and other receivables	(3,819)	(6,011)
	(Increase) / decrease in inventories	(3,704)	(4,041)
	Increase /(decrease) in trade and other payables	3,479	5,177
	Cash generated from operations	**44,652**	**42,505**
	Direct taxes paid (net of refunds)	(9,013)	(8,156)
	Net cash from operating activities (A)	**35,639**	**34,349**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment / intangible assets (including under progress)	(30,402)	(14,054)
	Sale of property, plant and equipment	375	309
	(Increase) / decrease in other bank balances	1,356	(3,681)
	Purchase of current investments	(9,150)	(17,205)
	Sale of current investments	9,170	17,212
	(Acquisition) / liquidation of subsidiaries	-	480
	Interest received	2,063	1,270
	Loan given repaid	7,628	-
	Dividend received from associate	173	85
	Net cash used in investing activities (B)	**(18,787)**	**(15,584)**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2019

(₹ in lakhs)

		2019	2018
C.	**Cash flow from financing activities**		
	Proceeds from issue of equity shares [including securities premium of ₹ 517 lakhs (31 March 2018: ₹ 96 lakhs)]	534	98
	Proceeds from issue of non-convertible debentures	-	5,000
	Redemption of non-convertible debentures	(4,000)	(5,000)
	Proceeds from long-term borrowings	17,525	-
	Repayment of long-term borrowings	(16,057)	(12,113)
	Proceeds from short-term borrowings	28,378	23,894
	Repayment of short-term borrowings	(31,583)	(18,202)
	Principal payment under finance lease	(4,543)	(565)
	Interest paid	(4,853)	(3,718)
	Ancillary borrowing cost incurred	(15)	(10)
	Dividend paid (including tax)	(4,538)	(4,524)
	Dividend paid to non-controlling interests	(239)	(254)
	Net cash used in financing activities (C)	**(19,391)**	**(15,394)**
	Net changes in cash and cash equivalents(A+B+C)	**(2,539)**	**3,371**
	Cash and cash equivalents at the beginning of the year	11,574	8,203
	Cash and cash equivalents at the end of the year	**9,035**	**11,574**

Notes:

1. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 60 of the consolidated financial statements.
2. Previous year figures are regrouped / rearranged wherever necessary.

As per our attached report of even date

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number 102860W/W100089

Ramaswamy Subramanian
Partner
Membership Number 016059
Place: Mumbai
Date: 7 May 2019

For and on behalf of the Board

Ashok Goel
Chairman & Managing Director

Boman Moradian
Mukund M. Chitale
Radhika Pereira
Atul Goel
Ramesh Chander Gupta
Directors

Vinay Mokashi
Chief Financial Officer

Suresh Savaliya
Company Secretary and Head - Legal

NOTE

Your beliefs become your thoughts,
Your thoughts become your words,
Your words become your actions,
Your actions become your habits,
Your habits become your values,
Your values become your destiny.

- Mahatma Gandhi

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complianceofficer@ep.esselgroup.com, www.esselpropack.com

Notice of Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting **(AGM)** of the Members of **Essel Propack Limited** will be held on Wednesday, **26 June 2019 at 11:00 a.m.** at the Company's registered office at P.O.Vasind, *Taluka* Shahapur, Thane 421604, to transact, with or without modifications, as may be permissible, the following business.

ORDINARY BUSINESS

1. To consider and adopt the audited **financial statements** including consolidated financial statements, for the financial year ended 31 March 2019 and in this regard, pass the following resolutions as an **Ordinary Resolutions**.

   (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31 March 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered, adopted and approved."

   (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended 31 March 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To declare **Dividend of ₹ 1.25** per equity share of face value of ₹ 2 each and in this regard to consider and pass the following resolution as an **Ordinary Resolution**.

   "RESOLVED THAT pursuant to the recommendations of the Board of Directors and applicable provisions of the Companies Act 2013, final dividend at ₹ 1.25 per equity share of face value of ₹ 2 each, on the paid-up equity share capital of the Company, for the financial year ended 31 March 2019, be and is hereby declared and approved for payment.

   RESOLVED FURTHER THAT the dividend be paid to the shareholders/members of the Company whose names appear in the Register of Members for physical shares and in the list of beneficiary position as on record date for demat shares furnished by the Depositories and who are entitled to such dividend, through electronic credit to bank accounts and other appropriate mode including through dividend warrants or demand drafts."

3. To appoint a director in place of **Mr. Atul Goel**, who retires from office by rotation and being eligible, offers himself for reappointment, as a Director and in this regard, to consider and pass the following resolution as an **Ordinary Resolution**.

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act 2013, Mr. Atul Goel, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. **To re-appoint Mr. Boman Moradian as an Independent Director and in this regard, to consider and pass the following resolution as a Special Resolution.**

   "RESOLVED THAT pursuant to the provisions of section 149, 150, 152 and other applicable provisions of the Companies Act 2013, read Rules and Schedule thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and applicable statutory provisions, **Mr. Boman Moradian** (DIN 00242123), be and is hereby appointed as an Independent Director of the Company to hold office for another term of five consecutive years with effect from 10 July 2019."

5. **To re-appoint Mr. Mukund Chitale as an Independent Director and in this regard, to consider and pass the following resolution as a Special Resolution.**

   "RESOLVED THAT pursuant to the provisions of section 149, 150, 152 and other applicable provisions of the Companies Act 2013, Rules and Schedule thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and applicable statutory provisions, **Mr. Mukund Chitale** (DIN 00101004), be and is hereby appointed as an Independent Director of the Company to hold office for another term of five consecutive years with effect from 10 July 2019."

6. **To re-appoint Ms. Radhika Pereira as an Independent Director and in this regard, to consider and pass the following resolution as a Special Resolution.**

"RESOLVED THAT pursuant to the provisions of section 149, 150, 152 and other applicable provisions of the Companies Act 2013, Rules and Schedule thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and applicable statutory provisions, **Ms. Radhika Pereira** (DIN 00016712) be and is hereby appointed as an Independent Director of the Company to hold office for another term of five consecutive years with effect from 10 July 2019."

7. **To appoint Mr. Ramesh Chander Gupta as a Director and in this regard, to consider and pass the following resolution as an Ordinary Resolution.**

"RESOLVED THAT pursuant to the provisions of section 152, 160 and applicable provisions of the Companies Act 2013 and Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including statutory modification or re-enactment thereof for the time being in force, **Mr. Ramesh Chander Gupta** (DIN 07531730), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

8. **Ratification to remuneration of cost auditor and in this regard to consider and pass, the following resolution as an Ordinary Resolution.**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of ₹ 1,21,000/- to **M/s. R. Nanabhoy and Co., Cost Accountants** (Registration Number 000010) the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March 2020, be and is hereby approved.

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

9. **To approve private placement of NCDs and/or Debt Securities and this respect to consider and pass the following resolution as a Special Resolution.**

"RESOLVED THAT pursuant to the provisions of section 42, 71 and other applicable provisions of the Companies Act 2013 (the Act), Rules made thereunder, SEBI (Issue and Listing of Debt Securities) Regulation 2008, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Foreign Exchange Management Act 1999, RBI Regulations, listing agreements entered into by the Company with stock exchanges (including statutory modifications or re-enactment thereof for the time being force), enabling provisions of the Memorandum and Articles of Association of Essel Propack Limited (the Company), provisions of the Companies Act 1956 to the extent applicable, other statutes, notifications, circulars, rules and regulations as may be applicable and subject to requisite approvals or permissions and subject to such conditions as may be prescribed while granting any approval or permission as may be agreed to by the Board, the approval and consent of the members of the Company be and is hereby accorded and the Board of the Company is hereby authorized to create, offer, issue and allot secured / unsecured redeemable non-convertible debentures (NCDs) and/or subordinated debenture, bonds, instruments and other debt securities (Debt Securities), provided that outstanding principle amount of Debt Securities shall not exceed ₹ 200 Crores, in one or more series, tranches, substitute/ swap and currencies, on a private placement basis, to one or more persons including bodies corporate, banks, financial institutions, mutual funds, other funds, NBFCs, agencies, trustees and other eligible persons in India and abroad, upon terms and conditions as the Board may consider proper and determine from time to time, in its discretion, and if necessary to convert or treat any borrowing, advance, facilities etc. in to or subscription to such NCDs / Debt Securities.

RESOLVED FURTHER THAT the Board of Directors of the Company (in this Resolution and statement referred to as the "Board" which term includes its committee), be and is hereby authorised to decide the terms and conditions of NCDs / Debt Securities including time of issue, price, interest, redemption, premium, discount, security, listing on stock exchange and all such terms as the Board may in its absolute discretion deem fit, to decide about utilization of issue proceed, to withdraw or abandon the issue, to appoint lead managers, underwriters, trustees, agents, guarantors, depositories, custodians, escrow banks, bankers, advisors and all such agencies and intermediaries as may be necessary and execute all such arrangements, agreements, offer documents, memorandum, undertakings, representations, documents, trust deed and writings that may be necessary in relation to this resolution, and do all such actions and deeds as may be necessary from time to time including to settle all matters, issues, difficulties or doubts that may arise at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board / Committee be and is hereby authorized to delegate all or any of the above powers to Committee or any Director, employees or agents of the Company and generally to do all acts, deeds and steps that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

By order of the Board
For **Essel Propack Limited**

Suresh Savaliya
Head– Legal & Company Secretary

7 May 2019, Mumbai

NOTES

1. **A member entitled to attend and vote at the Annual General Meeting (AGM or the Meeting) is entitled to appoint a proxy to attend and vote on a poll/ ballot instead of him/herself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting, either in person or through post.** A Proxy form is appended with the attendance slip.

   Members may refer proxy related provisions given in para 6 of the SS2 - secretarial standard on general meeting issued by the ICSI and approved by Central Government.

   Pursuant to provisions of Section 105 of the Companies Act, 2013, a person, can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company. Member holding more than ten percent of the total share capital of the company may appoint single person as proxy who shall not act as proxy for any other person or shareholder. The instrument appointing proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. The statement pursuant to section 102 of the Companies Act 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

3. If shares are held jointly, proxy form must be signed by all the members. If proxy form is signed by Authorized representative of body corporate or attorney, certified copy of Board resolution / power of attorney / other authority must be attached with the proxy form.

4. **Members are requested to bring their details of demat account (Client ID and DPID), folio number etc for easier identification of attendance at the meeting.**

5. Body Corporate members intending to send their authorized representative are requested to send a duly certified copy of the Resolution authorizing their representative to attend and vote at the Meeting.

6. Relevant documents referred to in the accompanying notice and explanatory statements are open for inspection by the members at the registered office and corporate office of the Company on all working days between 11.00 a.m. and 2.00 p.m. and will also be made available at the meeting.

7. **Record Date:** Record Date for the purpose of dividend shall be 12 June 2019 for determining entitlement of members to dividend for the financial year ended 31 March 2019. The dividend on equity shares, if declared at the Meeting as recommended by the Board of Directors, will be credited / dispatched within statutory timeline, to those members whose names appear on the Company's Register of Members on the Record Date; in respect of the shares held in dematerialised mode, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners or member as on that date.

   If circumstances warrant or necessary to meet the statutory requirement to change the above dates, same would be posted on the website of the Company.

8. The dividend, if approved, will be paid by crediting in to the bank account, as provided by NSDL and CDSL

through ECS or NECS or electronic transfer, of those shareholders holding shares in electronic form/demat. In respect to shareholders holding shares in physical form or in case of ECS, NECS, or electronic payment rejected, dividend will be paid by dividend warrant or demand draft.

9. Members are requested to notify immediately any change in their address, bank account details and email id to their respective Depository Participants (DPs) in respect of shares held in electronic (demat) mode and in respect of physical mode, to the Registrar & Share Transfer Agent of the Company.

10. **Direct credit of dividend / ECS:** Under this system the shareholders get the credit of dividend directly in their designated bank account. This ensures direct and immediate credit with no chance of loss of dividend instrument in transit. To avail this facility, the members are requested to update with their DP, the active bank account details including 9 digit MICR code and IFSC code, in case the holding is in dematerialized mode. In case of shares held in physical mode, the said details may be communicated to the Company or Share Transfer Agent, by quoting folio number and attaching a photocopy of the cheque leaf of the active bank account along with a self-attested copy of the PAN card.

11. **Provide PAN, Bank details etc:** Pursuant to SEBI mandates (circular dated 20 April 2018) shareholders mandatorily need to provide to the Company or Share Transfer Agent (STA) their PAN and Bank Account details. If you have not furnished so far, please provide self-attested copy of PAN card, cancelled cheque with bank detail. To update your current address, provide self-signed copy of latest address proof (aadhar card, passport, driving license, election voter card or utility bill in the name of sole or first holder. You may visit our website or contact secretarial department of the Company for further guidance.

12. **No share transfer in physical form:** SEBI vide its notification dated 8 June 2018 has amended regulation 40 of SEBI (LODR) Regulation 2015 and accordingly as per the amended regulation transfer of shares or securities shall be mandatory in demat form. Therefore any request for transfer of shares or securities in physical form (transfer deeds with share certificate) is not allowed to accept and process after 1 April 2019. In this Regard, Members are requested to dematerialize / demat their shares or securities held in physical form.

13. **Nomination:** Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to section 72 of the Companies Act 2013 read with relevant rules. Members desiring to avail of this facility may send their nomination in the prescribed form no. SH13 duly filled in and signed to the Company or RTA.

    Member may contact secretarial department on 022 2481 9000/9200 for guidance to avail facilities or matters as mentioned in this Notice.

14. **Communication through e-mail:** As responsible citizens of the world, we would like to do our bit to protect our environment and reduce our carbon footprint. We request our valued shareholders to join us in our endeavor to save the planet by registering their email ids to receive all communication electronically. This would also be in conformity with the legal provisions.

    It may be noted that the Company would communicate important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective members. Further information in this respect is also posted on website of the Company www.esselpropack.com

    To support green initiative, members who have not registered their e-mail address so far, are requested to register the same in the following manner.

    a. In respect of electronic/demat holdings, through concerned Depository Participant (DP).

    b. Members who hold shares in physical form are requested to send their email address to complianceofficer@ep.esselgroup.com quoting name and folio number.

    This initiative would enable the members to receive communication promptly besides paving way for reduction in paper consumption and wastage. You would surely appreciate your Company's desire to participate in the Green Movement initiative. In case of any change in the email address, shareholders can update it in the same manner as mentioned above.

15. Members / Proxy holders shall hand over the attendance slips, duly signed and filled in all respect, at the entrance for attending the meeting. Route map of venue of AGM is given in this Notice.

16. Members desirous of any information or queries on accounts or relevant reports are requested to send their queries at least ten days in advance to the Company at its corporate office address to enable the Company to collect the relevant information and answer them in the meeting.

17. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.

18. **Unclaimed Dividend:** Shareholders are requested to note that dividends, which are not encashed and remain unpaid / unclaimed for seven years from the date it become due for payment, will be transferred to the Investors education and protection fund (IEPF) established by Central Government as per section 125 of the Companies Act 2013.

    Accordingly, the dividend declared for the financial year ended 31 March 2012 is due for transfer to IEPF. **Members are requested to Contact Company or RTA immediately to encash the unclaimed dividend.**

    The Company has uploaded the details of unpaid / unclaimed dividend on the website of the Company www.esselpropack.com

19. **Shares due to transfer to IEPF:** Equity shares in respect to which dividend has not been encashed for seven consecutive years or more will be required to transfer to Investors education & protection fund (IEPF) pursuant to section 124(6) of the Companies Act 2013. Relevant details in this respect are posted on the Company's website www.esselpropack.com in investors section.

    The Company has sent communication in this respect to concerned shareholders from time to time as may be necessary. Shareholders are requested to Contact Company or RTA to encash the unclaimed dividend and in case any pending legal disputes, provide certified copy of order from court / authority restraining transfer, payment of dividend etc.

20. **PROCEDURE OF VOTING AT AGM**

    Members who do not vote by e-voting are entitled to vote at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

    Voting to the resolutions as contained in the Notice shall be conducted through ballot/poll or other appropriate process. Relevant facility for voting shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting. Members who are entitled to vote can cast their vote through ballot paper in the AGM. The Company will make arrangement in this respect including distribution of ballot papers under the supervision of a scrutinizer appointed for the purpose. Members will need to write on the ballot paper, inter alia, relevant Folio No, DP ID & Client ID No. and number of shares held etc.

21. **E-VOTING FACILITY**

    Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), section 108 of the Companies Act 2013 and Companies (Management and Administration) Rules 2014, the Company is providing the facility to members to exercise their right to vote by electronic means by remote e-voting facility (e-voting) and accordingly business/resolutions as mentioned in the AGM Notice shall be transacted also considering e-voting. Necessary arrangements have been made by the Company with NSDL to facilitate e-voting. The Company has appointed Mr. Dharmesh Zaveri of D M Zaveri & Co., Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of votes cast, in a fair and transparent manner. The Company may vary dates as mentioned herein and scrutinizer, if necessary to meet the compliance or if circumstances so warrant.

    For the purpose of dispatch of this notice, shareholders of the Company holding shares either in physical form or in dematerialized form as on 24 May 2019, have been considered. Any person, who acquires shares of the Company and becomes member of the Company after the said date, may obtain login ID and password by sending a request at evoting@nsdl.co.in or Share Transfer Agents at investor@bigshareonline.com

    The Members whose names appear in the Register of Members/list of Beneficial Owners as received from Depositories as on 21 June 2019 ("cut-off date") are entitled to vote on the resolutions set forth in this Notice. Person who is not a member as on the said date should treat this Notice for information purpose only.

    The e-voting period will commence on 23 June 2019 (9:00 a.m.) and will end on 25 June 2019 (5:00 p.m.). During the said period, shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

    On submission of the report by the scrutinizer, the result of voting at the meeting and e-voting shall be declared. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.esselpropack.com and on the website of NSDL. Result will be declared forthwith on receipt of the Report of the Scrutinizer.

The Members must read the detailed procedure on electronic voting provided below.

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

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

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

Details on Step 1 is mentioned below - Log-in to NSDL e-Voting website

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

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

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

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address. (printed in/overleaf of attendance slip)

6.	If you are unable to retrieve or have not received the " Initial password" or have forgotten your password: a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com. b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com. c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7.	After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8.	Now, you will have to click on "Login" button.
9.	After you click on the "Login" button, Home page of e-Voting will open.
Details on Step 2 is given below: To cast your vote electronically on NSDL e-Voting system	
1.	After successful login at Step 1, you will be able to see the home page of e-Voting. Click on e-Voting. Then click on Active Voting Cycles.
2.	After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3.	Select "EVEN" of company for which you wish to cast your vote.
4.	Now you are ready for e-Voting as the Voting page opens.
5.	Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6.	Upon confirmation, the message "Vote cast successfully" will be displayed.
7.	You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
Once you confirm your vote on the resolution, you will not be allowed to modify your vote	
General Instructions to Shareholders	
1.	Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@dmzaveri.com with a copy marked to evoting@nsdl.co.in
2.	It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3.	For any queries/grievances or guidance for e-voting, you may refer to the 'Frequently Asked Questions' (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or write an email to evoting@nsdl.co.in or Mr. Suresh Savaliya, Company Secretary on 022 24819000/9200 or complianceofficer@ep.esselgroup.com at corporate office.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4, 5 and 6 - Reappointment of Independent Directors

Section 149 of the Companies Act 2013 (the Act) and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (the Listing Regulations) inter alia prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of upto five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act, Rules and Schedule thereunder and Listing Regulations / erstwhile Clause 49 of the Listing Agreements with the stock exchanges. Their first term of appointment of five years is being expired on 9 July 2019 (first term).

Nomination and Remuneration Committee and the Board of the Company has considered performance evaluation of every aforesaid directors, their experience, qualifications and contribution made by them during their tenure, appropriate balance of skills, experience and knowledge among the Board members and accordingly recommended reappointment of Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira as Independent Directors for a second term of five consecutive years on the Board of the Company. Continued association of the aforesaid Independent Directors would be beneficial to the Company, guide to the Board and it is desirable to continue to avail their services as independent directors.

While recommending the said appointment, the Board has also considered the relevant criteria, attributes and policy on diversity. Remuneration of the said directors shall as may be determined by the Board and/or shareholders from time to time pursuant to the applicable provision of the Act and Listing Regulations.

In the opinion of the Board, Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira fulfils the conditions for appointment as Independent Director as prescribed in the Act and Listing Regulations and they are independent of the management. If necessary to meet the compliance with the Act or Listing Regulations, the Board may determine the term to the extent permitted as per applicable statutory provision.

Accordingly, it is proposed to reappoint Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira as Independent Directors of the Company, not liable to retire by rotation, and to hold office for second term of five consecutive years on the Board of the Company effective from expiry of the first term.

Profile and other relevant details of the aforesaid Directors are given in the "Report on Corporate Governance" and in this Notice.

Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira are neither relatives of each other nor relative of any Director of the Company.

The Company has received declarations from aforesaid Directors that they meet with the criteria of independence as prescribed in Section 149 of the Act and under the Listing Regulations. The Company has received notice from member proposing their reappointment, necessary disclosures, confirmation etc in relation to the aforesaid appointment pursuant to the applicable provisions of the Companies Act 2013, Rules thereunder and the Listing Regulations.

The Board recommends the Special Resolutions as set out in the Notice in relation to aforesaid matter for approval by the members of the Company.

Mr. Boman Moradian, Mr. Mukund Chitale and Ms. Radhika Pereira being appointees are interested in the resolutions as set out in the Notice with regard to their respective appointments. The appointee and their respective relatives may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Except as mentioned above, none of the Directors and key managerial personnel of the Company and their relatives is interested or concerned, financial or otherwise, in the resolutions for the above matter.

Copy of draft letters of appointment of aforesaid Directors setting out the terms and conditions of appointment are available for inspection by the members at the registered office and corporate office of the Company.

This statement may also be regarded as disclosure and compliance under the Listing Regulations and/or applicable statutory provisions.

Item No. 7: Appointment of Mr. Ramesh Gupta as a Director

The Nomination and Remuneration Committee recommended and the Board of the Company has appointed, pursuant to the provisions of Section 161(1) of the Companies Act 2013 (the Act) and the Articles of Association of the Company, Mr. Ramesh Gupta as an Additional Director of the Company with effect from 14 March 2019. In terms of the provisions of Section 161(1) of the Act, Mr. Gupta would hold office up to the date of the ensuing Annual General Meeting.

The Board considers that keeping in view wide range of experience of Mr. Gupta, his appointment and continuance with the Company would be guide to the Board and benefit to the Company and it is desirable to avail his service as a Director. The proposed appointment of Mr. Gupta is in the category of 'non independent and non-executive'.

Profile of Mr. Ramesh Gupta including nature of expertise, directorship in other companies, shareholding and other relevant details are provided in this Notice. He is not related to any Director or key managerial personnel of the Company in any way.

The Company has received from Mr. Gupta, the consent to act as a director, necessary disclosures, notice for candidature, confirmation etc. in relation to the aforesaid appointment pursuant to the applicable provisions of the Companies Act 2013 and Rules thereunder.

Mr. Gupta is not disqualified from being appointed as Director in terms of applicable provision of section 164 of the Companies Act 2013.

Mr. Gupta is Director of Vyoman Tradelink India Pvt. Ltd. which is a promoter / promoter group and is holding 177858 equity shares in the Company.

Mr. Gupta being appointee is interested in the resolutions set out in the Notice with regard to his appointment. The appointee and his relatives may be deemed to be interested in the resolutions to the extent of their shareholding interest, if any, in the Company.

Except as mentioned above, none of the Directors and key managerial personnel of the Company and their relatives is interested or concerned, financial or otherwise, in the resolutions for the above matter.

Item No. 8: Approval to remuneration of Cost Auditor

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. R. Nanabhoy and Co., Cost Accountants as Cost Auditor of the Company for the financial year ending on 31 March 2020, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act 2013 and Rules made thereunder, at a remuneration of ₹ 1,21,000/- and applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors.

The Board recommends the Ordinary Resolution for the above matter as set out in the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 9: Private placement of NCDs and/or Debt Securities

As per section 42 of the Companies Act 2013 (the Act) and Rules thereunder, a company offering or making an invitation to subscribe to secured/unsecured non-convertible debentures (NCDs) on a private placement basis is required to obtain the approval of the Members by way of a special resolution. It shall be sufficient if the company passes a special resolution once a year for all the offers and invitations for such NCDs to be made during the said year. Members passed a resolution in last AGM in June 2018 authorizing for issue of NCDs/Debt securities to the extent of ₹ 200 crores which is valid for one year. During the year the Company has not issued any NCDs. The said resolution being valid for one year, in terms of Section 42 of the Act, a new enabling resolution is proposed in this respect.

Issue of NCDs / Debt Securities on private placement basis could be a competitive source of borrowing for the Company. Keeping in view the possible fund requirements of the business vis-à-vis advantages of a diversified debt portfolio and competitive debt instruments, an enabling approval of the members of the Company is being sought by way of special resolution under section 42 and applicable provisions of the Act, Rules made thereunder, other applicable law, on the terms and for amount as set out in the Resolution, to enable the Board to make a private placement of NCDs/ and also enable for issue of Debt Securities in debt market whenever considered expedient in the interests of the Company. Terms including pricing, interest etc will be determined at the time of issue keeping in view the prevalent market conditions and in the best interests of the Company. The NCDs / Debt Securities may be listed on one or more stock exchanges, as per applicable statutory provisions.

This resolution is being approved as per the extant statutory provisions as referred in the Resolution and explanatory statement. However in case of any amendment or clarification liberalizing the provisions or requirements, the resolution shall be read and effected in that context as may be beneficial to the Company or as Board may decide, without further approval or modification.

For further financial and other business detail including borrowings, investments, financial statements and details of the Company may be referred which is available on website of the Company.

The Directors of the Company accordingly recommend the special resolution as set out in the accompanying Notice for member's approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their directorships and shareholding in the bodies corporates/person which may invest in NCDs / Debt securities.

By order of the Board
For **Essel Propack Limited**

Suresh Savaliya
Head – Legal & Company Secretary

7 May 2019, Mumbai

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING.

Name of Directors	Mukund Chitale	Boman Moradian
Director Identification No.	00101004	00242123
Nationality	Indian	Indian
Date of Birth	16 November 1949	13 November 1950
Qualifications	B.com, FCA	Mechanical Engineer and Graduate from VJTI, Mumbai. Master in Management Studies (MMS) in Operations from Jamnalal Bajaj Institute of Management Studies.
Experience / expertise in functional field and brief resume	Mukund Chitale has over 35 years of experience as a practicing chartered accountant. He was the President of the Institute of Chartered Accountants of India (ICAI) from 1997 to 1998. He has been a member of The International Auditing Practices Committee, The International Federation of Accountants, Verma Committee on Restructuring of Weak Public Sector Banks, Dr. Tarapur Committee on Procedures & Performance Audit of Public Services appointed by Reserve Bank of India and Company Law Advisory Committee of the Central Government.	He has 32 years of rich experience, having worked in various capacities and consistently grown in stature and responsibility at Bharat Bijlee Ltd., Ambalal Sarabhai Enterprises (ASE) Ltd., Decom Marketing Ltd. and Shilpi Advertising Ltd. Since 1988, he has been involved in a freelance Management Consultation practice in Productivity, Marketing and Mathematical Modeling of Systems for various corporate clients.
No. of Shares held in the Company.	Nil	Nil
Directors in other companies	1 ASREC (India) Limited 2 Larsen & Toubro Limited 3 Principal Asset Management Private Limited 4 ONGC Petro Additions Limited 5 Larsen & Toubro Infotech Limited 6 Atul Limited 7 Lodha Developers Limited 8 R R Kabel Limited 9 Bhageria Industries Limited	1 Garware Polyester Limited 2 Mutual Industries Limited 3 Kabra Extrusion Technik Limited
Chairman/member of the board committee of other companies.	1 Larsen & Toubro Limited – Audit Committee – Chairman 2 ONGC Petro Additions Ltd. Audit Committee - Chairman Nomination & Remuneration Committee – Member Corporate Social Responsibility Committee – Member 3 ASREC (India) Limited Audit Committee – Member Nomination & Remuneration Committee – Member 4 Principal Asset Management Private Limited Audit Committee – Member Nomination & Remuneration Committee – Member	1 Garware Polyester Limited Audit Committee – Member Stakeholders Relationship Committee – Member Nomination & Remuneration Committee - Member Corporate Social Responsibility Committee – Member 2 Mutual Industries Limited Audit Committee – Member 3 Kabra Extrusion Technik Ltd. Audit Committee - Member

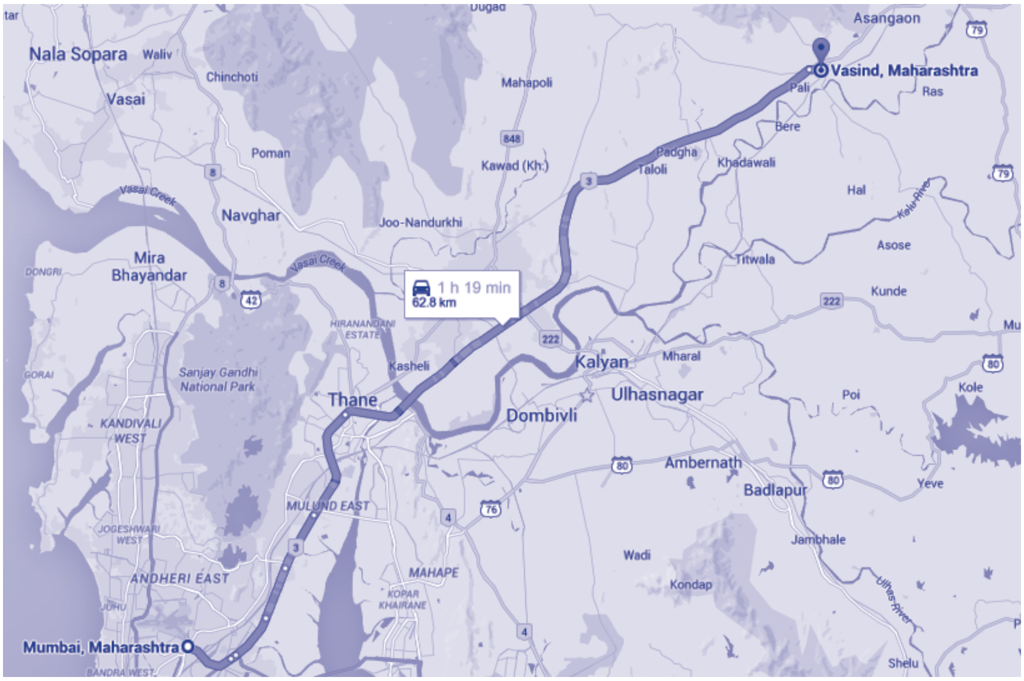
Name of Directors	Mukund Chitale	Boman Moradian
	5 Larsen & Toubro Infotech Limited – Audit Committee – Chairman 6 Lodha Developers Limited Audit Committee – Chairman Nomination & Remuneration Committee – Member 7 R R Kabel Limited Audit Committee – Member Nomination & Remuneration Committee – Member 8 Atul Limited Audit Committee – Member Nomination & Remuneration Committee - Chairman	
Date of appointment, meetings attended and remuneration.	9 July 2014 Meetings attended and remuneration details given in the Corporate Governance Report forming part of Annual Report accompanying with this Notice.	9 July 2014 Meetings attended and remuneration details given in the Corporate Governance Report forming part of Annual Report accompanying with this Notice.
Relationship with other director, manager and KMP	None	None

Name of Directors	Radhika Pereira	Ramesh Chander Gupta
Director Identification No.	00016712	07531730
Nationality	Indian	Indian
Date of Birth	29 June 1970	30 December 1954
Qualifications	Graduate of life sciences and law from Mumbai University and a postgraduate from Cambridge University as well as Harvard University	Post-Graduation degree in Regional Development from JNU, New Delhi
Experience / expertise in functional field and brief resume	She has been involved with a wide range of transactional work in areas of project finance for infrastructure and development projects, corporate finance and intellectual property rights-related issues. She has also worked on transactions related to entertainment, information technology, pharmaceuticals, property law & real estate, alternate dispute mechanism strategy, legal risk management, private equity, off-shore fund structuring and contractual documentation. Over the years, Ms. Radhika has also developed practice in the area of Legal Risk Management which includes advising and structuring compliance, risk management, succession planning and conflict resolution framework for clients. Ms. Radhika has also been rendering talks on spiritual scriptures and on the essence of Brahma Vidya	Ramesh Gupta has vast experience of over 35 years in the field of Finance, Taxation, Administration, Banking and Capital markets. After having worked in State Bank of India for about two years, he was selected for Indian Revenue Service (IRS) 1983 batch. He has worked in various capacities in the Income-tax Department of the Ministry of Finance, Govt. of India and after serving for over 30 years, retired as Commissioner of Income-tax in 2014. While working for the Govt. of India, he was sent on deputation to the SEBI as Division Chief of Primary market and Secondary market from 1992 to 1998.

Name of Directors	Radhika Pereira	Ramesh Chander Gupta
No. of Shares held in the Company.	Nil	3000 equity shares
Directors in other companies	1 Parag Milk Foods Limited 2 Jain Irrigation Systems Ltd. 3 Tips Industries Limited 4 Fairchem Speciality Limited	Vyoman Tradelink India Private Limited
Chairman/member of the board committee of other companies.	1 Tips Industries Limited Audit Committee – Member Nomination & Remuneration Committee – Chairman Share Transfer and Investor Grievance Committee – Chairman 2 Jain Irrigation Systems Ltd. Compensation Committee – Member Audit Committee – Member Stakeholders & Relationship Committee – Chairman Corporate Social Responsibility Committee – Member Nomination & Remuneration Committee – Member Risk Management Committee – Member 3 Fairchem Speciality Limited Audit Committee – Member Corporate Social Responsibility Committee – Member 4 Parag Milk Foods Limited Nomination & Remuneration Committee – Member Corporate Social Responsibility Committee - Member	Vyoman Tradelink India Private Limited Corporate Social Responsibility Committee - Chairman
Date of appointment, meetings attended and remuneration.	9 July 2014 Meetings attended and remuneration details are given in the Corporate Governance Report forming part of Annual Report accompanying with this Notice.	He is appointed as an Additional Director at the Board meeting held on 14 March 2019 and he attended that meeting.
Relationship with other director, manager and KMP.	None	None

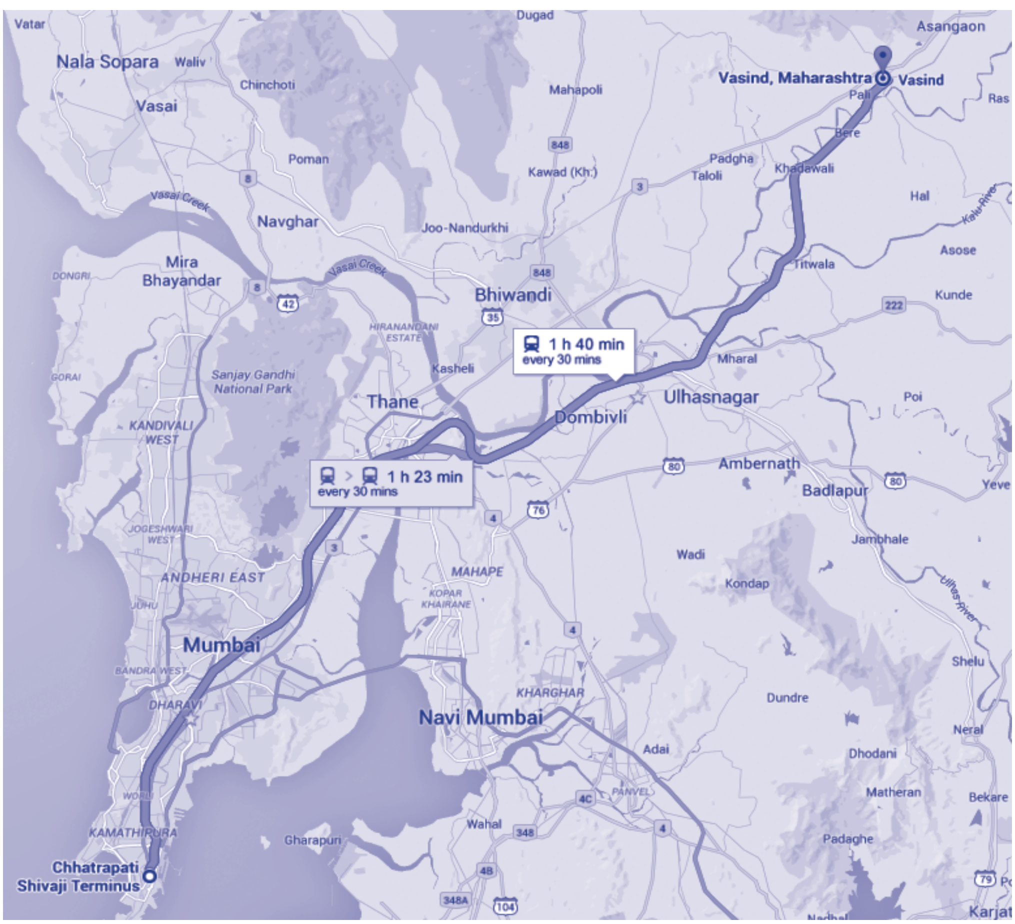
ROUTE MAP/DIRECTION TO REACH AT THE VENUE AT AGM

ROAD MAP - MUMBAI TO VASIND



ESSEL PROPACK
REGISTERED OFFICE

RAILWAY MAP - CST TO VASIND



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REGISTERED OFFICE

REQUEST FROM SHAREHOLDER TO REGISTER E-MAIL

To
Company Secretary
Essel Propack Limited
Top Floor, Times Tower, Kamala City,
Senapati Bapat Marg, Lower Parel, Mumbai 400013
Tel: +91 22 2481 9000 Fax: +91 22 2496 3137

Sub.: Request to register/update email to receive documents, annual reports, financial statement etc. at my e-mail address.

Sir,

As a responsible shareholder conscious about environment and in support to Green Initiative in Corporate Governance, I request you to register / update my e-mail address and send me all documents including annual reports, financial statements, results, notices for shareholders' meetings, intimations, updates, investors communications etc. at my e-mail address through electronic mode. My e-mail and shareholding details are given below.

Folio Number	
Name of 1st registered shareholder	
Name of joint holder(s)	
e-mail (to be registered)	
Tel / Mobile number	

Date: ____________ Signature: ________________________

Notes

1. Shareholder can send this request by courier or post or hand delivery at above mentioned address. Can also send scan copy at complianceofficer@ep.esselgroup.com.
2. Shareholders are requested to inform the Company as and when there is change in email address.
3. If the shares are held in demat account, kindly contact your Depository Participant (DP) where demat account is maintained, to register or update your emails address.

ESSEL PROPACK LIMITED

Regd. Off. : P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India.
Phone: 91-22-24819000/9200, Fax: +91-22-24963137 www.esselpropack.com
investor.grievance@ep.esselgroup.com, Corporate Identity Number: L74950MH1982PLC028947

ATTENDANCE SLIP

36TH ANNUAL GENERAL MEETING – 26 JUNE 2019 AT 11:00 A.M.

Name of the Member(s)	:
Registered address	:
E-mail ID	:
Folio No./DP ID-client ID	: ______________________ No. of Shares : ______________

I/We certify that I/We am/are the registered Member(s)/proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 36TH ANNUAL GENERAL MEETING of the Company at the Registered Office at P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India on Wednesday, **26 June 2019** at 11:00 a.m.

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

....
Member's/Proxy's Signature

FORM NO. MGT-11

PROXY FORM

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

CIN:	:	L74950MH1982PLC028947
Name of the Company	:	Essel Propack Limited
Registered Office	:	P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India.
Name of the Member(s)	:	
Registered address	:	
E-mail ID	:	
Folio No./DP ID-client ID	:	

I/We, ____________________being the Member(s) of______________shares of the above named Company, hereby appoint.

1. Name Address
   E-mail Id Signature : ______________ or failing him
2. Name Address
   E-mail Id Signature : ______________ or failing him
3. Name Address
   E-mail Id Signature : ______________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Wednesday, 26 June 2019 at 11:00 a.m. at the Registered Office at P.O. Vasind, Tal. Shahapur, Dist. Thane, Maharashtra - 421 604, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Optional *	
Ordinary Business		For	Against
1	To consider and adopt the audited financial statements (including consolidated financial statements) of the Company, for the financial year ended 31 March 2019 and the reports of the Board of Directors and Auditors thereon.		
2	To declare a dividend for the financial year ended 31 March 2019.		
3	To re-appoint Mr. Atul Goel, who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
4	To re-appoint Mr. Boman Moradian as an Independent Director		
5	To re-appoint Mr. Mukund Chitale as an Independent Director		
6	To re-appoint Ms. Radhika Pereira as an Independent Director		
7	To appoint Mr. Ramesh Gupta as a Director		
8	To ratify remuneration of M/s. R. Nanabhoy & Co, Cost Accountants appointed as Cost Auditors of the Company for the financial year 2019-20		
9	To approve issue of Private placement of NCDs and/or Debt Securities.		

Signed this .... day of .... 2019.

Signature of Member(s) : ____________________

Signature of Proxy holder(s) : ____________________

Affix
Revenue
Stamp of ₹ 1

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 36th Annual General Meeting.

3*. It is optional to put 'x' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including details of Member(s) in above box before submission.