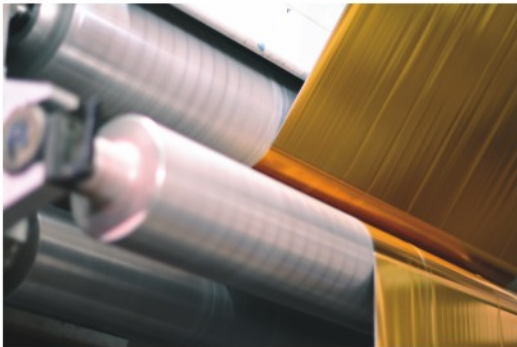


# **ESS DEE ALUMINIUM LIMITED**

Annual Report 2012-2013



**CONTINUOUS GROWTH – CAPITALISING OPPORTUNITIES**

# INDEX

▶ Chairman's Statement	1
▶ From the MD's Desk	3
▶ Commitment to Technology	5
▶ Commitment to Quality	6
▶ Business Review	7
▶ The Opportunities	8
▶ Notice	11
▶ Directors' Report	19
▶ Corporate Governance Report	30
▶ Auditors' Report - Standalone	44
▶ Financials - Standalone	50
▶ Auditors' Report - Consolidated	73
▶ Financials - Consolidated	74





## Chairman's Statement

### Dear Stakeholders

Having consolidated and positioned ourselves on the growth path, we placed a lot of emphasis in the last financial year on sharpening of our commercial capabilities. We segmented our customer base, aligned our resources towards the most productive areas and honed our sales approach. We are pleased that this has yielded positive returns in terms of the strategic and financial progress we have made, especially in the midst of global economic uncertainty.

We also continue to grapple with some macro-economic issues across our markets and geographies, including that in India. The slowing down of economic reforms is expected to pull down India's growth to 5.8% in the calendar year 2013 from 6% as projected earlier by an Asian Development Bank (ADB) Report.

The Report also indicated that growth remains constrained by supply-side bottlenecks, as reflected in the continued slowdown in fixed capital formation, weakness in the industrial sector and sluggish progress in pushing through badly needed structural reforms. The growth rate, as per the report is expected to accelerate in 2014 as softening inflation provides some scope for monetary easing that could boost investment and consumption.

### Performance amidst Adversity

The key industries from where we derive demand namely FMCG and Pharmaceuticals remain relatively insulated from this downturn and with the macro economic outlook improving, albeit at a slow pace, our end user industry outlook remains positive.

Our top line (consolidated) for the year 2012-2013 stood at Rs. 71,892.20 lacs as compared to Rs. 65,913.33 lacs for the corresponding year. As we moved ahead optimistically, seeking

opportunities, in the short term, the most important task was to remain focussed on cost control and productivity across all of our existing operations. The EBITDA improved to Rs. 18,487.26 lacs in the current year as against Rs. 17,102.59 lacs for the year 2011-2012. The current year's Net Profit increased to Rs. 7,343.25 lacs in comparison with the Net Profit of Rs. 6,804.17 lacs for the year ended 31<sup>st</sup> March, 2012.

Despite the very difficult market conditions, we are heartened by the progress made on important initiatives that will ultimately strengthen the Company's position and enhance value for all its stakeholders.

### **Opportunities beckon**

We are enthusiastic about the growing opportunities posed in export markets of regions like South East Asia and efforts are already underway to capitalise on the same for further growth and expansion. Our Bengaluru plant is expected to cater to such expanding markets in addition to that of Southern India.

Indian Pharma companies are now exporting their products all over the globe, thus presenting more challenges for the packaging industry as it has to cater to the different weather conditions, different modes of transport and transit times, without adversely affecting the medicine packed. This presents yet another opportunity for Ess Dee.

### **Strategies to Maximize Growth**

Developing and designing innovative as well as new solutions for our customers, establishing our footprints in the emerging markets and expanding our participation in the market place with new technologies and capabilities as per our customers need, forms the basis of our strategy now. These initiatives underpin the success we had in 2012-13 and continues to be the inspiration for our further growth and progress in 2013-14.

Such initiatives along with conscious efforts taken by us to reduce costs provide us with an excellent, competitively advantageous road map for sustaining our financial performance and for capturing the ever increasing opportunities.

The key to our strategic success has been and shall always be our keen understanding of the markets and a fellow feeling with the customers.

### **Vote of Thanks**

We have designed a strategy in concert with our maximizing value discipline, to succeed despite difficult external conditions. We have the ability to adjust quickly to changing conditions, to adopt newer techniques and deliver continuous and sustainable improvement. Needless to say, our employees play a huge role in making this possible by effectively bridging the gap between planning and successful execution. I take this opportunity to thank each one of them for their exceptional efforts.

I wish to put on records my deep appreciation to the excellent guidance and support of the Board of Directors.

I deeply appreciate and look forward, dear shareholders, to your continuing support, as we remain focused on achieving what we have set out to do.

**Sudip Dutta**  
**Chairman**



## From the MD's Desk

Ess Dee's Managing Director, Bijoy Kumar Pansari, who is currently spearheading Ess Dee's transition onto an even higher growth dimension, is a man of few words. He strongly believes that actions speak louder than words.

Here under are the key excerpts from a recent tete a' tete with him that provide an insight into the year gone by and the road map he has drawn up for the company.

### **1. How was the year 2012-13 for the Company?**

Over the years, Ess Dee Aluminium has built a pan India presence through its Hub and Spoke Model. Our core competencies are providing total packaging solutions to the Pharma sector and shortening lead times by locating near Large Customer bases. Besides the Pharma segment, we have successfully captured the FMCG packaging segment too. The year 2012-13 was another year of strengthening this position in the domestic markets. We also made significant headway in terms of our Housefoil sales as well as strengthening our presence in the Food & FMCG Segments. In addition to doing well in the domestic markets, another important component of our efforts during the year was expanding our footprint in the export markets.

We will be continuously partnering with our customers to develop innovative solutions for their new products and markets across industry verticals.

### **2. Can you elaborate on the initiatives taken in the Export Markets?**

An initiative we are pursuing vigorously is to increase our exports, especially in the South East Asian markets. Trials at various plants of the customers have commenced in different countries in the region and supplies have started at some places. Needless to say, Ess Dee is on track to register its presence in the global arena.

As is known, we are already exporting products to more than 35 countries and have successfully established ourselves as the largest manufacturers of primary packaging in India. In addition, we have also established our Singapore-based wholly owned subsidiary with the sole aim of increasing the Company's share in the export markets. We are now scouting for international sales promotion agencies globally, who have the local knowledge and can network advantageously to create better awareness about our capabilities.

While the opportunity is massive, I must state here that it will fructify into revenues only over time and not immediately.

### **3. How is Ess Dee faring in the Housefoil segment?**

*Housefoil* marked Ess Dee's foray into the retail Household segment. We



commenced by marketing the product in Maharashtra and today we are well underway to achieving a Pan Indian presence. We expanded our distribution network to cover over 100 towns through a network of 144 Distributors / Dealers and Modern trade outlets. The prime focus was to expand distribution and try and reach as many towns as possible. We are offering a premium product branded as *Housefoil* which has animation characters like Doraemon, etc. printed on it to attract the young segment. In addition we have the Plain Foils also to cater to the day to day requirements.

**4. Along with Household segment, the Company had indicated that it would be entering the hotels, restaurants and catering segment. What has been the progress made there in so far?**

In 2012- 13, we have appointed 10 distributors whose core business is to supply to Hotels, Restaurants and Caterers (HORECA). We intend expanding this network and target appointing another 10 - 15 distributors across India to strengthen our foothold in these markets.

We have also launched Cling film for wrapping food items, etc. and are aggressively marketing it through the same sales channel. This will not only provide additional volumes but also help in meeting the customers' needs. In addition to several other initiatives, we have also introduced a new brand *Housewrap* to cater to the HORECA segment as well as the household packaging industry. The division's sales have surged during the year and we also intend garnering a 10% market share by March-2014.

Apart from the above, the division is also targeting agencies to cater canteens and needs of big corporate houses as they consume large amount of cling film, foil & containers. Inroad into this segment will result in bigger volume and stronger branding opportunities for the Company, going forward.

**5. What is the status of the Hoera Facility which was the key plant of India Foils?**

Our backward integration initiative of restarting the Caster plant and Hardener plant at Hoera has started yielding results. This has reduced our dependence on GARMCO in terms of raw materials supply.

So all in all, I can say that during the year we have achieved what we had envisioned at the time of acquiring India Foils.

**6. Ess Dee has always been at the forefront of technological innovations. What progress has been made on that front?**

Few of the products that we have developed in co-ordination with our business partners for their development projects include CR laminates in both peel-push and peel-able versions, laminates developed to match the speed of the newly installed high speed machines as well as anti-counterfeit products.

We are continuously in the process of phasing out old technology while simultaneously introducing eco-friendly and digital technology to enhance productivity. We are implementing Automated Mass production systems to reach the highest levels of product quality at the optimum cost.

**7. What are Ess Dee's plans for FY 2013-14?**

In 2013-14, Ess Dee is looking at a total paradigm shift towards the business with more focus for exports in both Pharma & FMGC segments.

We have not only augmented the existing expertise both in man and machine but we are also looking at strategic investment in new technologies which will produce high end products.

We conduct several training programs to enhance domain expertise in the areas of manufacturing, quality assurance, Statistical Process Control (SPC) and take the organisation competence to newer heights.

All in all, we have adopted 360 degree approach and geared ourselves to capitalise on the opportunities that lie ahead.



## Commitment to Technology at Ess Dee

A Bachelor in Electrical Engineering and a Post Graduate in Operations Management, Mr. Ashis Bhattacharya, Whole Time Director at Ess Dee has close to three decades of experience in the manufacturing industry. He brings to the table his extensive experience with eminent organisations across India and South Asia and is responsible for the overall Manufacturing Function.

Ashis shares his views on relevance of Technology at Ess Dee and how it forms an integral part of the Company's growth strategy.

“Ess Dee Aluminium is committed to provide the best quality products to its customers based on their requirements. Needless to say, technology plays a crucial role in facilitating the same.

Further the ink used as a printing medium is made to order and only those Food Contact Grade Substrates permitted under FDA are used.

Innovation continues to be our forte as we launched several new products in line with the industry demand and to proactively meet our customers' need. The Company continuously invests in latest Testing equipments, technology and automation to upgrade the manufacturing processes and standards.”

# Commitment to Quality

Vinaya Desai, Whole Time Director at Ess Dee holds a Post Graduate degree in Pharmacy. She ensures Quality assurance at Ess Dee. Her vast experience in the field of quality assurance, clinical research and regulatory affairs goes a long way in facilitating product acceptance for Ess Dee in the International Arena. She is a stickler for high quality and ensures adherence to the highest global quality standards.

Vinaya Desai shares the Strategic Aspects of Quality standards at Ess Dee :

“The Company follows a three step inspection process to ensure that the material it provides is of the desired quality standards. Quality inspection is done at all stages i.e. primary, intermediary and final stages of rolling, conversion and printing respectively.

The Company constantly strives to improve and enhance the overall quality of the packaging. It has systems and processes in place for anti-counterfeit control and also to ensure adherence to regulatory norms.

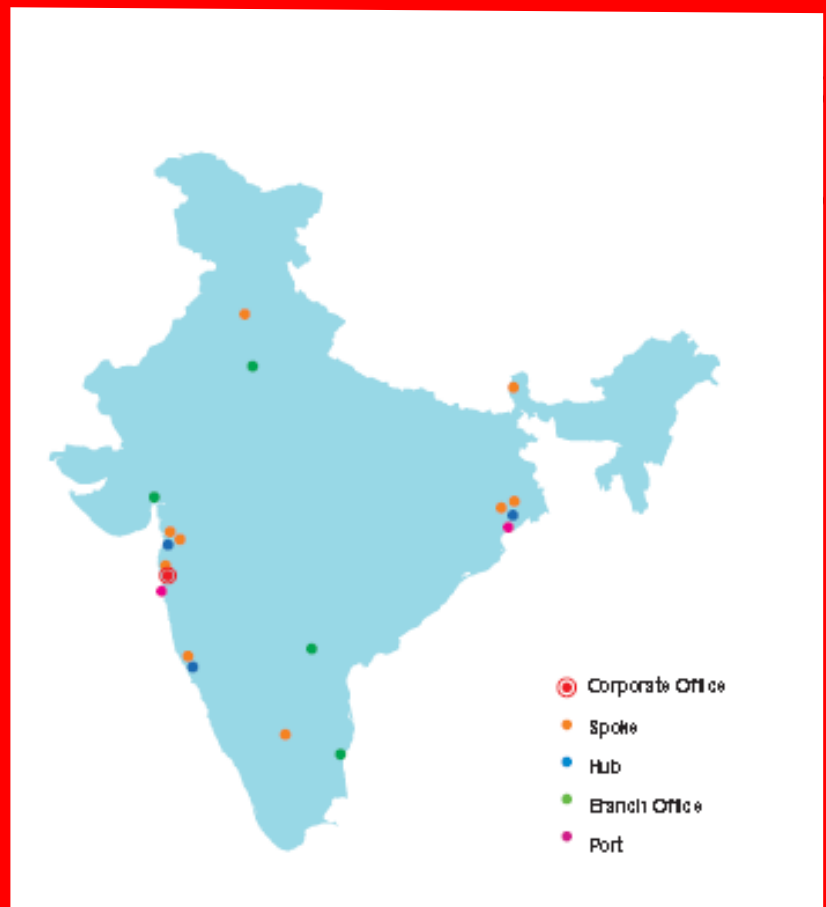
Ess Dee is registered with US FDA under DMF Type III and Canadian Health authorities under DMF Type II for varied products. Our manufacturing facilities are certified with some of the most stringent regulatory and quality standards in the Industry. This focus on quality which is an important aspect of Ess Dee's culture will go a long way in enabling the Company to forge ahead in the global markets.”





## Business Review

Ess Dee Aluminium's dynamic business model enables it to cater to a host of industries. The business model inherits strength from the fact that packaging accounts for only 2-7% of the total products' cost but is responsible for 100% of the products' security and surety of performance. Its seamless business operation is accentuated by its backward integration initiative. By delivering value to its customers at a cost effective rate, Ess Dee aims to capitalise on the humungous opportunities present in the packaging space.



- 12 locations across India – 3 Hubs (Manufacturing Units ) and 9 Spokes (Final Tailor Made- Locations)
- Hubs – Daman, Goa, Kolkata
- Spokes – Baddi, Bengaluru, Sikkim, Vasai, Goa, Daman (2 units) & Kolkata (2 units)

# The Opportunities

Ess Dee has a service oriented model where it purchases metal in bulk, processes and customises as per the packaging requirement of the client and delivers it across 36 countries across the globe to Pharmaceuticals, Food and FMCG businesses.

While Ess Dee remains a dominant player in the domestic market, it is working extensively to tap the opportunities in the South East Asian markets, thereby increasing its focus in the export arena as well.

## Pharmaceutical Industry:

The Indian pharmaceutical Companies have strong product pipelines and the sector is also expected to benefit from faster commercialization of product filings due to the Generic Drug User Fee Act (GDUFA) implemented from October 2012, which shortens the approval time frames of products resulting in the faster launch of products. Further, Indian companies are aggressively pushing their products in Regulated markets. Needless to say, the anticipated growth in the pharma sector will augment further improvement in the prospects of the packaging industry.

Ess Dee is one of the market leaders in catering to the ever-growing needs of the pharmaceutical market in India and going forward, it will be an integral part of the business model. With the Company's "Spokes" strategically situated at all major pharma hubs in India, Ess Dee boasts of on-time deliveries, low inventories and is not restricted by Minimum Order Quantities.

Ess Dee, being at the forefront of technology also offers specialised products like High Barrier material, Anti counterfeit, Cold Form Blister, Child Resistant Foil with features like peel-able, peel - push and push through Multilayer plain and printed laminates. Besides its existing solutions and those under development, Ess Dee persistently explores new technologies and capabilities which can be offered to its clients.



## FMCG & Food Industry

With increasing purchasing power, the rise in standard of living and retail outlets, the FMCG Sector in India is poised for substantial growth. Packaging for this industry has an added dimension as it plays a very crucial role in product differentiation and brand building, apart from securing the product.

The Food Industry along with Hotels, Restaurants and Catering (HORECA) businesses provides a huge opportunity for Ess Dee and our foils are finding widespread application not only in the HORECA space but even in urban households as consumers look for safer options to experiment with food and keep it fresh for long.

It has also launched quality products in the plain foil segment specifically for the HORECA markets.

## Initiatives undertaken during the Year :

As one of the largest manufacturer of primary packaging material, Ess Dee has increased its share of revenue by increasing the volume of High value products like Alu- Alu, Printed blister foil, Multi layer laminates and Chocolate foil. Some of the key initiatives undertaken during the year include :

The Company is adding new capacities in strip pharma production through the import of Latest state-of-the-art Extruder from Korea.

Ess Dee has developed indigenous technology to manufacture Chocolate foil to the tune of 100 mt/month.

The Company is installing Blister Pack HSL coating machine equipped with state-of-the-art drying system and latest digitized process control system.



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Sudip Dutta  
Mr. Bijoy Kumar Pansari  
Mr. T. S. Bhattacharya  
Mr. Gautam Mukherjee  
Mr. Dilip Phatarphekar  
Mr. Ramdas Baxi  
Mr. Madan Mohan Jain  
Mr. Ashis Bhattacharya  
Ms. Vinaya Desai

Chairman  
CEO and Managing Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Whole Time Director  
Whole Time Director

### COMPANY SECRETARY

Mr. Haresh Vala

### STATUTORY AUDITORS

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

### REGISTRAR AND TRANSFER AGENTS

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

### SOLICITORS & ADVOCATES

Kanga & Co.  
Readymoney Mansion  
43, Veera Nariman Road  
Mumbai 400 001

### BANKERS

State Bank of India  
ICICI Bank Limited  
IDBI Bank Limited  
Corporation Bank

Axis Bank Limited  
The Shamrao Vithal Co-operative Bank Limited  
Standard Chartered Bank  
Bank of Maharashtra

### REGISTERED OFFICE

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

### PLANTS

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

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

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

P-32, Taratalla Road  
Kolkata 700 088

1, Sagore Dutta Ghat Road  
Kamarhati, Kolkata 700 058

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

## NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the members of Ess Dee Aluminium Limited will be held at Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056 on Tuesday, the 24<sup>th</sup> day of September, 2013 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Gautam Mukherjee, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dilip Phatarphekar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. M. P. Chitale & Co., Chartered Accountants (ICAI Registration No. 101851W) be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration and out of pocket expenses as may be mutually agreed by them with the Board of Directors.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** Mr. Ashis Bhattacharya, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14<sup>th</sup> February, 2013 and who holds the office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (**“the Act”**) and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof for the time being in force (**“the Act”**) and the relevant provisions of the Articles of Association of the Company and subject to such other approvals and sanctions as may be necessary, the approval of the members of the Company be and is hereby accorded for the appointment of Mr. Ashis Bhattacharya as Whole Time Director of the Company for a period of 5 (five) years commencing from 14<sup>th</sup> February, 2013;

**RESOLVED FURTHER THAT** pursuant to the recommendation of the Remuneration Committee, Mr. Ashis Bhattacharya be paid remuneration of Rs. 4,00,000/- (Rupees Four Lacs only) per month on cost to Company basis;

**RESOLVED FURTHER THAT** the aggregate amount of remuneration payable to Mr. Ashis Bhattacharya by the Company during his tenure in a financial year shall be subject to the ceilings laid down under Sections 198, 309 and Schedule XIII of the Act as may for the time being in force;

**RESOLVED FURTHER THAT** in the event of no profits or inadequate profits in any financial year during the tenure of Mr. Ashis Bhattacharya, the Company shall pay to him the remuneration drawn as minimum remuneration subject to the limits stipulated under Schedule XIII of the Act or such amount as may be prescribed by the Government from time to time as minimum remuneration;

**RESOLVED FURTHER THAT** Mr. Ashis Bhattacharya be vested with such powers as may be entrusted to him from time to time by the Board and he may also exercise all such powers and functions as are prescribed under the applicable provisions of the Act;

**RESOLVED FURTHER THAT** if in any year, Mr. Ashis Bhattacharya, retires by rotation and is re-appointed by the members, such appointment shall not be considered as a break in office and he shall be deemed to continue in office during the tenure of his appointment;

**RESOLVED FURTHER THAT** the terms and conditions of Mr. Ashis Bhattacharya's appointment as the Whole Time Director may be varied, altered, modified or widened from time to time by the Board as it may in its discretion deem fit, including the remuneration payable in accordance with the provisions of the Act or any amendment made hereinafter in this regard;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle any questions, difficulties or doubts that may arise in respect of the appointment of Mr. Ashis Bhattacharya as Whole Time Director and to do all such acts, deeds, matters and things as it may, at its absolute discretion, deem necessary and proper and to execute all documents and writings as may be required to give effect to the aforementioned resolution;

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to the aforementioned resolution."

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

**"RESOLVED THAT** Ms. Vinaya Desai, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14<sup>th</sup> February, 2013 and who holds the office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("**the Act**") and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof for the time being in force ("**the Act**") and the relevant provisions of the Articles of Association of the Company and subject to such other approvals and sanctions as may be necessary, the approval of the members of the Company be and is hereby accorded for the appointment of Ms. Vinaya Desai as Whole Time Director of the Company for a period of 5 (five) years commencing from 14<sup>th</sup> February, 2013;

**RESOLVED FURTHER THAT** pursuant to the recommendation of the Remuneration Committee, Ms. Vinaya Desai be paid remuneration of Rs. 16,00,000/- (Rupees Sixteen Lacs only) per annum on cost to Company basis;

**RESOLVED FURTHER THAT** the aggregate amount of remuneration payable to Ms. Vinaya Desai by the Company during her tenure in a financial year shall be subject to the ceilings laid down under Sections 198, 309 and Schedule XIII of the Act as may for the time being in force;

**RESOLVED FURTHER THAT** in the event of no profits or inadequate profits in any financial year during the tenure of Ms. Vinaya Desai, the Company shall pay to her the remuneration drawn as minimum remuneration subject to the limits stipulated under Schedule XIII of the Act or such amount as may be prescribed by the Government from time to time as minimum remuneration;

**RESOLVED FURTHER THAT** Ms. Vinaya Desai be vested with such powers as may be entrusted to her from time to time by the Board and she may also exercise all such powers and functions as are prescribed under the applicable provisions of the Act;

**RESOLVED FURTHER THAT** if in any year, Ms. Vinaya Desai, retires by rotation and is re-appointed by the members, such appointment shall not be considered as a break in office and she shall be deemed to continue in office during the tenure of her appointment;

**RESOLVED FURTHER THAT** the terms and conditions of Ms. Vinaya Desai's appointment as the Whole Time Director may be varied, altered, modified or widened from time to time by the Board as it may in its discretion deem fit, including the remuneration payable in accordance with the provisions of the Act or any amendment made hereinafter in this regard;



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle any questions, difficulties or doubts that may arise in respect of the appointment of Ms. Vinaya Desai as Whole Time Director and to do all such acts, deeds, matters and things as it may, at its absolute discretion, deem necessary and proper and to execute all documents and writings as may be required to give effect to the aforementioned resolution;

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to the aforementioned resolution."

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

**"RESOLVED THAT** Mr. T. S. Bhattacharya, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13<sup>th</sup> August, 2013 and who holds the office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("**the Act**") and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (which along with the regulations framed thereunder be referred to as "**FEMA**"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Companies Act, 1956 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred by this resolution), the consent of the Company be and is hereby accorded for investments by Foreign Institutional Investors including their sub-accounts ("**the FIIs**") registered with the Securities and Exchange Board of India ("**SEBI**") in the equity shares or any other securities convertible into equity shares of the Company, by purchase or acquisition from the market under the Portfolio Investment Scheme under FEMA, subject to the condition that the **total holding of all FIIs** put together shall not exceed **100 (One Hundred) percent** of the paid up equity share capital of the Company as may be applicable, provided, however, that the equity **shareholding of each FI** on his own account and on behalf of each of the SEBI approved sub-account in the Company shall not exceed **10 (Ten) percent** of the paid up equity share capital of the Company as may be applicable;

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of Directors or any Executive Director or Directors or any other Officer(s) of the Company."

**By Order of the Board of Directors**

**Haresh Vala**  
**Company Secretary**

Place: Mumbai

Date: 13<sup>th</sup> August, 2013

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the commencement of the Meeting.**
2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business under Item Nos. 6 to 11 to be transacted at the Meeting is annexed hereto.
4. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Wednesday, 18<sup>th</sup> September, 2013 to Tuesday, 24<sup>th</sup> September, 2013 (both days inclusive). If the final dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made in accordance with the law.
5. Brief Resume of the Directors, who are proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and memberships / chairmanship of Board Committee and shareholding as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are provided in the Corporate Governance forming part of the Annual Report.
6. Shareholding of Directors seeking appointment / re-appointment :  
Ms. Vinaya Desai holds 2,249 Equity Shares of the Company. Mr. Gautam Mukherjee, Mr. Dilip Phatarphekar, Mr. Ashis Bhattacharya and Mr. T. S. Bhattacharya do not hold any shares in the Company.  
The Directors of the Company are not inter-se related to each other.
7. Members are requested to:
  - a) bring their attendance slip and deliver the same at the entrance of the meeting hall.
  - b) send their questions to the Company, if any, at least 10 days before the Annual General Meeting for obtaining any information as regards accounts and operations of the Company so that the same could be compiled in time and made available at the meeting.
8. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents, Bigshare Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Bigshare Services Private Limited, for assistance in this regard.
10. Reserve Bank of India has initiated NECS for credit of dividend directly to the bank account of the members. Members are requested to register their Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC code), in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with Bigshare Services Private Limited.
11. Members are requested to note that dividends not encashed / claimed within 7 years from the date of declaration of dividend will, as per Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28<sup>th</sup> September, 2012 (date of last Annual General Meeting) on the website of the Company ([www.essdee.in](http://www.essdee.in)), as also on the Ministry of Corporate Affairs website.

12. Members who have not yet encashed their dividend warrants for the financial year 2006-2007, are requested to make their claims without any delay to Bigshare Services Private Limited. It may be noted that the unclaimed dividend for the financial year 2006-2007 declared on 30<sup>th</sup> July, 2007 can be claimed by the members by 4<sup>th</sup> September, 2014.
13. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. Members holding shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip.
14. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the date of the Meeting.
16. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to Bigshare Services Private Limited.
17. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 109A of the Companies Act, 1956. Members desiring to avail of this facility may send their nomination in the prescribed Form No. 2B duly filled in to Bigshare Services Private Limited at their address.
18. The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued circulars on 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 *inter-alia* stating that a Company would have complied with Section 53 of the Companies Act, 1956, if the service of documents has been done through electronic mode. In that case, the Company is required to obtain email addresses of its members for sending the notice / documents through email by giving an advance opportunity to every member to register his / her email address and changes therein, if any, from time to time with the Company.

The Company expects whole hearted support from its members towards Green Initiative of the MCA and request all its members to communicate their email ID and changes thereon from time to time to the Depository Participant / Bigshare Services Private Limited, to enable the Company to send all its reports, notices and all other communications to its members via email.

**Please note that member will be entitled to receive free of cost, all reports, notices and other communication that may be sent to the member by the Company, from time to time, electronically via email, upon receipt of a requisition from the member of the Company.**

**19. Investor Grievance Redressal :**

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



## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT TO SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item Nos. 6 & 7

The Board of Directors of the Company (“**the Board**”) at its meeting held on 14<sup>th</sup> February, 2013 appointed Mr. Ashis Bhattacharya as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 (“**the Act**”) read with the Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Mr. Ashis Bhattacharya would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of Rs. 500/- proposing the candidature of Mr. Ashis Bhattacharya for the office of director of the Company pursuant to the provisions of Section 257 of the Act.

Mr. Ashis Bhattacharya is not disqualified from being appointed as director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form DDA from Mr. Bhattacharya in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

Mr. Ashis Bhattacharya, aged 48 years, is a Bachelor in Electrical Engineering from Jadavpur University and has a Post Graduation Certification in Operations Management from the ISB, Hyderabad. Mr. Bhattacharya has around 27 years of experience in the manufacturing industry. In his last assignment, Mr. Bhattacharya was the Vice President – Production & Engineering with Bennett, Coleman & Co. Limited (Times Group). Prior to that, he was holding the position of Head Operations – South Asia with Goss International Corporation. Mr. Ashis Bhattacharya started his career with Larsen & Turbo Limited as an Executive in Powai works at Mumbai.

Considering his professional experience and academic credentials and based on the recommendation of the Remuneration Committee, the Board appointed, subject to the approval of the members, Mr. Ashis Bhattacharya as Whole Time Director of the Company for a period of 5 (five) years w.e.f. 14<sup>th</sup> February, 2013 at a remuneration of Rs. 4,00,000/- (Rupees Four Lacs only) per month on cost to Company basis.

Mr. Ashis Bhattacharya satisfies all the conditions set out in Part I of Schedule XIII of the Act for being eligible for appointment.

Brief particulars of Mr. Ashis Bhattacharya, as required under Clause 49 of the Listing Agreement are provided in the Report on Corporate Governance forming a part of the Annual Report.

Pursuant to the provisions of the Act, the aforesaid appointment and the terms of remuneration are subject to the approval of the members of the Company. The Board, therefore, recommends the resolutions at Item Nos. 6 and 7 of the accompanying Notice for the approval of the members.

Mr. Ashis Bhattacharya is interested in the resolutions as they pertain to his appointment and remuneration.

None of the other Directors is concerned or interested in the resolutions except as shareholders of the Company.

#### Item Nos. 8 & 9

The Board of Directors of the Company (“**the Board**”) at its meeting held on 14<sup>th</sup> February, 2013 appointed Ms. Vinaya Desai as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 (“**the Act**”) read with the Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Ms. Vinaya Desai would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of Rs. 500/- proposing the candidature of Ms. Vinaya Desai for the office of director of the Company pursuant to the provisions of Section 257 of the Act.

Ms. Vinaya Desai is not disqualified from being appointed as director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form DDA from Ms. Vinaya Desai in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming her eligibility for such appointment.

Ms. Vinaya Desai, aged 40 years, brings her vast experience in quality assurance, clinical research and regulatory affairs to ensure product acceptance of Ess Dee Aluminium Ltd. at par with international standards. She had done her post graduation in Pharmacy from Pune University.

Considering her professional experience and academic credentials and based on the recommendation of the Remuneration Committee, the Board appointed, subject to the approval of the members, Ms. Vinaya Desai as Whole Time Director of the Company for a period of 5 (five) years w.e.f. 14<sup>th</sup> February, 2013 at a remuneration of Rs. 16,00,000/- (Rupees Sixteen Lacs only) per annum on a cost to Company basis.

Ms. Vinaya Desai satisfies all the conditions set out in Part I of Schedule XIII of the Act for being eligible for appointment.

Brief particulars of Ms. Vinaya Desai, as required under Clause 49 of the Listing Agreement are provided in the Report on Corporate Governance forming a part of the Annual Report.

Pursuant to the provisions of the Act, the aforesaid appointment and the terms of remuneration are subject to the approval of the members of the Company. The Board, therefore, recommends the resolutions at Item Nos. 8 and 9 of the accompanying Notice for the approval of the members.

Ms. Vinaya Desai is interested in the resolutions as they pertain to her appointment and remuneration.

None of the other Directors is concerned or interested in the resolutions except as shareholders of the Company.

#### Item No. 10

The Board of Directors of the Company ("**the Board**") at its meeting held on 13<sup>th</sup> August, 2013 appointed Mr. T. S. Bhattacharya as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 ("**the Act**") read with the Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Mr. T. S. Bhattacharya would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member alongwith the deposit of Rs. 500/- proposing the candidature of Mr. T. S. Bhattacharya for the office of director of the Company pursuant to the provisions of Section 257 of the Act.

Mr. T. S. Bhattacharya is not disqualified from being appointed as director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form DDA from Mr. T. S. Bhattacharya in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

Mr. T. S. Bhattacharya has more than 40 years of experience in Indian banking, including years of experience at the head of commercial banking in India's premier bank, State Bank of India. For some period, he was also the Chairman. During his tenure as Managing Director, he was involved in almost every large transaction - be it debt syndication or restructuring. He brings with him the innate understanding of the Indian banking system and relationships at the highest levels of almost all banks present in India.

Mr. T. S. Bhattacharya, aged 65 years, has a Master of Science degree in Nuclear Physics and a Post M. Sc. degree in Nuclear Physics from Saha Institute of Nuclear Physics, an associate of Tata Institute of Fundamental Research. He is also a Post Graduate in Management Science from Jamnalal Bajaj Institute of Management under University of Mumbai.

Mr. T. S. Bhattacharya served as the Managing Director of State Bank of India from 2005 to 2008. He was also a Director in IL & FS Limited, SBI Capital Market Limited, SBI Mauritius and SBI Canada. He was a part of the Government of India appointed Deepak Parekh Committee to find out ways and means of funding infrastructure. He was also a part of the Planning Commission Task Force for the Eleventh FYP.

As the head of SBI, Mr. Bhattacharya was accountable for asset size of US \$ 175 billions and deposit size of US \$ 138 billions. He has been party to a series of private industry acquisitions abroad as the main banker. This includes acquisition of Corus by Tata, RE Power by Suzlon, etc. He also led very high successful Indian syndicates like Bhatinda Refinery of HPCL, Mudra Project of Tata Power, etc. He successfully planned and set up two new business streams with international divisions.

Presently, Mr. T. S. Bhattacharya is a full time Advisor to Ernst & Young Pvt. Ltd. leading the Debt & Restructuring Advisory practice in India.

Brief particulars of Mr. T. S. Bhattacharya, as required under Clause 49 of the Listing Agreement are provided in the Report on Corporate Governance forming a part of the Annual Report.

The Directors, therefore, recommend the resolution appearing under the Item No. 10 of the accompanying Notice for your approval.

Except Mr. T. S. Bhattacharya, no other Director is deemed to be concerned or interested in the above mentioned resolution.

**Item No. 11**

In terms of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Foreign Institutional Investors (FIIs) / SEBI approved sub-account of FIIs can, in aggregate hold upto 24% of the paid up equity share capital of the Company. The said Regulations further provide that the limit of 24% may be increased upto the sectoral cap / statutory ceiling, as applicable, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a Special Resolution to that effect by its shareholders at a general meeting.

With a view to improve the free float available for FIIs, the Board of Directors have approved the proposal to increase the limit of FIIs holding from 24% to 100%, subject to the approval of the shareholders.

None of the Directors is concerned or interested in the above mentioned resolution except as shareholder of the Company.

The Board recommends the Special Resolution as set out under Item No. 11 in the accompanying Notice for approval of the shareholders.

**By Order of the Board of Directors**

**Haresh Vala**  
**Company Secretary**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2013



## DIRECTORS' REPORT

To the Members,  
Ess Dee Aluminium Limited

Your Directors are pleased to present the Ninth Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS

The financial highlights of the year are:

(Rs. in Lacs)

Particulars	Consolidated		Standalone	
	March 2013	March 2012	March 2013	March 2012
<b>Total Income</b>	<b>75,950.53</b>	<b>68,219.04</b>	<b>72,760.48</b>	<b>65,636.24</b>
<b>Profit before Interest, Depreciation and Tax</b>	<b>18,487.26</b>	<b>17,102.59</b>	<b>17,776.40</b>	<b>15,716.34</b>
Less Interest Expenses	4,452.14	3,575.70	3,949.51	3,382.43
Less Depreciation	3,613.04	3,562.17	3,401.24	3,390.37
<b>Profit before Tax</b>	<b>10,422.08</b>	<b>9,964.72</b>	<b>10,425.65</b>	<b>8,943.54</b>
Less Provision for Taxation	3,078.83	3,160.55	2,784.23	2,920.10
<b>Net Profit after Tax</b>	<b>7,343.25</b>	<b>6,804.17</b>	<b>7,641.42</b>	<b>6,023.44</b>
Add Balance brought forward	16,548.61	13,289.38	11,062.43	8,583.93
<b>Profit available for Appropriation</b>	<b>23,891.86</b>	<b>20,093.55</b>	<b>18,703.85</b>	<b>14,607.37</b>
<b>Appropriation:</b>				
General Reserve	600.00	600.00	600.00	600.00
Debenture Redemption Reserve	1,894.00	2,200.00	1,894.00	2,200.00
Proposed Dividend	640.96	640.96	640.96	640.96
Dividend Distribution Tax	108.93	103.98	108.93	103.98
<b>Balance carried Forward to the next year</b>	<b>20,647.97</b>	<b>16,548.61</b>	<b>15,459.96</b>	<b>11,062.43</b>
Earning Per Share (Rs.) Basic	22.91	21.23	23.84	18.80
Earning Per Share (Rs.) Diluted	22.91	21.23	23.84	18.80

### PERFORMANCE REVIEW

The financial year 2012-13 was good in terms of numbers as the total income for the year under review increased by 10.85% to Rs. 72,760.48 lacs as compared to last year's total income of Rs. 65,636.24 lacs. Profit before Tax also increased by 16.57% to Rs. 10,425.65 lacs in the current year compared to Rs. 8,943.54 lacs in the previous year.

### DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 2/- per equity share of Rs. 10/- each (i.e. 20%) for the financial year ended 31<sup>st</sup> March, 2013 on the equity share capital of Rs. 32.05 crores, entailing an outgo of Rs. 640.96 lacs subject to approval by the members at the ensuing Annual General Meeting. This is exclusive of dividend distribution tax which will involve an outlay of Rs. 108.93 lacs and will be borne by the Company. The proposed dividend, if declared at the ensuing Annual General Meeting, will be paid to those Equity Shareholders whose names appear in the Register of Members as on the book closure date.

The dividend proposed for the current financial year is indicative of the dividend payout policy of the Company to pay sustainable dividend linked to the consistent performance.

The register of members and share transfer books will remain closed from Wednesday, 18<sup>th</sup> September, 2013 to Tuesday, 24<sup>th</sup> September, 2013, both days inclusive. The Annual General Meeting of the Company is scheduled to be convened on Tuesday, 24<sup>th</sup> September, 2013 at Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056.

## **TRANSFER TO RESERVES**

The Company proposes to transfer Rs. 600 lacs (Previous year Rs. 600 lacs) to the General Reserve out of the amount available for appropriations and an amount of Rs. 15,459.97 lacs (Previous year Rs. 11,062.43 lacs) has been proposed to be retained in the Surplus Account. The transfer to General Reserve is in compliance to the Companies (Transfer of Profits to Reserves) Rules, 1975.

## **NON CONVERTIBLE DEBENTURES**

An amount of Rs. 1,894 lacs has been transferred to Debenture Redemption Reserve (Previous year, the amount transferred was Rs. 2,200 lacs). Out of the Non Convertible Debentures (NCD) issued by the Company, NCD amounting to Rs. 40 Crores were redeemed on 29<sup>th</sup> July, 2013.

## **SHARE CAPITAL**

The paid up share capital of the Company as on 31<sup>st</sup> March, 2013 was Rs. 32,04,78,110/- comprising of 3,20,47,811 equity shares of Rs. 10/- each.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Gautam Mukherjee and Mr. Dilip Phatarphekar, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Mr. Ashis Bhattacharya and Ms. Vinaya Desai were appointed as Whole Time Directors of the Company for a period of 5 (five) years w.e.f. 14<sup>th</sup> February, 2013. The Board of Directors at its meeting held on 13<sup>th</sup> August, 2013 appointed Mr. T. S. Bhattacharya as an Additional Director of the Company.

The Company has received notices under Section 257 of the Companies Act, 1956 from members of the Company with requisite deposit signifying their intention to propose Mr. Ashis Bhattacharya, Ms. Vinaya Desai and Mr. T. S. Bhattacharya as Directors of the Company.

The above appointment / re-appointment forms part of the notice convening the Annual General Meeting and the resolutions are recommended for your approval.

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

As disclosed in the last year's Annual Report, Mr. Rajib Mukhopadhyay, Director Finance of the Company tendered his resignation and the same was accepted by the Board w.e.f. 21<sup>st</sup> August, 2012. The Board places on record its appreciation for the valuable services rendered by him during his tenure as a Director of the Company.

## **PUBLIC DEPOSIT**

Your Company has not accepted any fixed deposit from the public under Section 58A of the Companies Act, 1956.

## **OPERATIONS**

Your Company operates in a single segment i.e. Advanced Packaging Solutions.

The Company's installed foil rolling capacity is currently at 37,000 MTPA. The PVC unit at Goa supplements the Company's operations to provide the complete packaging solutions.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

As required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the prescribed format as Annexure 'A' to this report.

**PARTICULARS OF EMPLOYEES**

As permitted by the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report does not contain the details required under the provisions of Section 217(2A) of the Companies Act, 1956, i.e. details of the names and other particulars of employees drawing remuneration aggregating to more than Rs. 60,00,000/- (Rupees Sixty Lacs only) per annum and Rs. 5,00,000/- (Rupees Five Lacs only) per month. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office and the same will be sent by post. The statement is also available for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. till the date of Annual General Meeting.

**SUBSIDIARY COMPANIES**

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

**Flex Art Foil Limited (FAFL)**

Flex Art Foil Limited is the wholly owned Indian Subsidiary of your Company which provides facilities for printing of Aluminium blister and poly to pharmaceutical companies for their packaging solutions at various locations across the country.

Brief financials of FAFL for the financial year ended 31<sup>st</sup> March, 2013 are as follows:

(Rs. in lacs)

Particulars	Year ended 31 <sup>st</sup> March, 2013	Year ended 31 <sup>st</sup> March, 2012
Sales (net of excise duty) & Other Income	13,654.35	11,102.14
Profit before Depreciation & Tax	1,303.25	1,245.42
Less Depreciation	196.64	170.37
Profit after depreciation before tax (PBT)	1,106.61	1,075.05
Provision for Taxation	294.59	240.45
Net Profit available for Appropriation (PAT)	812.02	834.60

**Ess Dee Aluminium Pte. Limited**

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

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss as on 31<sup>st</sup> March, 2013 and other documents of both the subsidiary Companies are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. till the date of Annual General Meeting.

The details of each subsidiary company with respect to capital, reserves, total assets, total liabilities, details of investment (except in case of investment in subsidiary companies), turnover, profit before taxation, provision for taxation, profit after taxation and proposed dividend as prescribed by the Ministry of Corporate Affairs is included in the Annual Report.

**CONSOLIDATED FINANCIAL STATEMENTS**

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

## PERSONNEL & INDUSTRIAL RELATIONS

The Industrial relations continue to be peaceful and cordial. Our employees are compassionate and committed for the success of the Company. We have set up a scalable recruitment and resource management process which enables us to attract and retain talent. The focus is on increasing the efficiency and effectiveness of the employees and thereby contributing to the organizational triumph in the competitive market.

We strongly believe that trained and motivated people determine the future augmentation of the Company. Your Company endeavors to attract and recruit best possible talent and considers the quality of its human resources to be most important.

## EMPLOYEE SAFETY

Employee safety is of paramount importance for the Company. All the executives in the Company have a personal objective of ensuring a safe working environment for its employees. The safety performance is analyzed in all important forums.

The Company and its Management value the dedication of its employees and acknowledge their contribution in attaining short and long term goals of the Company. The Company has been encouraging employees by providing better working environment, opportunities and training in various fields.

The Board wishes to place on record its sincere appreciation of the dedicated efforts of all employees in advancing the Company's vision and strategy to deliver a record performance.

## CORPORATE GOVERNANCE

As required by the existing Clause 49 of the Listing Agreement with the Stock Exchanges, a detailed report on Corporate Governance is included in the Annual Report. The Auditors of the Company have certified the Company's compliance of the requirements of Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is annexed to the Report of the Corporate Governance.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 (**"the Act"**), with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2013, the applicable accounting standards have been followed;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2013 and of the profit of the Company for the year ended on that date;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts of the Company on a "going concern basis".

The Company is in compliance with various accounting and financial reporting requirements in respect of the financial statements for the year under review.

## MANAGEMENT DISCUSSION & ANALYSIS

### Forward-looking statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'seen to be', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.



## INDUSTRY STRUCTURE AND DEVELOPMENT, OUTLOOK

### Aluminium Foil Packaging Industry

Ess Dee Aluminium Limited ("EDAL") specializes in catering to the packaging needs within the pharmaceutical, food and FMCG segments.

According to the Indian Institute of Packaging (IIP), the turnover of the Indian packaging industry is likely to touch USD 43.7 billion by 2016, from the current level of USD 27.6 billion. The global turnover is about USD 550 billion. India's per capita consumption of packaging is only 4.3 kg per person per annum, as against Germany's 42 kg and China's 20 kg and is thus very low compared to the global standards.

Initiatives therefore are needed to convert the large unpacked commodities into processed and packed & well-presented commodities.

Industry experts opine that the packaging industry in India is growing at nearly 15% per annum. According to a report on the packaging industry in India by the Indo-Italian Chamber of Commerce and Industry, food packaging, cosmetic packaging, pharmaceutical and liquid packaging are the main demand generators for this industry.

According to industry source, by the end of 2013, the worldwide aluminium foil packaging market is predicted to override 3.8 million tonnes per annum.

The global market for aluminium foil packaging is poised for a substantial growth in the upcoming decade. This is driven primarily by the growth in the developing nations fuelled by various responsible factors such as rising disposable incomes, a burgeoning middle class and enhanced customer awareness. This will ultimately see an increase in demand for consumption of better quality products with better packaging – thus benefiting the aluminium foil packaging market, as forecasted.

India ranks fifth in terms of aluminium production and accounts for 5 percent of the total production worldwide. While global demand rose by 5% during the period from 2001 - 2010, that in India grew by 12%.

With the impetus provided by the Government of India to boost GDP through fast tracking of infrastructure projects, there are continued avenues of growth for the aluminium sector, which finds application in almost everything from power to transportation to construction.

The packaging sector currently accounts for 10% of the total aluminium consumption in India. Aluminium is lightweight, highly resistant to corrosion, non - magnetic, non-combustible and non - toxic, rendering it as an excellent packaging material. This is especially true in the food sector, where the urban Indian consumer's changing lifestyle and disposable income has exponentially increased the demand for packaged foods.

### Pharmaceuticals:

The Indian pharmaceutical industry is projected to record a double-digit growth in the near future owing to a rise in pharmaceutical outsourcing and rising investment by multinational companies and is likely to reach USD 90 billion by 2020. Emerging sectors, such as bio-generics and pharma packaging will also pave way for the pharmaceutical market to continue in its upward trend.

The aluminium foil is mainly used as packaging material and is widely used due to its unique protective properties. It is moisture proof, light proof and hygienic. For these properties, the major consumer industry of aluminium foils is the pharmaceutical industry and given the strong potential in the industry it is expected to have a cascading effect in the aluminium packaging industry.

### Food and FMCG:

India, Asia's third largest economy, saw lower growth rate in the food and FMCG sectors in the calendar year 2012 due to high inflation, muted salary hikes, and slowing economic growth that affected both, real wages and sentiments. However compared to other sectors, the consumption story here remains intact, though the pace of growth has slowed down to an extent when compared to that of the previous years.

FMCG companies have shown sales growth far ahead of the 4-10 per cent aggregate growth by India Inc in the current financial year. FMCG products account for a smaller share-of-wallet, and hence consumer demand here has shown better resilience to the slowdown than other consumer-oriented sectors, such as auto, retail or durables.

Demand for FMCGs comes from the entire spectrum of consumers and the sector has been able to grow by pushing farther into rural areas.

The FMCG sector in India is at present, the fourth largest sector and is expected to grow to a whopping USD 100 billion by the year 2025.

This sector will continue to see growth as it depends on an ever-increasing internal market for consumption, and demand for these goods remains more or less constant, irrespective of recession or inflation. Hence this sector will grow, though it may not be a smooth growth path, due to the present world-wide economic slowdown, rising inflation and fall of the rupee. This sector will see good growth in the long run and hiring will continue to remain robust.

Demand for various easy-to-open packaging will also increase, particularly in the food and beverage FMCG markets. Secondly, emerging market growth will positively affect FMCG packaging demand. As the middle class consumer class widens, demand for various FMCG products is expected to materialise. Packaged goods are often viewed as of superior quality and more hygienic, thus explaining the emerging market consumers' preference for them.

## OPERATIONS

Your Company operates in the single segment i.e. Advanced Packaging Solutions.

EDAL has a Pan India presence through its Hub and Spoke Model. It offers total packaging solutions to the Pharma sector and FMCG Sector primarily. The recent printing facility at Bengaluru has helped the Company to meet customer requirements for small batch sizes, besides facilitating on time delivery and faster response time for our customers based in the South.

The Company has restarted one of the two caster plants at its Hoera unit. The capacity of this plant is 11,000 TPA and we were able to stabilise the operations during the year. We expect the unit to run at full capacity in 2013-14. The Company has also recently started producing Hardener in-house, from scrap generated in the manufacturing process, which is used in the caster plant. This will result in substantial savings.

## EDAL's COMPETITIVE INDUSTRY POSITIONING:

### 1. Present in potent industry

EDAL is present in industries with great potential. Given that its end use industries like Pharma, FMCG and Food processing are poised to grow at a high rate, packaging is bound to grow.

### 2. Strong Management Team

The company has added industry experts to its team having long standing experience in the industry for enhanced growth and professional transformation in its functioning.

### 3. Scale & Backward integration

The Backward Integration initiative of restarting the Caster plant and Hardener plant at Hoera has resulted in an integrated operation and capturing of a larger part of the value chain. The recycling of scrap in the Hardener plant will also provide substantial cost savings.

### 4. Operational Track Record

EDAL is an established player in the Indian Markets and is raring to tap the international market by having an office in Singapore. With long standing experience in markets of developing nations, the company is set to secure larger business given its strong operational track record.

### 5. Innovation

EDAL continues to be at the forefront of innovation with new product launches and using advanced technologies. As one of the largest manufacturer of primary packaging material, the Company continues to bring speciality products into the markets and has increased its share of revenue by increasing the volume of High value products like Alu- Alu, Printed Blister Foil, Multi Layer Laminates and Chocolate Foil.

## 6. Expanding geographical presence

The Company has already been exporting to more than 35 countries across the globe and now, with a base in Singapore, it is strengthening its presence in the South East Asian markets. Trials at various plants of the customers in different countries have started.

### STRENGTHS:

- Fully Integrated Rolling mill with in-house Casting facility.
- In-House supply of raw materials as Foil stock is available from the Hoera Caster plant reducing dependence on single supplier.
- Pan Indian presence with locations close to customers thereby becoming the backyard supplier.
- Long standing presence in high potential industries like Pharmaceuticals and FMCG with reputed client base.
- Experienced team which has provided the Company with the bandwidth to execute its strategy.

### OPPORTUNITIES

- Diversified product portfolio comprising value added and specialised products which find good potential in regulated markets.
- The food and grocery segment is grossly under represented and offers strong growth potential in the coming years.
- Huge scope in the exports markets especially in the South East Asian region, as Company marks its presence in Singapore.
- India to evolve into fast growing pharmaceutical packaging markets specially in area of generic drugs.

### RISKS & CONCERNS:

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

#### 1. Increase in input costs

With backward integration in progress, the Company expects to mitigate this risk to an extent. The Company is also in the process of expanding its operations giving it the scale to reduce costs.

#### 2. Turnaround Time for Indiafoils

The Company has made steady progress on this front and with the Caster and Hardener plants operational, the risk is substantially mitigated. With de-bottlenecking of Rolling capacity at Kamarhati under progress, the profitability will further increase.

#### 3. Macroeconomic Slowdown

EDAL caters primarily to the pharmaceutical, food and FMCG segments and these industries are expected to grow at double digit rates given the strong consumption cycle. Due to its strong leadership role in the aluminium packaging business, the Company is relatively insulated from the slowdown.

#### 4. Regulatory Risks

EDAL is required to meet various regulatory standards as it caters to the Pharma, FMCG and Food segments. It has the required certifications in place and is in the process of obtaining more approvals and certifications for new geographies to continuously maintain and meet international benchmarks.

### INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

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

The adequacy of the same has been reported by the Statutory Auditors of your Company in their report as required under the Companies (Auditor's Report) Order, 2003.

## AUDITORS & AUDITORS' REPORT

M/s. M. P. Chitale & Co., Chartered Accountants, the Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

The Audit Committee and the Board of Directors therefore recommend the appointment of M/s. M. P. Chitale & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2013-2014 for the approval of the members.

With regard to the Auditor's remarks on the non-payment of advance tax and sales tax, the Board wishes to inform that as per the order of the Hon'ble BIFR sanctioning the merger of erstwhile IFL with the Company, the BIFR has asked the concerned departments to consider exemption under Section 115JB of the Income tax Act 1961 / Sales Tax. The Company has received the order from the income tax authorities and will be making due tax payments considering the reliefs granted. The Company is in the process of obtaining approval from the sales tax authorities.

## COST AUDITORS

Based on the recommendations of the Audit Committee, the Board of Directors had appointed Mr. Prasad Sawant, Cost Accountants as the Cost Auditors of the Company to audit the Cost Accounts related to the products of the Company for the year 2011-2012. The due date for filing the above cost audit reports was 28<sup>th</sup> February, 2013 and the same was filed within the due date. The Board of Directors had approved re-appointment of Mr. Prasad Sawant, Cost Accountants as Cost Auditors of the Company for the financial year 2012-2013 as well as 2013-2014.

## INTELLECTUAL PROPERTY

Your Company and its Indian subsidiary are owners of several trademarks namely "**Ess Dee**", "**Flex Art**" and "**IFL**" registered under various classes of trademarks. Your Company has also made applications to the Trade Mark Registry, Mumbai for registration of trademark "**House Foil**".

## RECONCILIATION OF SHARE CAPITAL AUDIT

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

## ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and co-operation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels.

Your Directors also take this opportunity to appreciate and acknowledge the sincere and dedicated efforts made by the workers, staff and officers at all levels towards the success of the Company.

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

Place: Mumbai  
Date: 13<sup>th</sup> August, 2013

**Sudip Dutta**  
Chairman



**Annexure 'A' to Directors' Report**

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report.

**I. CONSERVATION OF ENERGY:**

The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilization of energy and regular monitoring of its consumption, etc.

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

	<b>Current Year 2012-13</b>	<b>Previous Year 2011-12</b>
<b>A Power &amp; Fuel Consumption</b>		
<b>1 Electricity</b>		
a) Purchased		
Units (KWH)	<b>31528307</b>	27683961
Total Amount (Rs.)	<b>209859115</b>	168057950
Rate/Unit(Rs.)	<b>6.66</b>	6.07
b) Own Generation (through diesel generator)		
Units (KWH)	--	--
Unit per Ltr. of diesel oil	--	--
Cost/Unit(Rs.)	--	--
<b>2 Coal</b>		
Quantity (in MT)	--	--
Total Cost (Rs.)	--	--
Average Rate Per MT (Rs.)	--	--
<b>3 Furnace Oil/Diesel</b>		
Quantity in Ltrs.	<b>2114568</b>	2114080
Total Cost (Rs.)	<b>87320352</b>	78069982
Average Rate (Rs.)	<b>41.29</b>	36.93
<b>4 Rolling Oil</b>		
Quantity in Ltrs.	<b>551080</b>	344056
Total amount (Rs.)	<b>42978885</b>	23966566
Average Rate (Rs.)	<b>77.99</b>	69.66
<b>B Consumption per unit of production</b>		
Electricity (unit)	<b>1338.12</b>	1394.54
Coal (MT)	--	--
Furnace Oil (Ltrs.)	<b>89.75</b>	106.49
Rolling Oil (Ltrs.)	<b>27.32</b>	17.33

## II. TECHNOLOGY ABSORPTION

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

- (a) Developed Products with hologram transfer technology.
- (b) In continuation with the developments done earlier, new packaging laminate for chocolate wrapping with embossing is developed and commercialized with mutual trial and co-operation of customer.
- (c) Introduced new products such as PP Cap and Shoe Eyelet.
1. Benefits derived as a result of the above R&D:
  - (a) Your Company is first in India to manufacture high-end pharma packaging products like cold form blister foil, child resistant blister, etc.
  - (b) Your Company is the first Aluminium foil based packaging company in this part of Asia to declare 25 micron pharmaceutical foil as 'pin hole free'. Brands have started commercially downgauging without compromising on stability.
  - (c) Your Company is one of the pioneer Indian Companies to successfully develop 'Alu Alu' cold formed laminates for the pharmaceutical sector.
  - (d) Foil based toffee wrap business almost 80% with the Company.
2. Future plan of action:

We will continuously work and develop with a thinner and more impervious.

  - (a) Lean and Best Manufacturing practices.
  - (b) 6 SIGMA projects for continuous improvement and optimisation.
3. Expenditure on R&D:
  - (a) Capital Rs. Nil.
  - (b) Recurring: Expenditure incurred on account of R&D are charged under primary heads of accounts and not allocated separately.
  - (c) Total Capital R & D expenditure as percentage of total turnover: Nil.

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

1. Efforts in brief made towards technology absorption, adaptation and innovation.
  - (a) Your Company has always been a pioneer in the packaging technology and in line with the same has plans for induction of diversified printing technology in close association with the leading international manufacturers.
2. Benefits derived as a result of the above efforts:

Import substitution, anti-counterfeit products, process & product improvement and backward integration have resulted in optimum stable products for our customer.

## III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

Your Company is at present exporting Aluminium foil to APAC and South American countries. The Company is continuously exploring possibilities of exporting more of its products to different markets. In the process, the Company has established a wholly owned subsidiary in Singapore to cater to the exports business.

2. During the year under review:
  - (a) Foreign exchange earnings by the Company were Rs. 5,291.67 lacs (Previous Year Rs. 4,196.06 lacs)
  - (b) Foreign exchange expenditure (which includes import of raw materials, spares and capital goods, commission on export and travelling expenditure) was Rs. 12,520.16 lacs (Previous Year Rs. 12,978.09 lacs).

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

Place: Mumbai  
Date: 13<sup>th</sup> August, 2013

**Sudip Dutta**  
Chairman

**Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary Companies**

1. Name of the Subsidiary Company	<b>Flex Art Foil Limited</b>	<b>Ess Dee Aluminium Pte. Limited</b>
2. Holding Company's Interest	2,00,00,000 Equity Shares of Rs. 10 each, fully paid up	22,01,000 Equity Shares of Singapore Dollar 1 each
3. Extent of Holding	100%	100%
4. Subsidiary's Financial year ended on	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2013
5. Net aggregate amount of subsidiary's profit not dealt within the holding company's account: i) for the financial year of the subsidiary ii) for the previous financial years of the subsidiary since it became the holding company's subsidiary	Rs. in Lacs  812.02 6,507.69	Rs. in Lacs  - (54.71)
6. Net aggregate amount of subsidiary's profit dealt within the holding company's account: i) for the financial year of the subsidiary ii) for the previous financial year of the subsidiary since it became the holding company's subsidiary.	Nil Nil	Nil Nil

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

Place: Mumbai  
Date: 13<sup>th</sup> August, 2013

**Sudip Dutta**  
**Chairman**

## CORPORATE GOVERNANCE REPORT

### 1) Company's Philosophy on Corporate Governance

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

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

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

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

### 2) BOARD OF DIRECTORS

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

The Directors are appointed or re-appointed with the approval of the shareholders. All the Directors are liable to retire by rotation unless otherwise specifically approved by the shareholders. The Independent Directors on the Board are highly experienced and competent persons from their respective fields. The Independent Directors take active part at the Board Meetings and Committee Meetings which add value in the decision making process of the Board of Directors. All Directors have intimated periodically about their Directorship and Membership in various Board and Committee positions of other Companies, which are within permissible limits of the Companies Act, 1956 and Corporate Governance Code.

- b) Four Board Meetings were held during the year and the gap between two meetings did not exceeded four months. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. Senior Management Personnel are invited to provide additional inputs for the items being discussed by the Board as and when necessary. The Minutes of the Meetings of the Board are individually given to all the Directors and confirmed at the subsequent Board Meeting. The finalised copies of the minutes of various Committee meetings of the Board are also individually given to the Directors and thereafter tabled at the subsequent Board Meeting for the Board's views thereon. The dates on which the Board Meetings were held during the year are as follows: 29<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 9<sup>th</sup> November, 2012 and 14<sup>th</sup> February, 2013. The necessary quorum was present for all the meetings.
- c) As mandated by Clause 49, none of the Directors is a member of more than ten Board level Committees or Chairman of five such Committees across all Companies in which he / she is a Director. Necessary disclosures regarding Committee positions in other public Company as on 31<sup>st</sup> March, 2013 have been made by all the Directors. The following table gives details of Directors attendance, Directorships held in other Public Company and subsidiary of Public Company and the position of Membership/Chairmanship of Audit Committee and Shareholders'/Investors' Grievance Committee in such other Public Company and subsidiary of Public Company.



Name of the Director	Category	No. of Board Meetings attended out of 4 Meetings held		No. of Directorship(s)/Committee(s) positions held in other public Company and subsidiary of Public Company as on 31 <sup>st</sup> March, 2013		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. Sudip Dutta	Promoter & Non - Executive	2	Yes	2	1	-
Mr. Bijoy Kumar Pansari	CEO & Managing Director	4	Yes	1	-	-
Mr. Gautam Mukherjee	Independent Non - Executive	4	Yes	1	-	1
Mr. Dilip Phatarphekar	Independent Non - Executive	4	No	1	1	-
Mr. Ramdas L. Baxi	Independent Non - Executive	3	Yes	1	-	-
Mr. Madan Mohan Jain	Independent Non - Executive	4	Yes	1	1	-
Mr. Ashis Bhattacharya *	Executive	1	N.A.	-	-	-
Ms. Vinaya Desai *	Executive	1	N.A.	1	-	1
Mr. T. S. Bhattacharya #	Independent Non - Executive	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rajib Mukhopadhyay ®	Executive	1	N.A.	N.A.	N.A.	N.A.

\* Mr. Ashis Bhattacharya and Ms. Vinaya Desai were appointed as Whole Time Directors on the Board of the Company w.e.f. 14<sup>th</sup> February, 2013, subject to Shareholder's approval at the ensuing Annual General Meeting.

# Mr. T. S. Bhattacharya was appointed as an Additional Director on the Board of the Company w.e.f. 13<sup>th</sup> August, 2013, subject to Shareholder's approval at the ensuing Annual General Meeting.

® Mr. Rajib Mukhopadhyay resigned as Director Finance of the Company w.e.f. 21<sup>st</sup> August, 2012.

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 1956.

d) During the year, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board of Directors for their consideration.

e) None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

### 3) BOARD COMMITTEES

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to committees of the Board set up for the purpose. These committees prepare the groundwork for decision-making and report the same to the Board at the subsequent meetings. Currently, the Board has five Committees viz. Audit Committee, Finance Committee, Shareholders'/Investors' Grievance Committee, Remuneration Committee and Management Committee.

#### I. AUDIT COMMITTEE

The Company has an Independent Audit Committee comprising of 3 (three) Independent Directors. Mr. Gautam Mukherjee is the Chairman of the Committee and Mr. Dilip Phatarphekar and Mr. Ramdas L. Baxi are members, all learned and experts

having adequate knowledge in the field of finance. The Audit Committee is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

Four meetings of the Audit Committee were held during the financial year under review i.e. on 29<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 9<sup>th</sup> November, 2012 and 14<sup>th</sup> February, 2013. The gap between two consecutive meetings did not exceed four months. The necessary quorum was present for all the meetings.

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

The Statutory Auditors and Internal Auditors have attended all the Audit Committee meetings held during the year. The Chairman of the Audit Committee was present at the previous Annual General Meeting held on 28<sup>th</sup> September, 2012.

The role of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as per Section 217(2AA) of the Companies Act, 1956;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgement by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Discussion with internal auditors on any significant findings and follow up thereon;
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
11. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors;
12. To review the functioning of Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief Internal Auditor shall be subject to review by the Audit Committee.

## II. FINANCE COMMITTEE

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

Two meetings of the Finance Committee were held during the financial year under review i.e. on 29<sup>th</sup> May, 2012 and 7<sup>th</sup> December, 2012. The necessary quorum was present for all the meetings.

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

1. Borrowings from banks / financial institutions upto an aggregate limit of Rs. 500.00 crores.
2. Granting Loans to companies / firms / individual, whether subsidiaries / associates or otherwise, upto a limit of Rs. 10.00 crores per Company or firm and Rs. 1.00 crore per individual, for the purpose of business, subject however that the aggregate of loans granted and outstanding to all such companies / firms / individuals, subsidiaries or associates at any time shall not exceed the applicable ceiling prescribed under Section 370 or other applicable provisions of the Companies Act, 1956.
3. Opening / closing of bank accounts, opening letters of credit, issue / renew / cancel bank guarantees and other banking matters.
4. Approval of authorized signatories and delegation of powers to sign cheques, etc. for operating the bank accounts of the Company.
5. Miscellaneous financial matters.

## III. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of Mr. Ramdas Baxi, Independent Director as Chairman, Mr. Dilip Phatarphekar and Mr. Gautam Mukherjee as members, to specifically look into the redressal of complaints and queries of shareholders / investors. The Company Secretary is the Compliance Officer and the Secretary to the Committee.

Two meetings of the Committee were held during the financial year 2012-2013 on 14<sup>th</sup> August, 2012 and 14<sup>th</sup> February, 2013. Minutes of each Shareholders' / Investors' Grievance Committee meetings are placed and discussed in the next meeting of the Board.

At the beginning of the financial year, there was no investor complaint that was unresolved. The Company had received 22 complaints during the financial year ended 31<sup>st</sup> March, 2013 which were replied to the satisfaction of the shareholders. There were no outstanding complaints as on 31<sup>st</sup> March, 2013.

## IV. REMUNERATION COMMITTEE

Although, the Remuneration Committee is a non-mandatory Committee but as recommended under Clause 49 of the Listing Agreement, the Company has constituted the Remuneration Committee comprising of Independent Directors, namely Mr. Dilip Phatarphekar as Chairman, Mr. Ramdas Baxi and Mr. Gautam Mukherjee as Members. The minutes of the Remuneration Committee meetings are reviewed and noted by the Board from time to time.

The Remuneration Policy of the Company for managerial personnel is primarily based on the performance of the Company and track record, potential and performance of individual managerial personnel.

The Remuneration Committee recommends to the Board the compensation package of the Executive Directors of the Company. The remuneration of the Executive Directors is within the ceilings laid down under Schedule XIII of the Companies Act, 1956. The Non-Executive Directors are paid sitting fees for attending the meetings of the Board of Directors and Committees within the ceilings prescribed by the Central Government.

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

The Company does not have any Employee Stock Option Scheme.

During the financial year under review, one Meeting of Remuneration Committee was held on 14<sup>th</sup> February, 2013.

## Details of Remuneration paid to Directors:

Details of remuneration for the year ended 31<sup>st</sup> March, 2013:

### a) Executive Directors

(Rs. in lacs)

Name	Designation	No. of Shares Held	Salary	Allowances & Perquisites	Total	Relationship with any Other Director
Mr. Bijoy Kumar Pansari	CEO and Managing Director	Nil	84.00	--	84.00	None
Mr. Ashis Bhattacharya *	Whole Time Director	Nil	5.62	--	5.62	None
Ms. Vinaya Desai *	Whole Time Director	2,249	1.77	--	1.77	None
Mr. Rajib Mukhopadhyay ®	Director- Finance	N.A.	10.55	--	10.55	None

\* Mr. Ashis Bhattacharya and Ms. Vinaya Desai were appointed as Whole Time Directors of the Company w.e.f. 14<sup>th</sup> February, 2013.

® Mr. Rajib Mukhopadhyay resigned as Director Finance w.e.f. 21<sup>st</sup> August, 2012.

### b) Non -Executive Directors

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

Name	Sitting Fees (Rs.)	Number of shares held as on 31 <sup>st</sup> March, 2013
Mr. Sudip Dutta	Nil	1,87,55,913
Mr. Gautam Mukherjee	75,000	Nil
Mr. Dilip Phatarphekar	85,000	Nil
Mr. Ramdas Baxi	55,000	Nil
Mr. Madan Mohan Jain	40,000	Nil
Mr. T. S. Bhattacharya	N.A.	N.A.

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

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

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

Name of the Director	Category	Audit Committee	Remuneration Committee	Shareholders'/ Investors' Grievance Committee
Mr. Gautam Mukherjee	Independent & Non-Executive Director	4	1	2
Mr. Dilip Phatarphekar		4	1	2
Mr. Ramdas Baxi		3	1	1



**V. MANAGEMENT COMMITTEE**

The Management Committee was duly constituted on 30<sup>th</sup> October, 2010 pursuant to Clause 20 (ii) of the order of the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) dated 30<sup>th</sup> September, 2010. The Management Committee was reconstituted on 13<sup>th</sup> January, 2012 with Mr. Sudip Dutta as the Chairman, representative of Kotak Mahindra Bank Limited, Monitoring Agency and Mr. Bijoy Kumar Pansari, CEO & Managing Director of the Company being the Members of the Committee.

The Committee reviews on quarterly basis the operations of the Company in all aspects and monitors the implementation of the revival scheme of BIFR.

Four meetings of the Committee were held during the financial year 2012-2013 on the following dates: 26<sup>th</sup> June, 2012, 28<sup>th</sup> September, 2012, 7<sup>th</sup> December, 2012 and 14<sup>th</sup> February, 2013.

**4) GENERAL BODY MEETINGS****a) Annual General Meeting :**

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

Date	AGM	Venue	Time	Whether Special resolutions passed
14.12.2010	6 <sup>th</sup> AGM	Hotel Miramar, Devka Beach, Daman – 396 210	12.30 p.m.	Yes
28.09.2011	7 <sup>th</sup> AGM	Hotel Sea Rock Inn, Devka Beach, Daman – 396 210	1.00 p.m.	Yes
28.09.2012	8 <sup>th</sup> AGM	Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056	10.00 a.m.	Yes

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

At the 6<sup>th</sup> AGM held on 14<sup>th</sup> December, 2010, three special resolutions were passed for appointment of Mr. Rajib Mukhopadhyay, Mr. Debdeep Bhattacharya and Mr. Soumitra Barari as the Whole Time Directors of the Company.

At the 7<sup>th</sup> AGM held on 28<sup>th</sup> September, 2011, two special resolutions were passed for re-appointment of Mr. Sudip Dutta as Chairman and Managing Director of the Company for further period of five years commencing from 15<sup>th</sup> June, 2011 and for making further issue of Shares by way of ADR, GDR, QIP considering the requirement of additional funds, if any.

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

**b) Extra Ordinary General Meetings :**

In addition to Annual General Meeting, the Company holds General Meetings of the members of the Company as and when situation arises. During the year under review, the Company had not held any Extra Ordinary General Meeting.

**c) Postal Ballot :**

During the financial year 2012-2013, the Company had conducted a Postal Ballot process for obtaining the approval of the members for the following Resolutions :

- Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for creation of charges on the movable and immovable properties of the Company.
- Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 for increasing the borrowing limits of the Company from Rs. 1,000 Crores to Rs. 1,500 Crores.
- Ordinary Resolution for consolidation of un-issued shares in the Authorised Share Capital of the Company to the tune of Rs. 80 Crores.
- Special Resolution for alteration of Articles of Association of the Company.

The notice of the postal ballot was mailed to all the members of the Company alongwith postage prepaid envelopes.

Mr. Jigarkumar Gandhi, Practising Company Secretary, was appointed as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner and the Scrutinizer submitted his report to the CEO & Managing Director, Mr. Bijoy Kumar Pansari on 30<sup>th</sup> July, 2012.

The details of the voting pattern were as under :

Description of the Resolution	No. of valid postal ballot forms received	Votes in favour of the resolution	Votes against the resolution	% of votes in favour
Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for creation of charges on the movable and immovable properties of the Company	220	1,93,60,819	19,132	99.90%
Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 for increasing the borrowing limits of the Company from Rs. 1,000 Crores to Rs. 1,500 Crores	219	1,93,60,653	19,248	99.90%
Ordinary Resolution for consolidation of un-issued shares in the Authorised Share Capital of the Company to the tune of Rs. 80 Crores	220	1,93,78,447	1,455	99.99%
Special Resolution for alteration of Articles of Association of the Company	216	1,93,78,063	1,472	99.99%

Accordingly, the above Resolutions were approved by the members with requisite and overwhelming majority.

## 5) SUBSIDIARY COMPANY

The Company has one wholly owned Indian subsidiary Flex Art Foil Limited, (formerly known as Flex Art Foil Private Limited) and one foreign wholly owned subsidiary Ess Dee Aluminium Pte. Limited, incorporated in the Republic of Singapore.

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

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

## 6) CODE OF CONDUCT

The Company has adopted a modified Code of Conduct for all Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49(1)(D) of the Listing Agreement. The said Code has been communicated to the Directors and Senior Management Personnel and they have confirmed compliance with the said Code of conduct for the financial year ended 31<sup>st</sup> March, 2013. The code of conduct is available on the website of the Company: [www.essdee.in](http://www.essdee.in)

The requisite Declaration of the CEO and Managing Director is given below:

**To**  
**The Shareholders of Ess Dee Aluminium Limited**

**Sub: Compliance with Code of Conduct**

I hereby confirm that the Company has obtained from all the Members of Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct as adopted by the Board of Directors in respect of financial year ended 31<sup>st</sup> March, 2013.

28<sup>th</sup> May, 2013

**Bijoy Kumar Pansari**  
**CEO and Managing Director**

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

As per SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company is required to have a Compliance Officer who is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Price Sensitive Information, pre-clearance of trade, monitoring of trades and implementation of code of conduct for trading in Company's securities under overall supervision of the Board. The Company Secretary is the Compliance Officer of the Company. All the Directors on the Board, employees at Senior Management levels at all locations and other designated employees who could be privy to unpublished price sensitive information of the Company are governed by this code. All the Directors, Employees at Senior Management levels and other designated employees of the Company are restricted from entering into opposite transactions i.e. buy or sell any number of shares during the next 6 months following the prior transactions.

## 7) DISCLOSURES

### a. Related party transactions

Details of significant related party transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiary companies or relatives, etc. as per Accounting Standard 18 "Related Party Disclosures" are presented under Note 30.07 of the Balance Sheet. No material transaction has been entered by the Company with the Promoters, Directors or the Management, subsidiaries or relatives that may have potential conflict with the interest of the Company except as presented under Note 30.07 of the Balance Sheet. All such transaction has been done on arms' length basis.

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

### b. Compliance

- i. The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and adoption of non mandatory requirement under Clause 49 of the Listing Agreement are being reviewed periodically.
- ii. Although it is not mandatory, the Board of Directors of the Company have constituted a Remuneration Committee and a Finance Committee, the details of which have been provided under Sections 'Remuneration Committee' and 'Finance Committee'.
- iii. No penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or other statutory authorities on any matter related to the capital market from the date of listing.
- iv. The Company currently has not adopted a Whistle Blower policy.
- v. Risk management is an ongoing process and the Audit Committee periodically reviews risk mitigation measures.

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

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

## 8) MEANS OF COMMUNICATION

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

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

## 9) GENERAL SHAREHOLDER INFORMATION

### (i) Annual General Meeting:

Date: 24<sup>th</sup> September, 2013  
Time: 10.00 a.m.  
Day: Tuesday  
Venue: Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056

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

22<sup>nd</sup> September, 2013 before 10.00 a.m. at the Registered Office of the Company.

**(iii) Financial Year:**

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

Results for the quarter ending:

30 <sup>th</sup> June, 2013	13 <sup>th</sup> August, 2013
30 <sup>th</sup> September, 2013	By 2 <sup>nd</sup> week of November, 2013
31 <sup>st</sup> December, 2013	By 2 <sup>nd</sup> week of February, 2014
31 <sup>st</sup> March, 2014	By 4 <sup>th</sup> week of May, 2014

**(iv) Date of book closure**

Wednesday, 18<sup>th</sup> September, 2013 to Tuesday, 24<sup>th</sup> September, 2013 (both days inclusive).

**(v) Dividend payment date**

Within 30 days from the date of Annual General Meeting.

**(vi) Listing on Stock Exchanges**

The Company's shares are listed on:-  
Bombay Stock Exchange Limited (BSE) and  
National Stock Exchange of India Limited (NSE)

The Company debt securities are listed on the Wholesale Debt Market (WDM) of BSE.

The Company has paid the annual Listing Fees for the financial year 2013-2014 to BSE and NSE.

The Custodial Fees for the year 2013-2014 have been paid to the National Securities Depository Limited and the Central Depository Services (India) Limited.

**(vii) Stock code**

**Equity Shares**

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

**Debt Securities**

The Wholesale Debt Market (WDM) of BSE - 947009

**Debenture Trustee**

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

**(viii) Market price data**

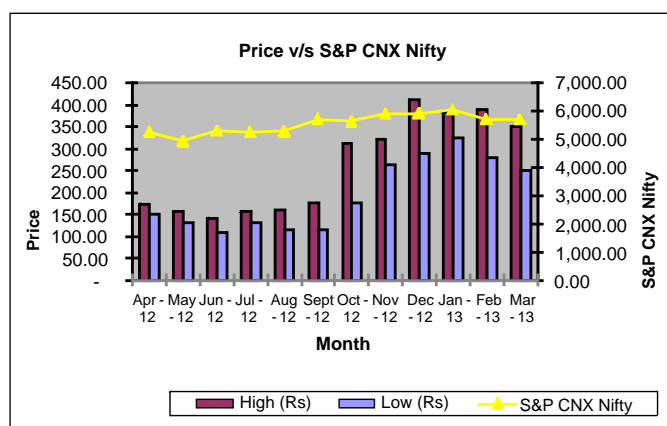
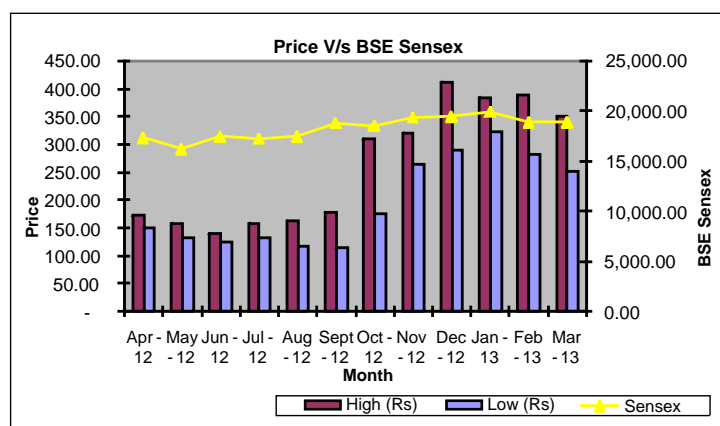
The monthly high and low prices of the Company's share at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31<sup>st</sup> March, 2013 are given as follows:

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Sensex (Closing)	High (Rs.)	Low (Rs.)	S & P CNX Nifty (Closing)
April, 2012	172.40	150.40	17,318.81	172.30	150.00	5,248.15
May, 2012	156.75	132.10	16,218.53	157.00	131.10	4,924.25
June, 2012	138.90	124.05	17,429.98	140.35	107.95	5,278.90
July, 2012	157.80	131.90	17,236.18	158.00	131.65	5,229.00
August, 2012	161.65	115.75	17,429.56	161.85	115.50	5,258.50
September, 2012	178.00	114.20	18,762.74	177.90	115.00	5,703.30
October, 2012	310.15	176.00	18,505.38	311.60	176.00	5,619.70
November, 2012	321.55	264.25	19,339.90	321.95	265.05	5,879.85
December, 2012	410.90	290.00	19,426.71	411.25	289.55	5,905.10
January, 2013	383.90	323.05	19,894.98	383.70	323.40	6,034.75
February, 2013	389.90	282.65	18,861.54	388.95	280.40	5,693.05
March, 2013	352.00	252.30	18,835.77	351.10	251.65	5,682.55

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

#### Stock Performance v/s. BSE Sensex and S & P CNX Nifty

The performance of Ess Dee Aluminium Limited's Equity Shares relative to the BSE Sensex and S & P CNX Nifty is given in the charts below:





**(ix) Registrar and Transfer Agents**

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

**(x) Share Transfer System**

The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Shareholders' / Investors' Grievance Committee which consists of Mr. Ramdas Baxi as Chairman, Mr. Dilip Phatarphekar and Mr. Gautam Mukherjee as Members.

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

**(xi) Distribution of shareholding as on 31<sup>st</sup> March, 2013**

Holding	No. of Shareholders	No. of shares held	Share holding %
1-500	9,303	4,58,200	1.43
501- 1000	165	1,27,782	0.40
1001- 2000	106	1,58,915	0.50
2001- 3000	42	1,06,782	0.33
3001- 4000	31	1,13,468	0.35
4001- 5000	30	1,41,888	0.44
5001-10000	53	4,00,852	1.25
10001 & above	85	3,05,39,924	95.30
<b>Total</b>	<b>9,815</b>	<b>3,20,47,811</b>	<b>100.00</b>

**Distribution of shareholding by ownership as on 31<sup>st</sup> March, 2013**

Category	No. of Shares held	Share holding %
Promoters	1,90,68,867	59.50
FII's	69,13,236	21.57
Venture Capital Funds	-	-
Insurance Companies	10,92,730	3.41
Mutual Funds/UTI/Banks	6,05,331	1.89
Bodies Corporate	12,72,162	3.97
Individuals/others	30,95,485	9.66
<b>Total</b>	<b>3,20,47,811</b>	<b>100.00</b>

**(xii) Dematerialisation of shareholding**

The Company has established connectivity with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar and Transfer Agents, Bigshare Services Private Limited. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. Almost the entire shareholding is held in dematerialized form with NSDL 3,07,56,713 Shares (95.97%) and CDSL 12,90,830 Shares (4.03%) as on 31<sup>st</sup> March, 2013. The entire shareholdings of the Promoters of the Company are in demat form.

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

**(xiii) Details of Unclaimed Shares**

The Company came out with an Initial Public Offer (IPO) in December, 2006. The Equity shares issued pursuant to the said IPO which remained unclaimed are lying in the Escrow Account with Bigshare Services Private Limited. The Company has sent 4 reminders to the shareholders asking for correct demat account details. As per Clause 5A(1) of the Listing Agreement, the Company reports the following details in respect of the unclaimed shares:

Particulars	No. of shareholders	No. of Shares
Aggregate No. of shareholders & Shares pending as on 1 <sup>st</sup> April, 2012	5	194
No. of shareholders who approached for transfer of shares from suspense account during the year	Nil	Nil
No. of shareholders & Share transferred from suspense account during the year	Nil	Nil
No. of shareholders & Shares outstanding at the end of the year*	5	194
* Invalid Demat Account		

The voting rights on the shares outstanding in the suspense account as on 31<sup>st</sup> March, 2013 shall remain frozen till the rightful owner of such shares claims the shares.

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

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

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

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

**(xv) Plant locations**

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

**(xvi) Registered Office**

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

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

Company Secretary & Compliance Officer Ess Dee House, Akurli Road Kandivali (East), Mumbai 400 101 Tel: 91 22 66908200 Fax: 91 22 66908396 Email ID: investorservice@essdee.in	Registrar and Transfer Agents Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri East, Mumbai 400 072
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**(xviii) Bank details for dividend payment**

Shareholders desirous of receiving their dividend directly into their bank account through Electronic Clearing System (ECS) are requested to inform their ECS mandate to the Registrar and Transfer Agents of the Company. Beneficiaries holding the scrip of the Company in the dematerialized form may intimate the change, if any, in their bank details to their Depository Participant (DP) furnishing their details with the correct 9 digit MICR code of their bank.

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

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

We have examined the compliance of conditions of corporate governance by Ess Dee Aluminium Limited (the Company) for the year ended 31<sup>st</sup> March, 2013 as stipulated in clause 49 of the Listing Agreement of said Company with the stock exchanges.

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

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

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

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

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

**Ashutosh Pednekar**  
Partner  
ICAI M. No. 41037

Place : Mumbai  
Date : 13<sup>th</sup> August, 2013

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

### Item Nos. 3, 4, 6, 8 and 10 of the Notice convening Annual General Meeting

Brief notes on the background and the functional expertise of the Directors proposed for appointment and re-appointment are furnished below, with details of Companies in which they are Directors and the Board Committees of which they are members:

Name of the Director	Mr. Gautam Mukherjee	Mr. Dilip Phatarphekar	Mr. Ashis Bhattacharya	Ms. Vinaya Desai	Mr. T. S. Bhattacharya
Date of Birth	20.01.1946	24.01.1938	02.03.1964	24.01.1973	24.01.1948
Date of Appointment	22.05.2006	22.05.2006	14.02.2013	14.02.2013	13.08.2013
Expertise in specific functional area	Organizational Development	Mr. Dilip Phatarphekar is a practicing Advocate and Arbitrator and has experience of over 40 years. He has worked as a Head of Legal Department of Companies such as Pfizer Limited and Essar Group of Companies.	Mr. Ashis Bhattacharya is a Bachelor in Electrical Engineering from Jadavpur University and has a Post Graduation Certification in Operations Management from the ISB, Hyderabad. Mr. Bhattacharya has around 27 years of experience in the manufacturing industry.	Ms. Vinaya Desai brings her vast experience in quality assurance, clinical research and regulatory affairs to ensure product acceptance of the Company at par with international standards. She has done her post graduation in Pharmacy from Pune University.	Mr. T. S. Bhattacharya has more than 40 years of experience in Indian Banking and has served as Managing Director of State Bank of India from 2005 to 2008. He brings with him the innate understanding of the Indian Banking System and relationships at the highest levels of almost all banks present in India.
Qualifications	Bachelor of Engineering from Calcutta University	B.A., LLB	B.E, PGCBM	M. Pharma	M. Sc. in Nuclear Physics, Post M. Sc. degree in Nuclear Physics, Post Graduate in Management Science from Jammalal Bajaj Institute of Management, Mumbai.
Directorships held in other Indian public limited Companies	Flex Art Foil Limited	Panama Petrochem Limited	--	Flex Art Foil Limited	<ul style="list-style-type: none"> <li>• Jindal Stainless Limited</li> <li>• Sayaji Hotels Limited</li> <li>• IDFC Securities Limited</li> <li>• Amartex Industries Limited</li> <li>• Surya Roshni Limited</li> <li>• IDFC AMC Trustee Company Limited</li> <li>• Nandan Exim Limited</li> <li>• Speciality Restaurants Ltd.</li> <li>• Ind Swift Laboratories Ltd.</li> <li>• MAN Industries (India) Ltd.</li> </ul>
Chairman / Member of the Committee of Board of Directors of the Company	Chairman – Audit Committee Member – Shareholders' / Investors Grievance Committee & Remuneration Committee	Chairman – Remuneration Committee Member – Shareholders' / Investors' Grievance Committee, Finance Committee & Audit Committee	--	--	--
Chairman / Member of Committees of Board of Directors of other Indian public limited Companies	Member – Audit Committee – Flex Art Foil Limited	a) Chairman - Investor Grievance Committee, b) Chairman - Remuneration Committee of Panama Petrochem Limited	Nil	Member – Audit Committee – Flex Art Foil Limited	Member – Audit Committee <ul style="list-style-type: none"> <li>• Jindal Stainless Limited</li> <li>• IDFC Securities Limited</li> <li>• Surya Roshni Limited</li> </ul>
No. of Shares held in the Company	Nil	Nil	Nil	2,249	Nil

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

- 1 We have audited the accompanying financial statements of Ess Dee Aluminium Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

- 2 Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

- 3 Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

- 6 In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - (b) in the case of statement of the Profit and Loss, of the profit/ loss for the year ended on that date; and
  - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 7 As required by section 227(3) of the Companies Act 1956, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement complies with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
  - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



- 8 As required by the Companies (Auditor's Report) Order 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

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

Chartered Accountants

ICAI FR No: 101851W

**Ashutosh Pednekar**

Partner

ICAI M No.: 041037

Place: Mumbai

Date: May 28, 2013

## Annexure to Independent Auditor's Report

### Annexure referred to in paragraph 8 of the Independent Auditor's Report to the members of Ess Dee Aluminium Limited.

- i (a) The Company has maintained unit wise fixed assets registers and / or compiled item wise list showing particulars of all its fixed assets. The aggregate value shown by these records agrees with the gross value of fixed assets as per the books of account of the Company.
- (b) Based on the information and explanations furnished to us, the Company has physically verified fixed assets during the year as per the cycle of verification and no material discrepancies were noticed.
- (c) During the year, Company has not disposed of any substantial /major part of fixed assets.
- ii (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- iii a The Company has granted unsecured loans to companies covered in the register maintained under Section 301 of the Act. Details of parties and the amount involved are as under.

Sr. No.	Name of the Party	Maximum amount outstanding during the year (Rs. in Lacs)	Year end Balance (Rs. in Lacs)
1.	Ess Dee Aluminium Pte. Limited	979.48	979.48

b&c The interest free loan do not stipulate any terms and conditions of payment and in our opinion are prima facie not prejudicial to the interest of the Company.

d. In view of the above, the question of regularity of payment of principal and interest does not arise.

e. The Company has taken interest free loan from Director listed in the register maintained under section 301 of the Companies Act, 1956.

Sr. No.	Name of the Party	Maximum amount outstanding during the year (Rs. in Lacs)	Year end Balance (Rs. in Lacs)
1.	Mr. Sudip Dutta	600.00	600.00

f The interest free loan do not stipulate any terms and conditions of repayment and in our opinion are prima facie not prejudicial to the interest of the Company.

g. In view of the above, the question of regularity of repayment of principal and interest does not arise.

- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.
- v. (a) In our opinion, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) In our opinion, and to the best of our knowledge and belief and according to the information and explanations given to us, the contracts and arrangements were entered into at mutually agreed prices for which suitable alternatives do not exist to compare with the prevailing market prices.

- vi During the year Company has not accepted any deposits from the public. Accordingly paragraph 4 (vi) of the order is not applicable.
- vii We have broadly reviewed the cost records maintained by the Company relating to the manufacturing activities pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- Viii (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service tax, Customs Duty, Excise Duty and cess with the appropriate authorities, *though there have been delays in few cases.* There are no undisputed statutory dues outstanding as of March 31, 2013 for a period of more than six months *except payment of advance tax of Rs. 621.79 Lacs for the year. However, the following are not paid :-*

*Other dues of Deferred Sales Tax, aggregating Rs. 1,588.05 lacs, as set out below, which is outstanding as at the end of the year:-*

Period to which the amount relates	Due Date	Amount (Rs. in Lacs)
Quarter ended 30.09.96	31.10.05	12.98
Quarter ended 31.12.96	31.01.06	25.62
Quarter ended 31.03.97	30.04.06	31.45
Quarter ended 30.06.97	31.07.06	29.76
Quarter ended 30.09.97	31.10.06	42.45
Quarter ended 31.12.97	31.01.07	51.39
Quarter ended 31.03.98	30.04.07	51.58
Quarter ended 30.06.98	31.07.07	33.74
Quarter ended 30.09.98	31.10.07	48.82
Quarter ended 31.12.98	31.01.08	41.61
Quarter ended 31.03.99	30.04.08	53.02
Quarter ended 30.06.99	31.07.08	65.44
Quarter ended 30.09.99	31.10.08	79.66
Quarter ended 31.12.99	31.01.09	89.31
Quarter ended 31.03.00	30.04.09	84.82
Quarter ended 30.06.00	31.07.09	68.94
Quarter ended 30.09.00	31.10.09	67.52
Quarter ended 31.12.00	31.01.10	71.84
Quarter ended 31.03.01	30.04.10	71.55
Quarter ended 30.06.01	31.07.10	76.21
Quarter ended 30.09.01	31.10.10	68.58
Quarter ended 31.12.01	31.01.11	56.70
Quarter ended 31.03.02	30.04.11	53.37
Quarter ended 30.06.02	31.07.11	59.68
Quarter ended 30.09.02	31.10.11	61.58
Quarter ended 31.12.02	31.01.12	45.93
Quarter ended 31.03.03	30.04.12	30.45
Quarter ended 30.06.03	31.07.12	35.84
Quarter ended 30.09.03	31.10.12	39.05
Quarter ended 31.12.03	31.01.13	39.16

*Note: Interest due on above Rs. 695.03 Lacs.*

- (b) As at the year-end according to the records of the Company and information and explanations given to us, there are no disputed dues on account of income tax, sales tax, customs duty, excise duty, cess, wealth tax, service tax which have not been deposited with respective authorities except as under.

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the disputes are pending
West Bengal Sales Tax Act/ West Bengal Value Added Tax Act/ Central Sales Tax Act	Sales Tax	1,710.40	1982-1984, 1986-1988, 1993-94 to 1999-2001 & 2003-04	Revision Board (Tribunal)
		451.39	2001-02 to 2002-03	WB Taxation Tribunal
		(364.34)	2004-05 to 2008-09	Deputy Commissioner (Appeals)
	<b>Total</b>	<b>1,797.16</b>		
Central Excise Act	Excise Duty	1,272.28	1986 to 2011	Commissioner of Central Excise
C.E.Commr.	Excise Duty	133.58	2006-07 to Oct.2009	Commissioner of Central Excise
C.E.Commr.	Excise Duty	224.47	2007-08 to Dec.2011	Commissioner of Central Excise
C.E.Commr.	Excise Duty	76.72	Jan.2012 to Nov.2012	Commissioner of Central Excise

- ix The Company has neither accumulated losses at the end of the financial year nor incurred cash losses during the year and in the immediately preceding financial year.
- x The Company has not defaulted in repayment of dues to banks.
- xi According to the information and explanations, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii According to the information and explanations, the Company is not a chit fund / nidhi / mutual benefit fund / society. Hence, the provisions of any special statute as specified under clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
- xiii According to the information and explanations, the Company is not a dealer or trader in securities.
- xiv According to the information and explanations given to us, the Company has given guarantee for bank loans taken by its subsidiaries on such terms and conditions which are prima facie not prejudicial to the interest of the Company.
- xv To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purposes for which the loans were obtained.
- xvi On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, funds raised on short term basis have, prima facie not being used for long term investments.
- xvii The Company has not made any preferential allotment of shares to parties/companies covered in the register maintained u/s 301 of the Companies Act 1956.
- xviii The Company has created securities and registered the charge in respect of non convertible debenture issued.

- xix The Company has not raised any money by public issues during the year.
- xx Based on information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the year.

For M. P. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 101851W

**Ashutosh Pednekar**

Partner  
ICAI M. No. 041037  
Place : Mumbai  
Date : May 28, 2013



# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2013

PARTICULARS	Note No.	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
<b>i. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	3,204.78	3,204.78
b. Reserves and Surplus	2	72,313.66	65,422.13
<b>2. Non Current Liabilities</b>			
a. Long-term borrowings	3	14,477.18	8,041.68
b. Deferred Tax Liability (Net)	4	1,783.22	-
c. Other Long Term liabilities	5	2,102.62	2,102.62
d. Long term provisions	6	5,193.16	13,283.90
<b>3. Current Liabilities</b>			
a. Short Term borrowings	7	14,700.41	24,379.77
b. Trade payables	8	13,785.65	11,752.16
c. Other current liabilities	9	6,905.05	2,166.10
d. Short-term provisions	10	2,973.44	2,871.13
<b>TOTAL</b>		<b>1,37,493.17</b>	<b>1,33,224.27</b>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
a. Fixed Assets	11		
(i) Tangible assets		52,025.43	46,411.63
(ii) Intangible assets		7.41	15.28
(iii) Capital Work in Progress		11,728.05	8,887.51
b. Non Current Investment	12	1,305.71	1,305.71
c. Deferred Tax Assets (Net)	13	-	6,097.89
d. Long Term loans and advances	14	2,623.91	2,643.26
<b>2 Current Assets</b>			
a. Current Investments	15	-	7,428.82
b. Inventories	16	9,119.02	5,488.23
c. Trade receivables	17	49,946.29	43,439.97
d. Cash and Bank Balances	18	1,122.04	2,547.22
e. Short term loans and advances	19	4,902.64	3,123.16
f. Other-current assets	20	4,658.67	5,835.59
<b>TOTAL</b>		<b>1,37,439.17</b>	<b>1,33,224.27</b>
Significant accounting policies and notes on accounts	30		

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013.

## FOR AND ON BEHALF OF THE BOARD

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013

PARTICULARS	Note No.	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
<b>REVENUE</b>			
Revenue from operations	21	68,788.14	63,373.60
Other Income	22	3,972.34	2,262.64
<b>Total Revenue</b>		<b>72,760.48</b>	<b>65,636.24</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	43,259.95	41,085.40
Changes in inventories of finished goods & work in progress	24	279.84	(306.86)
Manufacturing Expenses	25	4,062.27	3,277.54
Employee benefit expenses	26	3,019.54	2,658.58
Finance Costs	27	3,949.51	3,382.43
Depreciation and amortization expenses	11	3,401.24	3,390.37
Other Expenses	28	4,362.48	3,205.24
<b>Total Expenses</b>		<b>62,334.83</b>	<b>56,692.70</b>
<b>Profit Before Tax (PBT)</b>		<b>10,425.65</b>	<b>8,943.54</b>
Tax Expenses	29		
Current Tax		2,026.12	1,909.42
Deferred Tax		951.73	1,010.68
Adjustment of Earlier Years (Net)		(193.62)	-
<b>Profit After Tax (PAT)</b>		<b>7,641.42</b>	<b>6,023.44</b>
<b>Earnings per equity share</b>			
Basic (Rs)		23.84	18.80
Diluted (Rs)		23.84	18.80
Significant accounting policies and notes on accounts	30		

As per report attached

For M.P. Chitale & Co.  
Chartered AccountantsAshutosh Pednekar  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013.

## FOR AND ON BEHALF OF THE BOARD

Bijoy Kumar Pansari  
Managing DirectorAshis Bhattacharya  
Whole Time DirectorHaresh Vala  
Company Secretary

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

PARTICULARS	As at 31 <sup>st</sup> March 13 Rs. in Lacs	As at 31 <sup>st</sup> March 12 Rs. in Lacs
<b>A Cash Flow From Operating Activities</b>		
Profit before tax	10,425.65	8,943.54
<b>Add:</b>		
Depreciation	3,401.24	3,390.37
Reversal of indirect tax provision no longer required	(2,764.35)	-
Finance Cost	3,949.51	3,382.43
	4,586.40	6,772.80
<b>Operating Profit before working Capital Changes</b>	<b>15,012.05</b>	<b>15,716.34</b>
<b>Working Capital Changes</b>		
(Increase)/Decrease in Inventories	(3,630.79)	(2,000.56)
(Increase)/Decrease in Trade Receivables	(6,506.33)	(7,316.50)
(Increase)/Decrease in Other Current Assets	(583.22)	(2,091.75)
Increase/(Decrease) in Trade Payables & Other Liabilities	6,898.54	(1,021.02)
(Increase)/Decrease in Working Capital	(3,821.80)	(12,429.82)
<b>Cash Generated from Operating Activities</b>	<b>11,190.25</b>	<b>3,286.52</b>
Tax Paid	(253.29)	(92.64)
	<b>(253.29)</b>	<b>(92.64)</b>
<b>Cash Used (-)/(+) generated for operating activities ( A )</b>	<b>10,936.96</b>	<b>3,193.88</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets including CWIP (Net)	(11,847.70)	(9,497.64)
Sale proceeds from Investments	7,428.81	-
Purchase of Investments including investment in Subsidiary	-	(2,472.24)
<b>Net Cash Used in Investing Activities ( B )</b>	<b>(4,418.89)</b>	<b>(11,969.88)</b>
<b>C Cash Flow From Financing Activities</b>		
Finance Cost	(3,949.51)	(3,382.43)
Dividend & Dividend Taxes paid	(749.89)	(744.94)
Proceeds from Long term borrowings	6,435.50	27.57
Proceeds from Short term borrowings	-	13,545.52
Re payment of Short term borrowings	(9,679.36)	-
<b>Net Cash Used in Financing Activities ( C )</b>	<b>(7,943.26)</b>	<b>9,445.72</b>
<b>D Net Increase (+)/ Decrease (-) in cash and cash equivalent ( A+B+C)</b>	<b>(1,425.18)</b>	<b>669.72</b>
Cash and Cash Equivalent Opening Balance	2,547.22	1,877.50
Cash and Cash Equivalent Closing Balance	1,122.04	2,547.22

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013.

### FOR AND ON BEHALF OF THE BOARD

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary

**Notes to accounts.****1. Share Capital**

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

**Authorised Share Capital**

Particulars	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
Equity Shares of Rs 10 each (CY 11,50,00,000 shares of Rs 10 each) (PY 3,50,00,000 shares of Rs 10 each)	11,500.00	3,500.00
Equity Shares of Re 1 each (CY Nil shares of Re 1 each) (PY 80,00,00,000 shares of Re 1 each)	-	8,000.00
Preference Shares of Rs 100 each (CY 2,56,40,000 shares of Rs 100 each) (PY 2,56,40,000 shares of Rs 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>

**Issued, Subscribed and paid up Capital**

Particulars	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
Equity Shares of Rs 10 each (CY 3,20,47,811 shares of Rs 10 each) (PY 3,20,47,811 shares of Rs 10 each)	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

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

Particulars	31 <sup>st</sup> March 13 No. of Shares	31 <sup>st</sup> March 12 No. of Shares
Shares outstanding as at the beginning of the year	3,20,47,811	3,20,47,811
<b>Shares outstanding as at the end of the year</b>	<b>3,20,47,811</b>	<b>3,20,47,811</b>

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

Sr. Name of the Share Holder	31 <sup>st</sup> March 2013		31 <sup>st</sup> March 2012	
	Number of Shares held in the Company	Percentage of Shares held	Number of Shares held in the Company	Percentage of Shares held
1 Mr. Sudip B Dutta	1,87,55,913	58.52	1,87,55,913	58.52
2 M/s Ironwood Investment Holding	-	-	21,70,105	6.77
3 M/s Hypnos Fund Limited	17,75,059	5.54	-	-
4 M/s Emerging India Focus Funds	16,49,678	5.15	-	-

#### d) Aggregate number of Equity Shares

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08
Allotment of shares as fully paid up pursuant to contracts without payments being received in cash	-	25,59,046	-	-	-
Allotment of fully paid up bonus shares	-	-	-	-	-

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

## 2. Reserves and Surplus

Particulars	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
<b>Capital Reserve</b>		
Balance in Capital Reserve	1,175.29	1,175.29
<b>Securities Premium Reserve</b>		
Balance in Securities Premium Reserve	45,336.81	45,336.81
<b>Debenture Redemption Reserve</b>		
Opening Balance	2,900.00	700.00
Add : Transferred from surplus	1,894.00	2,200.00
Closing Balance	4,794.00	2,900.00
<b>Revaluation Reserve</b>		
Balance in Revaluation Reserve	897.59	897.59
<b>General Reserve</b>		
Opening Balance	4,050.00	3,450.00
Add : Transferred from surplus	600.00	600.00
Closing Balance	4,650.00	4,050.00
<b>Surplus</b>		
Opening Balance	11,062.43	8,583.93
Add : Net Profit for the current period	7,641.42	6,023.44
<b>Amount available for appropriation</b>	18,703.85	14,607.37
Proposed Dividend	640.96	640.96
Corporate Dividend Distribution Tax thereon	108.93	103.98
Transfer to General Reserve	600.00	600.00
Transfer to Debenture Redemption Reserve	1,894.00	2,200.00
Closing Balance	15,459.96	11,062.43
<b>Total</b>	<b>72,313.66</b>	<b>65,422.13</b>



**3. Long Term Borrowings**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Secured</b>		
From Banks	10,473.21	-
<b>From Others</b>		
- CY 400 (PY 400) 9.30% Redeemable Non Convertible Debentures of Rs 10.00 Lacs each	Nil	4,000.00
- CY 400 (PY 400) 9.65% Redeemable Non Convertible Debentures of Rs 10.00 Lacs each	4,000.00	4,000.00
- Vehicles	3.97	41.68
<b>Total</b>	<b>14,477.18</b>	<b>8,041.68</b>

**Terms of Repayment**

Sr	Particulars	Nature of Loan	EMI Amt in Lacs	Mode of Repayment	Type of Int	Nature of Security
1	9.65% Redeemable Non convertible debentures	Normal Capital Expenditure and General Corporate Purposes	1000.00	4 Annual Installments from 29/07/2014	Fixed	First Charge on Land at Mehsana and Fixed Assets Situated at Bhimpore Daman to the extent of Rs. 10,000 Lacs
2	The Shamrao Vithal Co.op Bank Limited	Term Loan	57.00	36 EMI	Fixed	First Charge on Plant & Machinery (Caster II and Ancillaries) valued at Rs. 80.66 Lacs and Fixed Assets at Goa valued at Rs. 2,418 lacs
3	Axis Bank Limited	Term Loan	250.00	20 EMI (Quarterly)	Fixed	First Charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village, Daman
4	State Bank of Patiala	Term Loan	416.66	12 EMI (Quarterly)	Fixed	First Charge on the Fixed Assets at Kamarhati unit and second charge on the current assets of the Company
5	Kotak Mahindra Prime	Vehicle Loan	0.22	24 EMI	Fixed	Respective Vehicle under Loan
6	Kotak Mahindra Prime	Vehicle Loan	0.18	13 EMI	Fixed	Respective Vehicle under Loan
7	HDFC Bank Limited	Vehicle Loan	0.17	18 EMI	Fixed	Respective Vehicle under Loan

#### 4. Deferred Tax Liability

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Tax Liability	1,783.22	-
<b>Total</b>	<b>1,783.22</b>	<b>-</b>

#### 5. Other Long term liabilities

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Sales Tax Liability	2,102.62	2,102.62
<b>Total</b>	<b>2,102.62</b>	<b>2,102.62</b>

#### 6. Long Term Provisions

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Provision for Taxes – (Net)	1,433.05	6,759.44
Provision for Indirect Taxes	3,760.11	6,524.46
<b>Total</b>	<b>5,193.16</b>	<b>13,283.90</b>

### CURRENT LIABILITIES

#### 7. Short Term Borrowings

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Secured</b>		
Loan from Banks - repayable on demand *	14,100.41	24,379.77
<b>Unsecured</b>		
Loan from Director - repayable on demand	600.00	-
<b>Total</b>	<b>14,700.41</b>	<b>24,379.77</b>

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

#### 8. Trade Payables

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Trade Payable		
- Micro Small and Medium Enterprises	45.82	40.79
- Others	13,739.83	11,711.37
<b>Total</b>	<b>13,785.65</b>	<b>11,752.16</b>

## 9. Other Current Liabilities

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Capital Creditors	75.58	57.21
Current Maturity of Long term Debts	5,208.51	61.91
Investor Education and Protection Fund		
- Unclaimed Dividends	0.13	0.13
- Unpaid matured deposits		-
Other Liabilities (Includes Statutory Dues and Other accruals)	1,620.83	2,046.85
<b>Total</b>	<b>6,905.05</b>	<b>2,166.10</b>

## 10. Short Term Provisions

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Provision for Leave Encashment	451.18	326.88
Provision for Income Tax	1,769.64	1,796.89
Provision for Wealth Tax	2.73	2.42
Proposed Dividend	640.96	640.96
Dividend Distribution tax	108.93	103.98
<b>Total</b>	<b>2,973.44</b>	<b>2,871.13</b>

## 11. Schedule of Fixed Assets &amp; Depreciation

Rs. in Lacs

Description	Gross Block				Accumulated Depreciation				Net Block	
	As At April 2012	Additions	Sales / Adjustment	As At March 2013	As At April 2012	Change for the period	Sales / Adjustment	As At March 2013	As At March 2013	As At March 2012
<b>Tangible</b>										
Factory Freehold Land	696.62	-	-	696.62	2.33	0.30	-	2.63	693.99	694.29
Factory Land	5.01	287.85	-	292.86	-	-	-	-	292.86	5.01
Factory Building	5740.48	1.83	-	5742.31	2006.85	191.79	-	2198.64	3543.67	3733.63
Plant & Machinery	60007.20	8711.63	-	68718.83	18897.24	3083.97	-	21981.21	46737.60	41109.94
Computers/IT Equipments	389.44	15.15	-	404.59	339.71	21.50	-	361.21	43.38	49.73
Furniture & Fixtures	583.11	0.98	-	584.09	185.63	36.96	-	222.59	361.50	397.48
Vehicle	613.15	8.16	30.16	591.15	191.60	58.26	11.14	238.72	352.43	421.55
<b>TOTAL</b>	<b>68035.01</b>	<b>9025.60</b>	<b>30.16</b>	<b>77030.45</b>	<b>21623.36</b>	<b>3392.78</b>	<b>11.14</b>	<b>25005.00</b>	<b>52025.43</b>	<b>46411.63</b>
<b>Intangible</b>										
Computer Software	41.85	0.58	-	42.43	26.57	8.45	-	35.02	7.41	15.28
<b>TOTAL</b>	<b>41.85</b>	<b>0.58</b>	<b>-</b>	<b>42.43</b>	<b>26.57</b>	<b>8.45</b>	<b>-</b>	<b>35.02</b>	<b>7.41</b>	<b>15.28</b>
<b>GRAND TOTAL</b>	<b>68076.86</b>	<b>9026.18</b>	<b>30.16</b>	<b>77072.88</b>	<b>21,649.93</b>	<b>3401.23</b>	<b>11.14</b>	<b>25040.02</b>	<b>52032.84</b>	<b>46426.91</b>
<b>Previous Year</b>	<b>42859.92</b>	<b>25,229.07</b>	<b>12.14</b>	<b>68076.86</b>	<b>18,260.62</b>	<b>3390.37</b>	<b>1.06</b>	<b>21649.95</b>	<b>46426.91</b>	<b>24,599.30</b>

## CAPITAL WORK IN PROGRESS

Schedule forming part of Capital Work In Progress as on 31/03/2013

Rs. in Lacs

Particulars	GROSS BLOCK				NET BLOCK	
	Opening As at 01/04/2012	Addition	Transfer	Gross Block as on 31/03/2013	As at 31/03/2013	As at 31/03/2012
Capital Work in Progress	8887.51	11444.53	8603.99	11728.05	11728.05	8887.51
<b>Total</b>	<b>8887.51</b>	<b>11444.53</b>	<b>8603.99</b>	<b>11728.05</b>	<b>11728.05</b>	<b>8887.51</b>
Previous Year	24607.86	8887.51	24607.86	8887.51	8887.51	24607.86

### 12. Non Current Investments.

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Unquoted</b>		
- Shares of Shamrao Vithal Co.op Bank Limited 6,175 (PY 6,175) ordinary shares of Rs 25 each fully paid up	1.54	1.54
- Shares of Flex Art Foil Limited 2,00,00,000 (PY 2,00,00,000) ordinary shares of Rs 10 each fully paid up of which 1,60,00,000 (PY 1,60,00,000) each are received by way of bonus shares	400.00	400.00
- Shares of Ess Dee Aluminium Pte Limited CY 22,01,000 (PY 22,01,000) ordinary shares of SGD 1 each fully paid up.	904.17	904.17
<b>Total</b>	<b>1,305.71</b>	<b>1,305.71</b>

### 13. Deferred Tax Assets (Net)

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Tax Assets (Net)	-	6,097.89
<b>Total</b>	<b>-</b>	<b>6,097.89</b>

### 14. Long Term Loans & Advances

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Loan to Subsidiary	979.48	979.48
Others	1,644.43	1,663.78
<b>Total</b>	<b>2,623.91</b>	<b>2,643.26</b>

**CURRENT ASSETS****15. Current Investments**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Unquoted Investment in Mutual Funds</b>		
Taurus MF Short Term Fund - Bond Fund CY Nil (PY 7,03,022.738 units with NAV of Rs 1,001.8759 each)	-	7,043.41
L& T Freedom Income STP Inst CY Nil (PY 1449708.633) units with NAV of CY Nil (Rs 10.1552) each	-	147.23
SBI Magnum Insta Cash Fund CY Nil units with NAV of Rs Nil each (PY41,219.2528 units with NAV of Rs 1,675.03 each)	-	238.18
<b>Total</b>	<b>-</b>	<b>7,428.82</b>

**16. Inventories**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
(At lower of cost and net realizable value)		
Raw Material	5,907.76	1,745.27
Work in Progress	1,262.51	1,548.51
Finished Goods	439.08	718.92
Stores and Spares	1,423.28	1,409.90
Stock In Transit	86.39	65.63
<b>Total</b>	<b>9,119.02</b>	<b>5,488.23</b>

**17. Trade Receivables**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Outstanding for a period exceeding six months</b>		
Unsecured considered good	1,767.59	1,558.38
<b>Total</b>	<b>1,767.59</b>	<b>1,558.38</b>
<b>Other Debts</b>		
Unsecured considered good	48,178.70	41,881.59
<b>Total</b>	<b>48,178.70</b>	<b>41,881.59</b>
<b>Total</b>	<b>49,946.29</b>	<b>43,439.97</b>

## 18. Cash and Bank Balances

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	10.20	11.49
<b>Balances with Banks</b>		
On current accounts	60.47	1,511.40
In exchange earners foreign currency account	-	205.58
<b>Other bank Balances</b>		
In deposits with original maturity for more than 12 months	1,051.36	818.61
In unclaimed dividend account	0.01	0.13
<b>Total</b>	<b>1,122.04</b>	<b>2,547.22</b>

- Balance with scheduled banks include Rs. 1,051.36 Lacs (PY Rs. 818.61 Lacs) representing margin money for letter of credit and bank guarantees issued.
- Section 205 of the companies Act 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF), Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.

## 19. Short term loans and advances

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Unsecured considered good</b>		
Loans and Advance to employee	8.23	17.62
Others and Inter Corporate deposits	4,894.41	3,105.54
<b>Total</b>	<b>4,902.64</b>	<b>3,123.16</b>

## 20. Other Current Assets

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Interest Accrued but not due	34.08	20.54
Prepaid Expenses	83.72	312.52
Deposits with government, public bodies and others	3,309.76	3,427.30
Others	1,231.11	2,075.23
<b>Total</b>	<b>4,658.67</b>	<b>5,835.59</b>



**21. Revenue from Operations**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Gross Sales	74,734.75	67,745.60
Less :Excise Duty	5,946.61	4,372.00
<b>Total</b>	<b>68,788.14</b>	<b>63,373.60</b>

**22. Other Income**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Dividend Received	40.39	122.15
Export Incentives	204.09	202.15
Interest on Fixed Deposits	122.33	64.48
Provision for Indirect Tax no longer required	2,764.35	-
Others	841.18	1,873.86
<b>Total</b>	<b>3,972.34</b>	<b>2,262.64</b>

**23. Cost of Material Consumed**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Opening Stock	4,769.31	3,075.61
Add : Purchases	47,170.57	42,779.10
<b>Total</b>	<b>51,939.88</b>	<b>45,854.71</b>
Less :Closing Stock	8,679.94	4,769.31
<b>Total</b>	<b>43,259.95</b>	<b>41,085.40</b>

**24. Changes in inventories of finished goods**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Opening Stock of Finished Goods	718.92	412.06
Closing Stock of Finished Goods	439.08	718.92
<b>(Accretion) / Decretion in Stock</b>	<b>279.84</b>	<b>(306.86)</b>

**25. Manufacturing Expenses**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Freight Carriage	305.37	232.17
Power and Fuel	2,817.89	2,221.75
Labour Charges	316.51	291.13
Factory Expenses	364.96	382.72
Repairs to Machinery	257.54	149.77
<b>Total</b>	<b>4,062.27</b>	<b>3,277.54</b>

## 26. Employee Benefit Expenses

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Salary, Wages and Allowances	2,607.41	2,368.94
Staff Welfare and other benefits	102.20	88.66
Contribution to Provident & other Fund	309.93	200.98
<b>Total</b>	<b>3,019.54</b>	<b>2,658.58</b>

## 27. Finance Cost

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Bank Interest	3,489.53	3,061.62
Bank Commission and other Charges	459.98	320.81
<b>Total</b>	<b>3,949.51</b>	<b>3,382.43</b>

## 28. Other Expenses

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Audit Fees	22.00	22.00
Advertisements Expenses	21.17	134.28
Bad Debts	445.38	158.69
Carriage Outward	645.59	482.38
Commission on Sales	149.02	129.23
Foreign Exchange Loss on trade purchases	1076.59	351.10
Legal & Professional Charges	298.30	261.11
Rates and Taxes	102.85	59.02
Rent	197.38	193.05
Insurance Charges	93.60	40.29
Interest on Deferred Sales Tax	183.61	164.06
Postage and Telephone	57.22	45.80
Conveyance and Travelling	213.20	177.55
Other Expenses	856.57	986.68
<b>Total</b>	<b>4,362.48</b>	<b>3,205.24</b>

## 29. Tax Expenses

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Current Tax Expenses</b>		
- Current tax	2,022.93	1,907.00
- Wealth tax	3.19	2.42
- Deferred tax	951.73	1,010.68
- Adjustment of earlier years (Net)	(193.62)	-
<b>Total</b>	<b>2,784.23</b>	<b>2,920.10</b>

**Note : 30 Other Disclosures.**

**30.01 : Significant accounting policies**

**1. System of Accounting:**

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standard) Rules 2006, relevant provisions of the Companies Act 1956 and statements issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements.

**2. Revenue Recognition:**

- a. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b. Domestic sales are accounted on despatch of products to customers and export sales are accounted on the basis of dates of bill of lading. Sales are disclosed net of sales tax, discounts and returns, as applicable.
- c. Export incentives / interest income and income on investments are accounted on accrual basis.

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

a. Fixed Assets:

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

b. Capital Work-in-Progress:

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

c. Depreciation:

Depreciation is provided on the straight line method at the rates and in manner laid down in Schedule XIV to the Companies Act, 1956. Leasehold Land is amortized over the period of lease. Software is amortised over five years on straight line basis

**4. Inventories:**

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

**5. Taxation:**

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

**6. Foreign Exchange Transactions:**

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

## **7. Employee Benefits:**

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

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

Contributions towards provident funds are recognized as expense.

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

## **8. Borrowing Cost:**

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

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

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

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

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

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

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

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

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

## **13. Leases:**

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

**30.02 Contingent Liabilities**

Particulars	31 <sup>st</sup> March 13 Rs. In Lacs	31 <sup>st</sup> March 12 Rs. In Lacs
<b>Contingent Liability</b>		
a) Claims against the Company not acknowledge as debt	837.28	209.47
b) Guarantees –		
- given for bank loans taken by its subsidiaries	3,184.35	2,640.00
- Others	180.47	247.02
<b>Total</b>	<b>4,202.10</b>	<b>3,096.49</b>

**30.03** Suppliers/service providers covered under Micro, Small and Medium Enterprises (MSME) Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company. The Disclosure relating to Micro and Small Enterprises as at 31st March 2013 are as under.

Rs. in Lacs

	Description	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
1	The Principal amount remaining unpaid to supplier as at the end of accounting year	45.82	40.64
2	The Interest due thereon remaining unpaid to supplier as at the end of the year	Nil	Nil
3.	The amount of interest paid in terms of Sec 16 along with the amount of payment made to the supplier beyond the appointment day during the year	Nil	Nil
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	Nil	Nil
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil

**30.04** The amount of dividend proposed to be distributed to equity shareholders :

Proposed Dividend	No of Equity Shares	Period	Dividend Per Share
Rs. 6,40,95,622/-	3,20,47,811	2012-13	Rs. 2/-

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

Particulars	Gratuity		Pension Frozen as on 31 <sup>st</sup> December 2000		Leave Encashment	
	Funded		Funded		Unfunded	
	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012
<b>UNITS IN WEST BENGAL</b>						
<b>The major categories of plan assets as a percentage of total plan</b>						
Qualifying Insurance Policy						
<b>Changes in the present value of the obligation</b>						
1 Present Value of obligation 01.04.12	222.20	322.24	19.90	18.99	59.82	75.83
2 Interest Cost	17.37	27.20	1.54	1.61	4.27	6.33
3 Current Service Cost	20.14	16.76	-	-	7.46	10.46
4 Past Service Cost	-	-	-	-	-	-
5 Benefits Paid	10.08	4.38	1.24	-	12.73	2.60
6 Actuarial (gain ) / loss on Obligation	26.36	(139.62)	0.91	(0.70)	5.11	(30.19)
7 Present Value of obligation 31.03.13	276.00	222.20	21.12	19.90	63.94	59.82
<b>Changes in the Fair Value Of Assets</b>					-	-
1 Fair value of plan Assets 01.04.12	172.52	159.44	4.56	4.23	-	-
2 Expected Return on Plan assets	13.80	13.55	0.36	0.35	-	-
3 Contribution	10.08	4.38	-	-	-	-
4 Benefits Paid	10.08	4.38	1.24	-	-	-
5 Actuarial gain / (Loss) on Plan Assets	0.35	(0.47)	(0.06)	(0.02)	-	-
6 Fair value of plan Assets 31.03.13	186.68	172.52	3.62	4.56	-	-
<b>Reconciliation of the present value of the defined benefit obligation &amp; the fair market value of plan assets</b>						
1 Present Value of obligation at the end of the year	276.00	222.20	21.12	19.90	63.94	59.82
2 Fair value of plan Assets at the end of the year	186.68	172.52	3.62	4.56	63.94	59.82
3 Assets / (Liabilities ) recognized in the balance sheet	(89.32)	(4.96)	(17.50)	(15.34)	-	-
<b>Profit &amp; Loss Expenses</b>						
1 Current Service Cost	20.14	16.76	-	-	7.46	10.46
2 Interest Cost	17.37	27.20	1.54	1.61	4.27	6.33
3 Expected Return on Plan assets	13.80	13.55	0.36	0.35	-	-
4 Net Actuarial gain/(loss ) recognized in the year	26.01	(139.15)	0.98	(0.68)	(5.11)	(30.19)
5 Past Service Cost	-	-	-	-	-	-
6 Expected Recognized in the statement of P&L	49.73	(108.73)	2.15	0.57	(16.85)	(13.38)
<b>Actuarial Assumptions</b>						
1 Discount Rate	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
2 Expected Rate of salary Increase	6.00%	5.00%	NA	NA	6.00%	5.00%
3 Expected Rate of Return on Plan Assets	8.00%	8.50%	8.00%	8.50%	-	-
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	17.20	18.00	9.00	10.00	17.20	18.00



Particulars	Gratuity Funded		Leave Encashment Unfunded	
	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012
<b>UNITS IN DAMAN AND GOA</b>				
The major categories of plan assets as a percentage of total plan				
Qualifying Insurance Policy	100%	100%	-	-
<b>Changes in the present value of the obligation</b>				
1 Present Value of obligation 01.04.12	66.36	53.06	9.14	9.69
2 Interest Cost	5.07	3.77	0.69	0.77
3 Current Service Cost	24.22	20.63	2.40	2.93
4 Past Service Cost	-	-	-	-
5 Benefits Paid	(5.88)	(11.66)	(2.78)	(2.36)
6 Actuarial (gain ) / loss on Obligation	4.80	0.55	6.91	(1.90)
7 Present Value of obligation 31.03.13	94.58	66.36	16.37	9.14
<b>Changes in the Fair Value Of Assets</b>				
1 Fair value of plan Assets 01.04.12	92.67	72.23	-	-
2 Expected Return on Plan assets	7.17	6.38	-	-
3 Contribution	-	26.42	-	-
4 Benefits Paid	5.88	11.66	-	-
5 Actuarial gain / (Loss) on Plan Assets	0.96	(0.70)	-	-
6 Fair value of plan Assets 31.03.13	94.93	92.67	-	-
<b>Profit &amp; Loss Expenses</b>				
1 Current Service Cost	24.22	20.63	2.40	2.93
2 Interest Cost	5.07	3.77	0.69	0.77
3 Expected Return on Plan assets	7.17	6.38	-	-
4 Net Actuarial gain / (loss ) recognized in the year	-	1.25	6.91	(1.90)
5 Past Service Cost	-	-	-	-
6 Expenses Recognized in the statement of P&L	25.95	19.28	7.23	0.55
<b>Actuarial Assumptions</b>				
1 Discount Rate	8.00%	8.00%	7.75%	7.75%
2 Expected Rate of salary Increase	8.00%	8.00%	-	-
3 Expected Return on Assets	9.00%	9.00%	6.50%	6.50%
4 Attrition Rate	4.00%	12.00%	-	-
5 Mortality Post-retirement	Ultimate	Ultimate	Ultimate	Ultimate

**For Daman & Goa Unit**

Amounts for the current &amp; Previous four periods

Rs. in Lacs

Gratuity - Daman & Goa Units	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Defined Benefit Obligation	94.58	66.36	53.06	55.55	-
Plan Asset	94.93	92.67	72.23	64.31	-
Surplus / Deficits	0.34	26.30	19.16	8.75	-
Experience Adjustments on Plan Liabilities	0.07	0.55	(8.83)	-	-
Experience Adjustments on Plan Assets	(0.96)	0.70	(0.12)	-	-

### 30.06 Segment Information (Accounting Standard – 17)

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

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

List of Related Parties and Relationship with whom transactions during the year 2012-13

Sr.	Particulars	Particulars
A	Subsidiaries	Flex Art Foil Limited Ess Dee Aluminium Pte Limited
B	Key Management Personnel	Mr. Sudip Dutta - Chairman Mr. Bijoy Kumar Pansari Mr. Debdeep Bhattacharya resigned on 12/10/2011 Mr. Soumitra Barari resigned on 13/01/2012 Mr. Rajib Mukhopadhyay resigned on 21/08/2012 Mr. Ashis Bhattacharya appointed w.e.f. 14/02/2013 Ms. Vinaya Desai appointed w.e.f. 14/02/2013
C	Relative of Key Management Personnel	Ms. Aarti Dutta
D	Enterprises over which key management Personnel and their relatives are able to exercise significant influence	Vyoma Investment & Finance Co Pvt. Ltd. Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Pvt. Ltd. Ess Dee Infraventure Pvt. Limited

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

Rs in Lacs

Nature of Transaction	Subsidiaries	Key Management Personnel	Relative of Key Management Personnel
<b>Sale of Material / Finished Goods</b> Flex Art Foil Limited	9,821.30 (PY 9,163.55)	- -	- -
<b>Total</b>	<b>9,821.30</b> <b>(PY 9,163.55)</b>	<b>-</b> <b>-</b>	<b>-</b> <b>-</b>
<b>Purchase of Material / Finished Goods</b> Flex Art Foil Limited	664.43 (PY 673.31)	-	-
<b>Total</b>	<b>664.43</b> <b>(PY 673.31)</b>	<b>-</b> <b>-</b>	<b>-</b> <b>-</b>
<b>Rent Paid</b>			
Mr. Sudip Dutta	-	140.88 (PY 140.88)	-
Ms. Aarti Dutta	-	-	24.00 (PY 24.00)
<b>Total</b>	<b>-</b>	<b>140.88</b> <b>(PY 140.88)</b>	<b>24.00</b> <b>(PY 24.00)</b>

<b>Salary</b>			
Mr. Sudip Dutta	-	-	-
	-	(PY 278.66)	-
Mr. Rajib Mukhopadhyay	-	10.55	-
	-	(PY 29.00)	-
Mr. Bijoy Kumar Pansari	-	84.00	-
	-	(PY 27.55)	-
Mr. Soumitra Barai	-	-	-
	-	(PY 15.48)	-
Mr. Debdeep Bhattacharya	-	-	-
	-	(PY 15.72)	-
Mr. Ashis Bhattacharya	-	5.62	-
	-	-	-
Ms. Vinaya Desai	-	1.77	-
	-	-	-
<b>Total</b>	-	<b>101.94</b>	-
	-	<b>(PY 366.41)</b>	-
<b>Investments as on 31-03-2013</b>			
Flex Art Foil Limited	400.00	-	-
	(PY 400.00)	-	-
Ess Dee Aluminium Pte Ltd.	904.17	-	-
	(PY 904.17)	-	-
<b>Total</b>	<b>1,304.17</b>	-	-
	<b>(PY 1,304.17)</b>	-	-
<b>Credit Balances as on 31.03.2013</b>			
Flex Art Foil Limited	-	-	-
	(PY 0.14)	-	-
Mr. Sudip Dutta	-	612.74	-
	-	(PY 23.77)	-
Mr. Rajib Mukhopadhyay		-	-
		(PY 1.85)	-
Mr. Bijoy Kumar Pansari		4.63	-
		(PY 5.24)	-
Mr. Ashis Bhattacharya		1.99	-
		-	-
Ms. Vinaya Desai		0.83	-
		-	-
<b>Total</b>	-	<b>620.19</b>	-
	<b>(PY 0.14)</b>	<b>(PY 30.26)</b>	-
<b>Debit Balance as on 31.03.2013</b>			
Flex Art Foil Limited	4,212.72		
	(PY 3,179.93)		
Ess Dee Aluminium Pte Limited	979.48		
	(PY 979.48)		
Mr. Sudip Dutta	-	900.00	-
	-	(PY 900.00)	-
<b>Total</b>	<b>5,192.20</b>	<b>900.00</b>	-
	<b>(PY 4,159.41)</b>	<b>(PY 900.00)</b>	-

### 30.08 Leases (Accounting Standard – 19)

#### Operating Lease

The Company has leased facilities under non cancelable operating leases. The future lease payments in respect of these leases as at 31<sup>st</sup> March 2013 and 31<sup>st</sup> March 2012 are minimum lease payments

Rs. In Lacs

	Particulars	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
A	Not later than one year	0.30	0.30
B	Later than one year but not later than five years	2.41	2.11
C	Later than five years.	3.13	3.43

### 30.09 Earnings per Share (EPS) : (Accounting Standard – 20)

Particulars	31 <sup>st</sup> March 13 Basic and Diluted	31 <sup>st</sup> March 12 Basic and Diluted
<b>Earnings</b> Net profit / (Loss) for the period (Rs. in Lacs)	7,641.42	6,023.44
<b>Shares</b> Number of shares at the beginning of the period Add : Shares issued during the period Total number of equity shares outstanding at the end of the period	3,20,47,811 - 3,20,47,811	3,20,47,811 - 3,20,47,811
<b>Weighted average number of equity shares outstanding during the period - Basic and Diluted</b> Earnings per share of par value Rs. 10/- Basic and diluted (Rs.)	3,20,47,811 <b>23.84</b>	3,20,47,811 <b>18.80</b>

### 30.10 Deferred Tax Assets and Liabilities (Accounting Standard – 22)

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

Rs. In Lacs

Deferred Tax Liability / (Assets)	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
Net Deferred Tax Liability / (Assets) Related to Fixed Assets	1,364.49	(6,097.89)
<b>Total</b>	<b>1,364.49</b>	<b>(6,097.89)</b>

Pursuant to the order of Honorable BIFR in the matter of rehabilitation of erstwhile India Foils Limited, the CBDT has vide its order dated January 21<sup>st</sup> 2013 granted relief to the company under section 115JB of the Income Tax Act 1961. Accordingly the company has reversed the tax provisions of Rs. 7,123.00 Lacs and deferred tax of Rs. 6,929.38 Lacs for the financial years 2009-10, 2010-11 & 2011-12.

**30.11 Foreign Currency earnings and outgoings**

Rs in Lacs

	Particulars	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
A	<b>Value of Imports calculated on CIF Basis</b>		
	Raw Materials	12,415.03	12,867.50
B	<b>Earnings in Foreign Exchange:</b>		
	FOB Value of Exports	5,291.67	4,196.06
C	<b>Expenditure in Foreign Currency:</b>		
	Travelling	29.68	22.23
	Export Commission	43.17	66.93
	Royalty	-	8.45
	Stores & Manufacturing	32.28	12.98

**30.12 Hedging and Derivatives :**

The following are the outstanding forward exchange contracts entered into by the Company as at 31<sup>st</sup> March 13

Category	Currency	Cross Currency	Amount in USD	Buy / Sell	Purpose
Forward Contract	USD	INR	CY Nil (PY 10,00,000)	Sell	Hedging

**Un hedged Foreign currency exposure**

The Company has the following un-hedged exposure in foreign currency at the year ended March 2013

Particulars	31 <sup>st</sup> March 13					
	USD	EURO	GBP	JPY	CHF	Rs. in Lacs
Sundry Debtors	1211877.54	40238.79	-	-	-	645.13
Sundry Creditors	15492637.66	199340.97	-	-	697.24	8258.60
Advance received from Customers	12288.43	1492.49	-	-	-	6.53
Advance paid to Creditors	-	-	-	-	-	-

The Company has the following un-hedged exposure in foreign currency at the year ended March 2012

Particulars	31 <sup>st</sup> March 12					
	USD	EURO	GBP	JPY	CHF	Rs. in Lacs
Sundry Debtors	1266656.85	-	-	-	-	639.67
Sundry Creditors	15369525.93	-	-	488.76	3969.94	7,561.94
Advance received from Customers	11865.23	1079.77	-	-	-	6.04
Advance paid to Creditors	113475.00	1709.74	7.01	-	-	59.22

**30.13 Information on Manufacturing Sales, Work in Progress, Raw Material Consumed, Opening Stock of Finished Goods and Closing Stock of Finished Goods**

Rs. In Lacs

Particulars	Raw Material Consumed	Work in Progress	Opening Stock of Finished Goods	Closing Stock of Finished Goods	Net Sales
Aluminium Foil Stock	30,428.86 (PY 31,423.27)	1,184.52 (PY 1,511.38)	691.94 (PY 388.67)	419.30 (PY 691.94)	63,539.09 (PY 58,006.27)
PVC Resin	2,092.35 (PY 1,809.62)	77.99 (PY 37.13)	26.98 (PY 23.39)	19.78 (PY 26.98)	5,249.05 (PY 5,367.33)
Others	10,738.74 (PY 7,348.95)	- -	- -	- -	- -
<b>Total</b>	<b>43,259.95</b> <b>(PY 40,581.84)</b>	<b>1,262.51</b> <b>(PY 1,548.51)</b>	<b>718.92</b> <b>(PY 412.06)</b>	<b>439.08</b> <b>(PY 718.92)</b>	<b>68,788.14</b> <b>(PY 63,373.60)</b>

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

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013.

**FOR AND ON BEHALF OF THE BOARD**

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ess Dee Aluminium Limited

### Report on the Consolidated Financial Statements

- 1 We have examined the attached Consolidated Balance Sheet of Ess Dee Aluminium Limited and its subsidiaries (collectively referred to as 'the Group') as at March 31, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended from April 1, 2012 to March 31, 2013 and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

- 2 Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the requirements of Accounting Standard 21- 'Consolidated Financial Statements' as notified under the Company's (Accounting Standards) Rules, 2006. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

- 3 Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Opinion

- 6 In our opinion and to the best of our information and according to the explanations given to us, and on consideration of the audit reports on the separate financial statements of other subsidiary companies, the attached Consolidated Financial Statements, read with the Notes thereon give a true and fair view in conformity with accounting principles generally accepted in India:-
  - in case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013.
  - in case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date.
  - in case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Other Matters

- 7 We did not audit the financial statements of one subsidiary of the Company, Ess Dee Aluminium Pte. Ltd. included in the Consolidated Financial results, whose financial statement reflect total assets of Rs. 1,558.21 lacs as at March 31, 2013 and as well as total revenue of Rs. 21.45 lacs for the year then ended. These financial statements and other financial information certified by the management are, as informed, in the process of being audited by other auditors and have been consolidated on unaudited basis. Our opinion on the financial results to the extent they have been derived from such financial statements is based solely on unaudited management certified financial statements.

For M P Chitale & Co.  
Chartered Accountants  
Firm Regn No. 101851W

### Ashutosh Pednekar

Partner  
ICAI M. No. 041037  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2013

PARTICULARS	Note No.	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	3,204.78	3,204.78
b. Reserves and Surplus	2	79,300.50	72,654.35
<b>2. Non Current Liabilities</b>			
a. Long-term borrowings	3	15,751.20	8,551.28
b. Deferred Tax Liabilities (Net)	4	2,008.59	-
c. Other Long Term liabilities	5	2,102.62	2,102.62
d. Long term provisions	6	5,193.16	13,283.90
<b>3. Current Liabilities</b>			
a. Short Term borrowings	7	17,533.97	26,569.50
b. Trade payables	8	9,111.69	7,024.78
c. Other current liabilities	9	7,515.24	2,444.70
d. Short-term provisions	10	3,036.11	2,914.61
<b>TOTAL</b>		<b>1,44,757.86</b>	<b>1,38,750.52</b>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
a. Fixed Assets	11		
(i) Tangible assets		56,975.63	50,920.44
(ii) Intangible assets		7.41	15.30
(iii) Capital Work in Progress		11,728.05	9,285.77
b. Non Current Investment	12	2.07	2.07
c. Deferred Tax Assets (Net)	13	-	5,951.52
d. Long Term loans and advances	14	1,789.80	1,189.35
e. Other non-current assets	15	56.13	68.50
<b>2. Current Assets</b>			
a. Current Investments	16	-	7,428.82
b. Inventories	17	12,159.18	8,190.94
c. Trade receivables	18	49,347.98	41,261.51
d. Cash and Bank Balances	19	1,410.80	2,987.19
e. Short term loans and advances	20	5,078.68	3,345.14
f. Other-current assets	21	6,202.13	8,103.97
<b>TOTAL</b>		<b>1,44,757.86</b>	<b>1,38,750.52</b>
Significant accounting policies and notes on accounts	31		

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013

### FOR AND ON BEHALF OF THE BOARD

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>31<sup>st</sup> March 13 Rs in Lacs</b>	<b>31<sup>st</sup> March 12 Rs in Lacs</b>
<b>REVENUE</b>			
I Revenue from operations	22	71,892.20	65,913.33
II Other Income	23	4,058.33	2,305.71
<b>Total Revenue</b>		<b>75,950.53</b>	<b>68,219.04</b>
<b>EXPENSES</b>			
III Cost of materials consumed	24	43,212.00	40,657.41
IV Changes in inventories of finished goods & work in progress	25	292.18	(305.62)
V Manufacturing Expenses	26	4,352.72	3,519.72
VI Employee benefit expenses	27	4,738.09	3,198.87
VII Finance Costs	28	4,452.14	3,575.70
VIII Depreciation and amortization expenses	11	3,613.04	3,562.17
IX Other Expenses	29	4,868.28	4,046.07
<b>Total Expenses</b>		<b>65,528.45</b>	<b>58,254.32</b>
<b>Profit Before Tax (PBT)</b>		<b>10,422.08</b>	<b>9,964.72</b>
Tax Expenses	30		
Current Tax		2,241.72	2,127.18
Deferred Tax		1,030.73	1,033.37
Adjustment of Earlier Years		(193.62)	-
<b>Profit After Tax (PAT)</b>		<b>7,343.25</b>	<b>6,804.17</b>
<b>Earnings per equity share</b>			
Basic (Rs)		22.91	21.23
Diluted (Rs)		22.91	21.23
Significant accounting policies and notes on accounts	31		

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013.**FOR AND ON BEHALF OF THE BOARD****Bijoy Kumar Pansari**  
Managing Director**Ashis Bhattacharya**  
Whole Time Director**Haresh Vala**  
Company Secretary

# STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013

Rs. in Lacs

PATICULARS	As at 31 <sup>st</sup> March 13 Rs. in Lacs	As at 31 <sup>st</sup> March 12 Rs. in Lacs
<b>A Cash Flow From Operating Activities</b>		
Profits before tax	10,422.08	9,964.72
<b>Add:</b>		
Depreciation	3,613.04	3,562.16
Reversal of indirect tax provision no longer required	(2,764.35)	
Finance Cost	4,452.14	3,575.70
	5,300.83	7,137.86
<b>Operating Profit Before Working Capital Changes</b>	<b>15,722.91</b>	<b>17,102.58</b>
<b>Working Capital Changes</b>		
(Increase)/Decrease in Inventories	(3,968.24)	(2,333.36)
(Increase)/Decrease in Trade Receivables	(8,086.47)	(4,658.83)
(Increase)/Decrease in Other Current Assets	(419.74)	(2,492.66)
Increase/(Decrease) in Trade Payables & Other Liabilities	7,245.45	(3,030.16)
(Increase)/Decrease in Working Capital	(5,229.00)	(12,515.01)
<b>Cash Generated from Operating Activities</b>	<b>10,493.91</b>	<b>4,587.57</b>
Tax Paid	(411.61)	(271.09)
	<b>(411.61)</b>	<b>(271.09)</b>
<b>Cash Used (-)/(+) generated for operating activities ( A )</b>	<b>10,082.30</b>	<b>4,316.47</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets including CWIP (Net)	(12,102.61)	(11,160.47)
Sale / (Purchase) of Investments	7,428.82	(1,568.07)
Capital and Foreign fluctuation reserve on consolidation	52.74	(9.86)
<b>Net Cash Used in Investing Activities ( B )</b>	<b>(4,621.05)</b>	<b>(12,738.40)</b>
<b>C Cash Flow From Financing Activities</b>		
Finance Cost	(4,452.14)	(3,575.69)
Dividend & Dividend Taxes paid	(749.89)	(744.94)
Proceeds from Long Term borrowings	7,199.92	456.65
Proceeds from Long Term borrowings	-	13,376.31
Re payment of Short term borrowings	(9,035.53)	-
<b>Net Cash Used in Financing Activities ( C )</b>	<b>(7,037.64)</b>	<b>9,512.33</b>
<b>D Net Increase (+)/ Decrease (-) in cash and cash equivalent ( A+B+C)</b>	<b>(1,576.39)</b>	<b>1,090.41</b>
Cash and Cash Equivalent Opening Balance	2,987.19	1,896.78
Cash and Cash Equivalent Closing Balance	1,410.80	2,987.19

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013

**FOR AND ON BEHALF OF THE BOARD**

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary

**Notes to accounts.****1. Share Capital**

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

**Authorised Share Capital**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Equity Shares of Rs 10 each (CY 11,50,00,000 shares of Rs 10 each) (PY 3,50,00,000 shares of Rs 10 each)	11,500.00	3,500.00
Equity Shares of Re 1 each (CY Nil shares of Re 1 each) (PY 80,00,00,000 shares of Re 1 each)	Nil	8,000.00
Preference Shares of Rs 100 each (CY 2,56,40,000 shares of Rs 100 each) (PY 2,56,40,000 shares of Rs 100 each)	25,640.00	25,640.00
<b>Total</b>	<b>37,140.00</b>	<b>37,140.00</b>

**Issued, Subscribed and paid up Capital**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Equity Shares of Rs 10 each (CY 3,20,47,811 shares of Rs 10 each) (PY 3,20,47,811 shares of Rs 10 each)	3,204.78	3,204.78
<b>Total</b>	<b>3,204.78</b>	<b>3,204.78</b>

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

Particulars	31 <sup>st</sup> March 13 No. of Shares	31 <sup>st</sup> March 12 No. of Shares
Shares outstanding as at the beginning of the year	3,20,47,811	3,20,47,811
<b>Total</b>	<b>3,20,47,811</b>	<b>3,20,47,811</b>
<b>Shares outstanding as at the end of the year</b>	<b>3,20,47,811</b>	<b>3,20,47,811</b>

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

Sr.	Name of the Share Holder	31 <sup>st</sup> March 13		31 <sup>st</sup> March 12	
		Number of Shares held in the company	Percentage of Shares held.	Number of Shares held in the company	Percentage of Shares held.
1	Mr. Sudip B Dutta	1,87,55,913	58.52	1,87,55,913	58.52
2	M/s Ironwood Investment Holding	-	-	21,70,105	6.77
3	M/s Hypnos Fund Limited	17,75,059	5.54	-	-
4	M/s Emerging India Focus Funds	16,49,678	5.15	-	-

**d) Aggregate number of Equity Shares**

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08
Allotment of shares as fully paid up pursuant to contracts without payments being received in cash	-	25,59,046	-	-	-
Allotment of fully paid up bonus shares	-	-	-	-	-

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

**2. Reserves and Surplus**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Capital Reserve</b>	<b>1,331.19</b>	<b>1,331.19</b>
<b>Capital Reserve on Consolidation</b>	<b>1,666.60</b>	<b>1,591.06</b>
<b>Foreign Currency Translation Reserve</b>	<b>(23.66)</b>	<b>(0.91)</b>
<b>Securities Premium Reserve</b>	<b>45,336.81</b>	<b>45,336.81</b>
<b>Debenture Redemption Reserve</b>		
Opening Balance	2,900.00	700.00
Add : Transferred from surplus	1,894.00	2,200.00
<b>Total</b>	<b>4,794.00</b>	<b>2,900.00</b>
<b>Revaluation Reserve</b>		
Balance in Revaluation Reserve	<b>897.59</b>	<b>897.59</b>
<b>General Reserve</b>		
Opening Balance	4,050.00	3,450.00
Add : Transferred from surplus	600.00	600.00
<b>Total</b>	<b>4,650.00</b>	<b>4,050.00</b>
<b>Surplus</b>		
Opening Balance	16,548.61	13,289.38
Add : Net Profit for the current period	7,343.25	6,804.17
Amount available for appropriation	<b>23,891.86</b>	<b>20,093.55</b>
Proposed Dividend	640.96	640.96
Corporate Dividend Distribution Tax thereon	108.93	103.98
Transfer to General Reserve	600.00	600.00
Transfer to Debenture Redemption Reserve	1,894.00	2,200.00
<b>Total</b>	<b>20,647.97</b>	<b>16,548.61</b>
<b>Total</b>	<b>79,300.50</b>	<b>72,654.35</b>



**3. Long Term Borrowings**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Secured</b>		
From Banks		
- Banks	11,636.12	382.68
From Others		
- CY 400 (PY 400) 9.30% Redeemable Non Convertible Debentures of Rs 10.00 Lacs each	-	4,000.00
- CY 400 (PY 400) 9.65% Redeemable Non Convertible Debentures of Rs 10.00 Lacs each	4,000.00	4,000.00
- Vehicles	115.08	168.60
<b>Total</b>	<b>15,751.20</b>	<b>8,551.28</b>

**Terms of Repayment**

Sr	Particulars	Nature of Loan	EMI Amt in Lacs	Mode of Repayment	Type of Int	Nature of Security
1	9.65% Redeemable Non convertible debentures	Normal Capital Expenditure and General Corporate Purposes	1000.00	4 Annual Installments from 29/07/2014	Fixed	First Charge on Land at Mehsana and Fixed Assets Situated at Bhimpore Daman to the extent of Rs. 10,000 Lacs
2	The Shamrao Vithal Co.op Bank Limited	Term Loan	57.00	36 EMI	Fixed	First Charge on Plant & Machinery (Caster II and Ancillaries) valued at Rs. 80.66 Lacs and Fixed Assets at Goa valued at Rs. 2,418 lacs
3	Axis Bank Limited	Term Loan	250.00	20 EMI (Quarterly)	Fixed	First Charge on Fixed Assets at Unit II No.57/5/2 Bhenslore Village, Daman
4	State Bank of Patiala	Term Loan	416.66	12 EMI (Quarterly)	Fixed	First Charge on the Fixed Assets at Kamarhati unit and second charge on the current assets of the Company
5	The Shamrao Vithal Co.op Bank Limited	Term Loan	21.52	60 EMI	Fixed	First Charge on Land at Bengaluru and Fixed Assets situated at Bengaluru
6	Kotak Mahindra Prime	Vehicle Loan	0.22	24 EMI	Fixed	Respective Vehicle under Loan
7	Kotak Mahindra Prime	Vehicle Loan	0.18	13 EMI	Fixed	Respective Vehicle under Loan
8	HDFC Bank Limited	Vehicle Loan	0.17	18 EMI	Fixed	Respective Vehicle under Loan

#### 4. Deferred Tax Liabilities (Net)

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Tax Liability - Relating to Fixed Assets	2,008.59	-
<b>Total</b>	<b>2,008.59</b>	<b>-</b>

#### 5. Other Long term liabilities

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Sales Tax Liability	2,102.62	2,102.62
<b>Total</b>	<b>2,102.62</b>	<b>2,102.62</b>

#### 6. Long Term Provisions

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Provision for Taxes – (Net)	1,433.05	6,759.44
Provision for Indirect Taxes	3,760.11	6,524.46
<b>Total</b>	<b>5,193.16</b>	<b>13,283.90</b>

#### CURRENT LIABILITIES

#### 7. Short Term Borrowings

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Secured</b>		
Loan repayable on demand from Banks	16,933.97	26,569.50
<b>Unsecured</b>		
Loan from Director –Repayable on Demand	600.00	-
<b>Total</b>	<b>17,533.97</b>	<b>26,569.50</b>

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

#### 8. Trade Payables

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Trade Payable		
- Micro Small and Medium Enterprises	48.58	53.82
- Others	9,063.11	6,970.96
<b>Total</b>	<b>9,111.69</b>	<b>7,024.78</b>

**9. Other Current Liabilities**

<b>Particulars</b>	<b>31<sup>st</sup> March 13 Rs in Lacs</b>	<b>31<sup>st</sup> March 12 Rs in Lacs</b>
Capital Creditors	103.32	146.08
Current Maturity of Long term debts	5,487.18	40.12
Investor Education and Protection Fund		
- Unclaimed Dividends	0.13	0.13
- Unpaid matured deposits	-	-
Other Liabilities (Includes Statutory Dues and Other Accruals)	1,924.91	2,258.37
<b>Total</b>	<b>7,515.24</b>	<b>2,444.70</b>

**10. Short Term Provisions**

<b>Particulars</b>	<b>31<sup>st</sup> March 13 Rs in Lacs</b>	<b>31<sup>st</sup> March 12 Rs in Lacs</b>
Provision for Employee benefits	456.58	331.06
Provision for Income Tax	1,826.91	1,836.18
Provision for Wealth Tax	2.73	2.43
Proposed Dividend	640.96	640.96
Dividend Distribution Tax	108.93	103.98
<b>Total</b>	<b>3,036.11</b>	<b>2,914.61</b>

## 11. Schedule of Fixed Assets & Depreciation

Rs. in Lacs

Description	Gross Block				Accumulated Depreciation				Net Block	
	As At April 2012	Additions	Sales / Adjustment	As At March 2013	As At April 2012	Change for the period	Sales / Adjustment	As At March 2013	As At March 2013	As At March 2012
<b>Tangible</b>										
Factory Freehold Land	696.62	-	-	696.62	30.80	5.55	-	36.34	660.28	665.82
Factory Land	275.01	287.85	270.00	292.86	-	-	-	-	292.86	275.01
Factory Bulidng	7,489.16	146.36	-	7,635.53	2,104.71	230.68	-	2,335.39	5,300.13	5,384.45
Plant & Machinery	62,595.33	9,414.87	-	72,010.19	19,132.99	3,216.46	-	22,349.45	49,660.75	43,462.32
Computers/IT Equiptments	413.10	16.73	-	429.83	354.26	25.33	-	379.59	50.23	58.84
Fumiture & Fixtures	745.93	16.09	-	762.02	224.87	47.81	-	272.68	489.34	521.06
Vehicle	782.97	69.15	38.49	813.63	230.03	78.76	17.19	291.60	522.04	552.94
<b>Total</b>	<b>72,998.12</b>	<b>9951.05</b>	<b>308.49</b>	<b>82,640.68</b>	<b>22,077.66</b>	<b>3,604.59</b>	<b>17.19</b>	<b>25,665.05</b>	<b>56,975.63</b>	<b>50,920.44</b>
<b>Intangible</b>										
Computer Software	48.95	0.58	-	49.53	33.67	8.45	-	42.12	7.41	15.30
<b>Total</b>	<b>48.95</b>	<b>0.58</b>	<b>-</b>	<b>49.53</b>	<b>33.67</b>	<b>8.45</b>	<b>-</b>	<b>42.12</b>	<b>7.41</b>	<b>15.30</b>
<b>Grand Total</b>	<b>73,047.07</b>	<b>9,951.63</b>	<b>308.49</b>	<b>82,690.21</b>	<b>22,111.33</b>	<b>3,613.04</b>	<b>17.19</b>	<b>25,707.18</b>	<b>56,983.04</b>	<b>50,935.74</b>
<b>Previous Year</b>	<b>46,571.51</b>	<b>26,499.63</b>	<b>24.07</b>	<b>73,047.07</b>	<b>18,556.14</b>	<b>3,562.17</b>	<b>6.99</b>	<b>22,111.31</b>	<b>50,935.74</b>	<b>28,015.37</b>

## CAPITAL WORK IN PROGRESS

Schedule forming part of Capital Work In Progress as on 31/03/2013

Rs. in Lacs

Particulars	GROSS BLOCK				NET BLOCK	
	Opening As at 01/04/2012	Addition	Transfer	Gross Block as on 31/03/2013	As at 31/03/2013	As at 31/03/2012
Capital Work in Progress	9,285.77	11,444.53	9,002.25	11,728.05	11,728.05	9,285.77
<b>Total</b>	<b>9,285.77</b>	<b>11,444.53</b>	<b>9,002.25</b>	<b>11,728.05</b>	<b>11,728.05</b>	<b>9,285.77</b>
<b>Previous Year</b>	<b>24,607.86</b>	<b>9,499.99</b>	<b>24,822.08</b>	<b>9,285.77</b>	<b>9,285.77</b>	<b>24,607.86</b>

**12. Non Current Investments**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Unquoted</b>		
Shares of Shamrao Vithal Co.op Bank Limited 8,275 (PY 8,275) ordinary shares of Rs 25 each fully paid up	2.07	2.07
<b>Total</b>	<b>2.07</b>	<b>2.07</b>

**13. Deferred Tax Assets (Net)**

Deferred Tax Assets	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Deferred Tax Assets (Net)	-	5,951.52
<b>Total</b>	<b>-</b>	<b>5,951.52</b>

**14. Long Term Loans & Advances**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Others	1,789.80	1,189.35
<b>Total</b>	<b>1,789.80</b>	<b>1,189.35</b>

**15. Other Non Current Assets**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Advance Payment of Taxes (Net)	56.13	68.50
<b>Total</b>	<b>56.13</b>	<b>68.50</b>

**CURRENT ASSETS****16. Current Investments**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Unquoted Investment in Mutual Funds</b>		
Taurus MF Short Term Fund - Bond Fund (PY 7,03,022.738 units with NAV of Rs 1,001.8759 each)	Nil	7,043.42
L&T Freedom Income STP Inst (PY 14,49,708.633 units with NAV of Rs 10.1552 each)	Nil	147.22
SBI Magnum Insta Cash Fund (PY 41,219.2528 units with NAV of Rs 1,675.03 each)	Nil	238.18
<b>Total</b>	<b>-</b>	<b>7,428.82</b>

## 17. Inventories

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
(at lower of cost or net realizable value)		
Raw Material	7,150.70	2,820.55
Work in Progress	1,262.51	1,548.51
Finished Goods	439.08	732.83
Stores and Spares	3,216.81	3,016.89
Stock In Transit	90.08	72.16
<b>Total</b>	<b>12,159.18</b>	<b>8,190.94</b>

## 18. Trade Receivables

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Outstanding for a period exceeding six months</b>		
Unsecured considered good	2,263.70	2,021.89
<b>Total</b>	<b>2,263.70</b>	<b>2,021.89</b>
<b>Other Debts</b>		
Unsecured considered good	47,084.28	39,239.62
<b>Total</b>	<b>47,084.28</b>	<b>39,239.62</b>
<b>Total</b>	<b>49,347.98</b>	<b>41,261.51</b>

## 19. Cash and Bank Balances

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	20.42	18.39
<b>Balances with Banks</b>		
On current accounts	315.22	1,933.79
In exchange earners foreign currency account	-	205.58
<b>Other bank Balances</b>		
In deposits with original maturity for more than 12 months	1,075.15	829.30
In unclaimed dividend account	0.01	0.13
<b>Total</b>	<b>1,410.80</b>	<b>2,987.19</b>

- Balance with scheduled banks include Rs. 1,066.41 lacs (PY Rs. 829.30 lacs) representing margin money for letter of credit and bank guarantees issued.
- Section 205 of the companies Act 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF), Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.



**20. Short term loans and advances**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Unsecured considered good Advance to material supplier / contractors	3.21	61.83
Loans and Advance to employee	23.51	31.02
Inter Corporate deposits	5,051.96	3,252.29
<b>Total</b>	<b>5,078.68</b>	<b>3,345.14</b>

**21. Other Current Assets**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Interest Accrued but not due	36.51	22.25
Prepaid Expenses	96.03	318.46
Deposits with government, public bodies and others	3,672.60	3,652.42
Advance to Director	1,086.73	1,437.23
Others	1,310.26	2,673.61
<b>Total</b>	<b>6,202.13</b>	<b>8,103.97</b>

**22. Revenue from Operations**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Gross Sales	89,286.33	79,446.80
Less Inter Company Sales	11,429.16	9,163.55
Excise Duty	5,964.97	4,369.92
<b>Total</b>	<b>71,892.20</b>	<b>65,913.33</b>

**23. Other Income**

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Dividend Received	40.45	122.21
Foreign Exchange Earnings	19.34	11.50
DEPB Export Incentives	204.09	202.15
Interest on Fixed Deposits	124.04	65.71
Provision for Indirect Tax No Longer Required	2,764.35	-
Others	906.06	1,904.14
<b>Total</b>	<b>4,058.33</b>	<b>2,305.71</b>

#### 24. Cost of Material Consumed

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Opening Stock	7,400.90	5,372.11
Add : Purchases	47,531.19	42,686.20
Total	54,932.09	48,058.30
Less : Closing Stock	11,720.09	7,400.90
<b>Total</b>	<b>43,212.00</b>	<b>40,657.41</b>

#### 25. Changes in inventories of finished goods

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Opening Stock of Finished Goods	732.83	428.04
Closing Stock of Finished Goods	439.08	732.83
Stock Reserve	1.57	0.83
<b>(Accretion) / Decretion in Stock</b>	<b>292.18</b>	<b>(305.62)</b>

#### 26. Manufacturing Expenses

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Freight Carriage	310.76	236.01
Power and Fuel	2,935.68	2,325.44
Labour Charges	404.46	354.30
Factory Expenses	408.46	432.30
Repairs to Machinery	293.36	171.67
<b>Total</b>	<b>4,352.72</b>	<b>3,519.72</b>

#### 27. Employee Benefit Expenses

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Salary, Wages and Allowances	4,250.55	2,842.56
Staff Welfare and other benefits	131.01	131.95
Contribution to Provident & other Funds	356.53	224.36
<b>Total</b>	<b>4,738.09</b>	<b>3,198.87</b>

#### 28. Finance Cost

Particulars	31 <sup>st</sup> March 13 Rs in Lacs	31 <sup>st</sup> March 12 Rs in Lacs
Bank Interest	3,972.51	3,239.43
Bank Commission and other Charges	479.63	336.27
<b>Total</b>	<b>4,452.14</b>	<b>3,575.70</b>

**29. Other Expenses**

<b>Particulars</b>	<b>31<sup>st</sup> March 13 Rs in Lacs</b>	<b>31<sup>st</sup> March 12 Rs in Lacs</b>
Audit Fees	30.90	27.80
Advertisement Expenses	22.06	134.40
Bad Debts	458.81	174.17
Carriage Outward	746.44	553.23
Commission on Sales	149.02	129.23
Foreign Exchange Loss on trade purchases	1,076.59	351.10
Legal & Professional Charges	331.67	295.75
Rates and Taxes	135.79	556.97
Rent	290.32	263.16
Insurance Charges	116.21	47.60
Interest on Deferred Sales Tax	183.61	164.06
Postage and Telephone	79.62	62.19
Conveyance and Travelling	259.35	220.14
Other Expenses	987.89	1,066.26
<b>Total</b>	<b>4,868.28</b>	<b>4,046.07</b>

**30. Tax Expenses**

<b>Particulars</b>	<b>31<sup>st</sup> March 13 Rs in Lacs</b>	<b>31<sup>st</sup> March 12 Rs in Lacs</b>
Current Tax Expenses		
- Current tax	2,238.53	2,124.75
- Wealth tax	3.19	2.43
-Deferred tax (credit)/expenses	1,030.73	1,033.37
-Adjustment of Earlier Years	(193.62)	-
<b>Total</b>	<b>3,078.83</b>	<b>3,160.55</b>

## **Note : 31 Other Disclosures**

### **31.01 Significant accounting policies**

#### **1. System of Accounting:**

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as notified by the Companies (Accounting Standard) Rules 2006, relevant provisions of the Companies Act 1956 and statements issued by the Institute of Chartered Accountants of India. The significant accounting policies followed by the Company are set out below. Management has made certain estimates and assumptions in conformity with the GAAP in the preparation of these financial statements, which are reflected in the preparation of these financial statements.

#### **2. Revenue Recognition:**

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

- a. Domestic sales are accounted on despatch of products to customers and export sales are accounted on the basis of dates of bill of lading. Sales are disclosed net of sales tax, discounts and returns, as applicable.
- b. Export incentives / interest income and income on investments are accounted on accrual basis.

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

##### **a. Fixed Assets:**

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

##### **b. Capital Work-in-Progress:**

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

##### **c. Depreciation:**

Depreciation is provided on the straight line method at the rates and in manner laid down in Schedule XIV to the Companies Act, 1956. Leasehold Land is amortized over the period of lease. Software is amortised over five years on straight line basis.

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

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

#### **5. Taxation:**

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

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

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

## **7. Employee Benefits:**

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

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

Contributions towards provident funds are recognized as expense.

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

## **8. Borrowing Cost:**

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

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

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

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

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

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

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

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

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

## **13. Leases:**

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

### 31.02 Subsidiary

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

Name of the Subsidiary	Proportion of ownership	Year Ending	Audited By
Flex Art Foil Limited	100%	31.03.2013	M/s M.P.Chitale & Co.
Ess Dee Aluminium Pte Ltd. (Consolidated on unaudited basis)	100%	31.03.2013	N.G.Lee & Associates-DFK - Singapore

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

### 31.03 Contingent Liabilities

Particulars	31 <sup>st</sup> March 13 Rs. in Lacs	31 <sup>st</sup> March 12 Rs. in Lacs
Contingent Liability		
a) Claims against the company not acknowledged as debt	847.70	218.12
b) Guarantees – given for bank loans taken by its subsidiaries	3,184.35	2,640.00
– Others	186.77	253.32
<b>Total</b>	<b>4,218.82</b>	<b>3,111.43</b>

**31.04 Suppliers/service providers covered under Micro, Small and Medium Enterprises (MSME) Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company. The Disclosure relating to Micro, Small and Medium Enterprises as at 31st March 2013 are as under.**

Rs. in Lacs

	Description	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
1	The Principal amount remaining unpaid to supplier as at the end of accounting year	48.58	53.68
2	The Interest due thereon remaining unpaid to supplier as at the end of the year	Nil	Nil
3	The amount of interest paid in terms of Sec 16 along with the amount of payment made to the supplier beyond the appointment day during the year	Nil	Nil
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	Nil	Nil
5	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil

**31.05 Employee Benefits ( Accounting Standard - AS 15)****Ess Dee Aluminium Limited : Units Kolkata**

Particulars	Gratuity		Pension Frozen as on 31 <sup>st</sup> December 2000		Leave Encashment	
	Funded		Funded		Unfunded	
	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012
<b>UNITS IN WEST BENGAL</b>						
<b>The major categories of plan assets as a percentage of total plan</b>						
Qualifying Insurance Policy						
<b>Changes in the present value of the obligation</b>						
1 Present Value of obligation 01.04.12	222.20	322.24	19.90	18.99	59.82	75.83
2 Interest Cost	17.37	27.20	1.54	1.61	4.27	6.33
3 Current Service Cost	20.14	16.76	-	-	7.46	10.46
4 Past Service Cost	-	-	-	-	-	-
5 Benefits Paid	10.08	4.38	1.24	-	12.73	2.60
6 Actuarial (gain ) / loss on Obligation	26.36	(139.62)	0.91	(0.70)	5.11	(30.19)
7 Present Value of obligation 31.03.13	276.00	222.20	21.12	19.90	63.94	59.82
<b>Changes in the Fair Value Of Assets</b>					-	-
1 Fair value of plan Assets 01.04.12	172.52	159.44	4.56	4.23	-	-
2 Expected Return on Plan assets	13.80	13.55	0.36	0.35	-	-
3 Contribution	10.08	4.38	-	-	-	-
4 Benefits Paid	10.08	4.38	1.24	-	-	-
5 Actuarial gain / (Loss) on Plan Assets	0.35	(0.47)	(0.06)	(0.02)	-	-
6 Fair value of plan Assets 31.03.13	186.68	172.52	3.62	4.56	-	-
<b>Reconciliation of the present value of the defined benefit obligation &amp; the fair market value of plan assets</b>						
1 Present Value of obligation at the end of the year	276.00	222.20	21.12	19.90	63.94	59.82
2 Fair value of plan Assets at the end of the year	186.68	172.52	3.62	4.56	63.94	59.82
3 Assets / (Liabilities ) recognized in the balance sheet	(89.32)	(4.96)	(17.50)	(15.34)	-	-
<b>Profit &amp; Loss Expenses</b>						
1 Current Service Cost	20.14	16.76	-	-	7.46	10.46
2 Interest Cost	17.37	27.20	1.54	1.61	4.27	6.33
3 Expected Return on Plan assets	13.80	13.55	0.36	0.35	-	-
4 Net Actuarial gain/(loss ) recognized in the year	26.01	(139.15)	0.98	(0.68)	(5.11)	(30.19)
5 Past Service Cost	-	-	-	-	-	-
6 Expected Recognized in the statement of P&L	49.73	(108.73)	2.15	0.57	(16.85)	(13.38)
<b>Actuarial Assumptions</b>						
1 Discount Rate	8.00%	8.50%	8.00%	8.50%	8.00%	8.50%
2 Expected Rate of salary Increase	6.00%	5.00%	NA	NA	6.00%	5.00%
3 Expected Rate of Return on Plan Assets	8.00%	8.50%	8.00%	8.50%	-	-
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	17.20	18.00	9.00	10.00	17.20	18.00



Particulars	Gratuity Funded		Leave Encashment Unfunded	
	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012
<b>UNITS IN DAMAN AND GOA</b>				
The major categories of plan assets as a percentage of total plan				
Qualifying Insurance Policy	100%	100%	-	-
<b>Changes in the present value of the obligation</b>				
1 Present Value of obligation 01.04.12	66.36	53.06	9.14	9.69
2 Interest Cost	5.07	3.77	0.69	0.77
3 Current Service Cost	24.22	20.63	2.40	2.93
4 Past Service Cost	-	-	-	-
5 Benefits Paid	(5.88)	(11.66)	(2.78)	(2.36)
6 Actuarial (gain ) / loss on Obligation	4.80	0.55	6.91	(1.90)
7 Present Value of obligation 31.03.13	94.58	66.36	16.37	9.14
<b>Changes in the Fair Value Of Assets</b>				
1 Fair value of plan Assets 01.04.12	92.67	72.23	-	-
2 Expected Return on Plan assets	7.17	6.38	-	-
3 Contribution	-	26.42	-	-
4 Benefits Paid	5.88	11.66	-	-
5 Actuarial gain / (Loss) on Plan Assets	0.96	(0.70)	-	-
6 Fair value of plan Assets 31.03.13	94.93	92.67	-	-
<b>Profit &amp; Loss Expenses</b>				
1 Current Service Cost	24.22	20.63	2.40	2.93
2 Interest Cost	5.07	3.77	0.69	0.77
3 Expected Return on Plan assets	7.17	6.38	-	-
4 Net Actuarial gain / (loss ) recognized in the year	-	1.25	6.91	(1.90)
5 Past Service Cost	-	-	-	-
6 Expenses Recognized in the statement of P&L	25.95	19.28	7.23	0.55
<b>Actuarial Assumptions</b>				
1 Discount Rate	8.00%	8.00%	7.75%	7.75%
2 Expected Rate of salary Increase	8.00%	8.00%	-	-
3 Expected Return on Assets	9.00%	9.00%	6.50%	6.50%
4 Attrition Rate	4.00%	12.00%	-	-
5 Mortality Post-retirement	Ultimate	Ultimate	Ultimate	Ultimate

#### For Daman & Goa Unit

Amounts for the current & Previous four periods

Rs. in Lacs

Gratuity - Daman & Goa Units	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Defined Benefit Obligation	94.58	66.36	53.06	55.55	-
Plan Asset	94.93	92.67	72.23	64.31	-
Surplus / Deficits	0.34	26.30	19.16	8.75	-
Experience Adjustments on Plan Liabilities	0.07	0.55	(8.83)	-	-
Experience Adjustments on Plan Assets	(0.96)	0.70	(0.12)	-	-

## Flex Art Foil Limited : All Units

Particulars	Gratuity Funded		Leave Encashment Unfunded	
	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012	Rs. in Lacs 31/03/2013	Rs. in Lacs 31/03/2012
<b>The major categories of plan assets as a percentage of total plan</b>				
Qualifying Insurance Policy	100%	100%	100%	100%
<b>Changes in the present value of the obligation</b>				
1. Present Value of obligation 01/04/2012	37.13	32.43	4.18	1.24
2. Interest Cost	2.74	2.55	0.34	0.36
3. Current Service Cost	9.04	7.11	1.10	1.24
4. Past Service Cost	-	-	-	-
5. Benefits Paid	(5.59)	(1.09)	(0.58)	(0.10)
6. Actuarial (gain) / loss on Obligation	15.80	(3.86)	0.34	(1.42)
7. Present Value of obligation 31/03/2013	<b>59.13</b>	<b>37.13</b>	<b>5.39</b>	<b>4.18</b>
<b>Changes in the Fair Value of Assets</b>				
1. Fair value of plan Assets 01/04/2012	47.67	41.15	-	-
2. Expected Return on Plan assets	3.59	3.42	-	-
3. Contributions	-	4.18	-	-
4. Benefits Paid	(5.59)	(1.09)	-	-
5. Actuarial gain / (loss) on Plan Assets	0.32	(0.01)	-	-
6. Fair value of plan Assets 31/03/2013	<b>45.99</b>	<b>47.67</b>	-	-
<b>Profit &amp; Loss Expenses</b>				
1. Current Service Cost	9.04	7.11	1.10	1.24
2. Interest Cost	2.74	2.55	0.34	0.36
3. Expected Return on Plan assets	(3.59)	(3.42)	-	-
4. Net Actuarial gain / (loss) recognized in the year	15.80	(3.86)	0.34	(1.42)
5. Past Service Cost	-	-	-	-
6. Expenses Recognized in the statement of P&L	<b>23.68</b>	<b>2.37</b>	<b>1.21</b>	<b>0.08</b>
<b>Actuarial Assumptions</b>				
1. Discount Rate	8.00%	8.00%	-	-
2. Expected Rate of Return on Plan Assets	8.00%	8.00%	-	-
3. Expected Rate of Salary Increase	9.00%	9.00%	-	-
4. Attrition Rate	12.00%	4.00%	-	-
5. Mortality Post-retirement	Ultimate	Ultimate	-	-

Amounts for the Current and previous four periods.

Gratuity	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Defined Benefit Obligation	59.13	37.13	32.43	29.64	-
Plan Asset	45.99	47.67	41.15	31.74	-
Surplus / Deficits	(13.14)	10.53	8.72	2.10	-
Experience Adjustments on Plan Liabilities	12.84	(3.86)	(3.92)	-	-
Experience Adjustments on Plan Assets	(0.32)	(0.01)	(0.02)	-	-

**31.06 The amount of dividend proposed to be distributed to equity shareholders :**

Proposed Dividend	No of Equity Shares	Period	Dividend Per Share
Rs. 6,40,95,622/-	3,20,47,811	2012-13	Rs. 2/-

**31.07 Segment Information ( Accounting Standard – 17)**

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

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

List of Related Parties and Relationship with whom the transactions were held during the year 2012-13

Sr.	Particulars	Particulars
A	Key Management Personnel	Mr. Sudip Dutta - Chairman Mr. Bijoy Kumar Pansari Mr. Rajib Mukhopadhyay (Resigned on 21/08/2012) Mr. Soumitra Barari (Resigned w.e.f 13/01/2012) Mr. Debdeep Bhattacharya (Resigned w.e.f.12/10/11) Ms. Vinaya Desai Mr. Ashis Bhattacharya (Appointed w.e.f. 14/02/2013 ) Mr. Subir Ray
B	Relative of Key Management Personnel	Ms. Aarti Dutta Mr. Abhishek Deshmukh
C	Enterprises over which key management Personnel and their relatives are able to exercise significant influence	Vyoma Investment & Finance Company Pvt. Ltd. Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Private Ltd. Ess Dee Infraventure Private Limited

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

Rs. in Lacs

Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel
<b>Rent Paid</b>		
Mr. Sudip Dutta	171.12	-
	(PY 167.12)	-
Ms. Aarti Dutta	-	30.00
	-	(PY 26.00)
<b>Total</b>	<b>171.12</b> <b>(PY 167.12)</b>	<b>30.00</b> <b>(PY 26.00)</b>
<b>Salary</b>		
Mr. Sudip Dutta	945.24	-
	(PY 336.33)	-
Mr. Bijoy Kumar Pansari	84.00	-
	(PY 27.55)	-
Mr. Rajib Mukhopadhyay	10.55	-
	(PY 29.00)	-
Mr. Soumitra Barari	-	-
	(PY 15.48)	-
Mr. Debdeep Bhattacharya	-	-
	(PY 15.72)	-
Mr. Ashis Bhattacharya (w.e.f 14/02/2013)	5.62	-
Ms. Vinaya Desai (w.e.f 14/02/2013)	1.77	-
Mr. Abhishek Deshmukh	-	(PY 3.81)
<b>Total</b>	<b>1,047.18</b> <b>(PY 366.41)</b>	<b>-</b> <b>(PY 3.81)</b>
<b>Credit Balance as on 31.03.13</b>		
Mr. Sudip Dutta	659.50	-
	(PY 45.51)	-
Mr. Bijoy Kumar Pansari	4.63	-
	(PY 5.24)	-
Mr. Rajib Mukhopadhyay	-	-
	(PY 1.85)	-
Mr. Ashis Bhattacharya	1.99	-
	-	-
Ms. Vinaya Desai	0.83	-
	-	-
Ms. Aarti Dutta	-	0.51
	-	(PY 2.01)
<b>Total</b>	<b>666.95</b> <b>(PY 52.60)</b>	<b>0.51</b> <b>(PY 2.01)</b>
<b>Debit Balance as on 31.03.13</b>		
Mr. Sudip Dutta	1,979.95	-
	(PY 2,337.23)	-
<b>Total</b>	<b>1,979.95</b> <b>(PY 2,337.23)</b>	<b>-</b> <b>-</b>

### 31.09 Leases (Accounting Standard – 19)

#### Operating Lease

The Company has leased facilities under non cancelable operating leases. The future lease payments in respect of these leases as at 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2012 are minimum lease payments

Rs. in Lacs

Particulars	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
A Not later than one year	5.54	5.54
B Later than one year but not later than five years	39.11	33.57
C Later than five years	393.39	398.93

### 31.10 Earnings per Share (EPS) : (Accounting Standard – 20)

Particulars	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
	Basic and Diluted	Basic and Diluted
<b>Earnings</b> Net profit / (Loss) for the period (Rs. in Lacs)	7,343.25	6,804.17
<b>Shares</b> Number of shares at the beginning of the period Add : Shares issued during the period Total number of equity shares outstanding at the end of the period	3,20,47,811 - 3,20,47,811	3,20,47,811 - 3,20,47,811
<b>Weighted average number of equity shares outstanding during the period - Basic and Diluted</b>	3,20,47,811	3,20,47,811
Earnings per share of par value Rs. 10 /- Basic and diluted (Rs.)	<b>22.91</b>	<b>21.23</b>

### 31.11 Deferred Tax Assets and Liabilities (Accounting Standard – 22)

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

Rs. in Lacs

Deferred Tax Liability / (Assets)	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
Net Deferred Tax Liability / (Assets) - Relating to Fixed assets	2,008.59	(5,951.52)
<b>Total</b>	<b>2,008.59</b>	<b>(5,951.52)</b>

Pursuant to the order of Hon'ble BIFR in the matter of rehabilitation of erstwhile India Foils Limited, the CBDT has vide its order dated January 21<sup>st</sup> 2013 granted relief to the company under section 115JB of the Income Tax Act 1961. Accordingly the company has reversed the tax provisions of Rs. 7,123.00 Lacs and deferred tax of Rs. 6,929.38 Lacs for the financial years 2009-10, 2010-11 & 2011-12.

### 31.12 Hedging and Derivatives :

The Following are the outstanding forward exchange contracts entered into by the Company as at 31<sup>st</sup> March, 2013

Category	Currency	Cross Currency	Amount in USD	Buy / Sell	Purpose
Forward Contract	USD	INR	CY Nil (PY 10,00,000)	Sell	Hedging

**Un hedged Foreign currency exposure**

The Company has the following un-hedged exposure in foreign currency at the year ended March 13.

Particulars	31 <sup>st</sup> March 13					
	USD	EURO	GBP	JPY	CHF	Rs. in Lacs
Sundry Debtors	1211877.54	40238.79	-	-	-	645.13
Sundry Creditors	15492637.66	199340.97	-	-	697.24	8258.60
Advance received from Customers	12288.43	1492.49	-	-	-	6.53
Advance paid to Creditors	-	-	-	-	-	-

The Company has the following un-hedged exposure in foreign currency at the year ended March 12.

Particulars	31 <sup>st</sup> March 12					
	USD	EURO	GBP	JPY	CHF	Rs. in Lacs
Sundry Debtors	1266656.85	-	-	-	-	639.67
Sundry Creditors	15369525.93	-	-	488.76	3969.94	7,561.94
Advance received from Customers	11865.23	1079.77	-	-	-	6.04
Advance paid to Creditors	113475.00	1709.74	7.01	-	-	59.22

**31.13 Information on Manufacturing Sales, Work in Progress, Raw Material Consumed, Opening Stock of Finished Goods and Closing Stock of Finished Goods**

Rs. in Lacs

Particulars	Raw Material Consumed	Work in progress	Opening Stock of Finished Goods	Closing Stock of Finished Goods	Net Sales
Aluminium Foil Stock	30,260.53 (30,954.75)	1,184.52 (1,511.38)	705.85 (404.65)	419.30 (705.85)	66,643.15 (60,545.99)
PVC Resin	2,092.35 (1,809.62)	77.99 (37.13)	26.98 (23.39)	19.78 (26.98)	5,249.05 (5,367.34)
Others	10,859.12 (7,893.03)	-	-	-	-
<b>Total</b>	<b>43,212.00</b> <b>(40,657.40)</b>	<b>1,262.51</b> <b>(1,548.51)</b>	<b>732.83</b> <b>(428.04)</b>	<b>439.08</b> <b>(732.83)</b>	<b>71,892.20</b> <b>(65,913.33)</b>

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

As per report attached

For M.P. Chitale & Co.  
Chartered Accountants

**Ashutosh Pednekar**  
Partner  
Place : Mumbai  
Date : 28<sup>th</sup> May 2013

**FOR AND ON BEHALF OF THE BOARD**

**Bijoy Kumar Pansari**  
Managing Director

**Ashis Bhattacharya**  
Whole Time Director

**Haresh Vala**  
Company Secretary

## Financial Information of Subsidiary Companies

Information regarding the Subsidiary Companies for the financial year 2012-2013, in accordance with Section 212(8) of the Companies Act, 1956 and General Circular No. 2 and 3 dated 8<sup>th</sup> February, 2011 and 21<sup>st</sup> February, 2011 from the Ministry of Corporate Affairs.

Rs. in Lacs

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investment	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
1.	Flex Art Foil Limited	INR	2,000.00	6,451.64	17,256.86	17,256.86	0.53	13,589.81	1,106.61	294.59	812.02	-	India
2.	Ess Dee Aluminium Pte. Limited	INR	850.73	(1,188.53)	1,558.21	1,558.21	-	-	(1,110.15)	-	(1,110.15)	-	Singapore
		USD	15.53	(21.55)	27.50	27.50	-	-	(20.41)	-	(20.41)	-	Singapore

Exchange Rate as on 31.03.2013, 1 USD = Rs. 54.4354



[illegible]

**ESS DEE ALUMINIUM LIMITED**  
**Regd. Office: 1 Sagore Dutta Ghat Road, Kamarhati, Kolkata, West Bengal - 700 058**

**9<sup>TH</sup> ANNUAL GENERAL MEETING**

**PROXY FORM**

DP Id\*.....

Folio No.....

Client Id\*.....

No. of Shares held.....

(\*Applicable for investors holding shares in electronic form)

I/We.....of.....in the district of  
 .....being member(s) hereby appoint  
 .....of.....in the district of ..... (or failing  
 him/her) .....of..... in the district of ..... (or failing him/her)  
 .....of.....in the district of ..... as my/our proxy to attend and vote for me  
 / us on my / our behalf at the 9<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 24<sup>th</sup> day of September, 2013 at  
 10.00 a.m. at Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056.

Affix  
 Revenue  
 Stamp of  
 ₹ 1

AS WITNESS my hand/our hands this ..... day of ....., 2013

N.B.: The instrument appointing proxy shall be deposited at the Registered Office of the Company not later than 48 hours  
 before the commencement of the meeting.

**ESS DEE ALUMINIUM LIMITED**  
**Regd. Office: 1 Sagore Dutta Ghat Road, Kamarhati, Kolkata, West Bengal - 700 058**

**9<sup>TH</sup> ANNUAL GENERAL MEETING**

**ATTENDANCE SLIP**

DP Id\*.....

Folio No.....

Client Id\*.....

No. of Shares held.....

(\*Applicable for investors holding shares in electronic form)

Name of the Member.....

No. of Shares held.....

Name of the Proxy.....

(to be filled only when a proxy attends the meeting)

I hereby record my presence at the 9<sup>th</sup> Annual General Meeting of the Company on Tuesday, the 24<sup>th</sup> day of September, 2013 at  
 10.00 a.m. at Najrul Mancha, 1, M. M. Feeder Road, Kolkata – 700 056.

Signature of Member/ Proxy .....

\*This slip may please be handed over at the entrance of the meeting hall.

**Note: Members are requested to bring their copies of the Annual Report to the meeting.**



**ESS DEE ALUMINIUM LIMITED**

**Corporate Office: Ess Dee House, Akurli Road, Kandivali (East), Mumbai - 400101.**

**Phone: + 91 (22) 66908200 Fax: +91 (22) 66908396 Email: [info@essdee.in](mailto:info@essdee.in)**

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