



ESS DEE ALUMINIUM LIMITED

Annual Report 2010 - 2011

INTEGRATE
INNOVATE & IMPACT



Index

Key Milestones	03
Note from the CMD's Desk	04
Integration	07
Innovation	10
The Impact	12
Financial Snapshot	14
Accreditations	15
Human Resources	16
Corporate Social Responsibility	17
Corporate Information	18
Notice	19
Directors' Report	29
Corporate Governance Report	42
Auditors' Report	60
Financials – Standalone	66
Auditors' Report – Consolidated	94
Financials – Consolidated	95
Attendance Slip / Proxy Form	117
Green Initiative Form	119

The Seventh Annual General Meeting will be
held on Wednesday,
28th September 2011 at 1:00 p.m.
at Hotel Sea Rock Inn,
Devka Beach, Daman – 396 210
Visit us at www.essdee.in
Email: investorservice@essdee.in

INTEGRATE

Ess Dee Aluminium Limited (Ess Dee) has undertaken several path breaking initiatives over the years in its journey to consistently exceed expectations. The India Foils acquisition and subsequent merger has helped Ess Dee to maintain its momentum in delivering sustainable growth.

Integration of the merged entity thereby facilitating higher capacity utilization has been the key focus area. The merged entity has resulted in incremental available foil rolling capacity of 19,000 MTPA from its units in Kamarhati and Hoera in West Bengal. This will be a key growth driver against the backdrop of rising demand. The sheet manufacturing facility available at Hoera with a capacity of 11,000 MTPA is significant in terms of backward integration and further de-risking of the business model.

Thus besides the obvious synergies, this integration also denotes a significant step towards backward integration resulting in a more efficient organization.

INNOVATE

Brands are jostling for space in a crowded market place whether it be formulations or fast moving consumer goods. The initiatives of the pharmaceutical companies to tap the demographic potential of this country through generic products further complicate the emerging scenario.

In such a competitive environment, Pharmaceutical and FMCG companies opt for Ess Dee as a vendor of choice based on Ess Dee's capabilities and track record to innovate and differentiate.

Ess Dee has stayed focussed on superior manufacturing capabilities, state of the art technology, optimum packaging initiatives, research and development activities in collaboration with the business partners to derive mutually beneficial as well as effective and efficient end to end packaging solutions.

Working hand in hand with our strategic partners to address their concerns right from branding to anti counterfeiting measures will continue to form the cornerstone of the innovative and research based approach adopted by Ess Dee in the years to come. This will not only help Ess Dee deliver sustainable growth but will also facilitate its efforts to attain and maintain leadership status.

IMPACT

All activities at Ess Dee, have been designed and directed towards the achievement of the company's stated objectives which include - being a customer-focused organization, achieving business and process excellence, delivering the highest level of corporate governance and compliance, being an organization of choice offering equal opportunities to all its employees and delivering superior value to all its stakeholders.

We believe that our initiatives to integrate and innovate have combined to provide a positive impact on both, industry and society. Ess Dee, strengthened by the integration and innovation initiatives shall continuously expand horizons in a manner that the expectations of all stakeholders are consistently exceeded.

Key Milestones

1993

Leased printing unit in Maharashtra

1998

First self owned printing unit in Vasai, Maharashtra

2000

Printing units at Daman

2001

Printing units at Goa

2003

Foray into PVC film manufacturing in Goa

2004

Backward integration into aluminium foils manufacturing at Daman

2005

Printing unit in Baddi, Himachal Pradesh

2006

PVdc coater in Goa +Flexible Packaging unit in Daman + Second mill in Daman
Entered the Capital Markets with an IPO

2007

Second printing unit in Baddi, Himachal Pradesh

2008

Printing Unit at Sikkim
Scheme for Acquisition of India Foils Limited, Kolkata

2009

Revival of India Foils Kamarhati unit

2010

Administrative Merger of India Foils

2011

Commencement of Hoera Unit



NOTE FROM THE CMD's DESK

“You cannot cross the sea merely by standing and staring at the water”
Rabindranath Tagore

Dear Fellow Stakeholders

It is with a strong sense of satisfaction that I pen this note on the financial year gone by, wherein we planned and started working towards what we set out to.

We completed the administrative integration of India Foils during FY 2010-11, the benefits of which started accruing. With this, Ess Dee now has pan India presence with two manufacturing hubs located at Daman and Kolkata and spokes located at Daman, Vasai, Goa, Sikkim, Baddi, Kamarhati and Hoera.

In line with our Hubs and Spokes model strategy, all the facilities are located close to the customer base ensuring tailor made offerings, lower inventory carrying cost and prompt supplies. The Rolling Capacity has been enhanced to 37,000 MTPA enabling us to meet the rising demand from end user industries.

It pleases me to inform you that our initiatives have bolstered our business model and made it even more robust than before.

We are optimizing the production at Kamarhati plant (West Bengal) and recommenced operations at the Hoera plant (West Bengal) which had been shut down since 2003. With this, we have taken a giant step towards backward integration as Hoera also has its caster plant with an installed capacity of 11,000 MTPA wherein it converts aluminium INGOTS to aluminium foil sheets, this being the primary raw material for the company.

We hope to raise erstwhile IFL's performance level too to that of Ess Dee's.

Integration to tap the opportunities in the User Industry

In terms of the macroeconomic headwinds, the outlook remained positive despite the continued overhang of global uncertainty.

For our end user industry too, the outlook remains positive. India's pharmaceutical market size has nearly doubled since 2005. It is expected to reach USD 20 billion by 2015, reflecting a compounded annual growth rate of 11.7 per cent between 2005–2015 and establishes India's presence in the world's top ten pharmaceutical markets. India is already the third-largest market in the world in terms of volume and Fourteenth in terms of value.

According to an analysis carried out by the Associated Chambers of Commerce and Industry of India, the Fast Moving Consumer Goods market is expected to witness more than 50% growth in its rural and semi-urban segments by 2012. Overall, it is projected to grow at a CAGR of 10% to carry forward its market size to over Rs 1,06,300 crore from the present level of Rs. 87,900 crore.

Notably, packaging is an integral aspect of the entire supply chain management of these companies. Packaging not only protects and preserves the product but is also a strong marketing and communication tool in today's competitive scenario. It is interesting to note here that while the packaging cost to our end users ranges typically from 2-7% of the total cost pie chart, it is responsible protection and preservation of 100% of its value. Hence, as the end user industries grow, the packaging industry is bound to grow.

Innovation, the Cornerstone of Our Organic Growth

Against the backdrop of such favourable headwinds in our user industries, our company is perfectly positioned to tap this opportunity. Adapting to and innovating around changing needs is our core strength.

Over the years, we have developed long term relationships with leading pharmaceutical companies by way of registration as an approved vendor in the Pharma Dossiers of the customers. This has primarily been on account of our focus on innovation. Our manufacturing facilities are certified with some of the most stringent regulatory and quality standards in the Industry, which we feel will work as entry barriers, secure our numbers and drive future growth.

Within the FMCG space, we have made reasonable headway with the top food and other product companies, especially the prophylactics segment.

Number Speak

In term of consolidated group numbers, the income from operations grew by 15.7% to Rs.68,068 lacs. This was primarily driven by the widespread acceptance of Cold Form Blister and Child-Resistant-blister packaging. Other aluminium foil based flexible packaging laminates besides PVC and PVdC coated PVC based thermoforming solutions continue to do well. Alu Alu, a cold forming laminate for pharmaceutical blister pack applications has also gained high acceptance from consumers.

Our Profit before Depreciation, Interest and Tax (PBDIT) stood at Rs. 17,056 lacs, up by 8.2%. A clearer picture emerges at the Net Level where Profit after Tax stood at Rs. 11,801 lacs, reflecting a jump of 165%. This abnormal rise was due to the Loss after Tax for FY 2008-09 on account of the merger of India Foils which was absorbed in FY 2009-10.

Future Impact

During the year, we strengthened our revenue mix, commercialized breakthrough new packaging products, undertook backward integration initiatives and enhanced capacities. The impact of these initiatives will not only provide us greater sustainability but also heighten the scalability prospects of our business.

Having positioned ourselves to achieve maximum impact with our innovation and integration activities, we plan to increase our rolling capacity from 37,000 MTPA in order to meet the rapidly growing requirements of our consumer industry.

The Road Ahead

Going forward, we plan to capitalize on the opportunities presented by the growth in our end user industries. We are well positioned to reap the benefits of integration in terms of enhanced capacities, backward integration and an overall de-risked and stronger business model.

Through our focus on Research and Development we will continue to remain at the forefront of innovative packaging solutions.

Our Assurance

The Foundation has been laid for a quantum leap in performance levels in the coming years. I have no hesitation in crediting much of our success to our dedicated employees who have worked tirelessly to build a sustainable and scalable business model.

I also take this opportunity to thank all our stakeholders for their continued support and assure you that we will leave no stone unturned to exceed expectations.

Sudip Dutta
Chairman and Managing Director

Integration



In FY 2010-11, Ess Dee successfully combined the talent and technology of two entities to create more opportunities to take forward its leadership position, unmatched manufacturing expertise and expanded customer relationships. The merger of India Foils increased the total manufacturing capacity to 37,000 MTPA and complements Ess Dee's existing manufacturing portfolio with new capabilities and access to new markets.

Fortifying the Hub and Spokes Model and Manufacturing Capabilities

With the merger of India Foils, Ess Dee has further fortified its Hub and Spokes model. The combination of IFL at Kamarhati and Hoera (Kolkata), and Flex Art Foil Private Limited at Sikkim gives us the geographical advantage in that part of the country besides widening the scope of our footprints in the export market in South East Asia.

Ess Dee's facilities along with those of IFL are extremely complementary in nature. This will help the company to de-risk its business model, reinforce its dependability on two hubs that are geographically apart and both will be a backup for each other.

Today, the Company has pan India presence with manufacturing hubs at Daman and Kolkata and spokes situated at Daman, Vasai, Goa, Sikkim, Baddi, Kamarhati and Hoera which are printing bases. Once processed, the products are transported to its printing facilities.

As pharma products cannot remain unpacked for long, there is high level of urgency in supplying packaging material. With India Foils, the advantage of having Ess Dee as its supplier has only multiplied for the customer. The company's close proximity to customers ensures quick delivery with lower inventory and transportation costs and customized materials for its customers.

Our plants have close proximity to ports which are being used for exports.

The Hubs And Spokes Model Post India Foils Acquisition

Hubs in Daman and Kolkata Foil manufacturing and conversion	WESTERN INDIA & EASTERN INDIA Proximity to Mumbai and Kolkata port
SPOKE Foil printing in Daman	WESTERN INDIA
SPOKE Foil printing in Goa	SOUTHERN INDIA
SPOKE Foil printing in Baddi	NORTH INDIA
SPOKE Foil printing in Vasai	FOCUS ON MAHARASHTRA
SPOKE Foil printing in Sikkim	SIKKIM AND LATER NORTH EAST

Hub and Spokes Model



Integration to tap the industry potential

The domestic pharma sector recorded 16.5% growth during January-December 2010 as per IMS health and is expected to grow at a healthy pace. Sophisticated drug products, development of new drug diagnostics, growth of organized retail and stringent Government requirements are some of the factors that have increased the demand for pharma packaging materials worldwide. Even design of packages provides stability and shelf life to the drugs. This becomes fundamental to the safety, convenience and compliance of drug use.

In the FMCG segment too, food and product packaging is now being seen as one of the major factors influencing purchase-making decisions. Moreover, it enhances the quality and extends the shelf life of the products. It acts as a consumer platform for product detailing in terms of nutritional content, traceability and certification. The Indian food and FMCG packing market has witnessed a healthy growth rate year-on-year, driven by increasing youth population and spending, rising health awareness and new product development and acceptance.

With India Foils, the company is well positioned to tap the existing opportunity and scale its operations.

Integration to tap new geographies

Ess Dee has been traversing geographies to consolidate its presence in African, South East Asian and Middle Eastern Markets, while Latin America has emerged as one of its key markets. With the India Foils (IFL) acquisition, the South East Asian markets too have become a focus area.

IFL exported to over 35 countries globally which gives Ess Dee direct access to these geographies. Bangladesh will also be one of the key markets as IFL is an established brand there, and the market is accessible by an overnight road journey.

Integration to strengthen backward integration

Ess Dee has commenced IFL's facility at Hoera, Kolkata including the caster plant with capacity of 11,000 MTPA. This plant converts aluminium INGOTS to aluminium foil sheets which is a significant raw material for foil manufacturing.

The revival of the Hoera facility, represents a step towards backward integration and de-risks the business model in terms of raw material sourcing.



2008



2011

**Hoera Unit
Then (2008) and Now (2011)**

Innovation



With every passing year, Ess Dee has accelerated the pace of its innovation. The focus the company has placed on innovation has been and will continue to remain its success driver over the years. Unlike metal companies which purchase in bulk and sell in bulk as margins move in tandem with commodity prices, Ess Dee purchases its raw materials in bulk, innovates and delivers in smaller quantities through customization. Thus, while it ensures economies of scale in terms of purchasing raw materials, it also ensures stable margins.

Innovation the Cornerstone of our Success

Ess Dee has a dedicated R&D set up at the Daman unit which is run by experts from the various fields of science and packaging. Backed by the latest state of the art equipment, it also allows the company to conduct stability trials with various products and primary packaging materials.

Innovation in Products & Solutions

In each of the industry verticals that Ess Dee targets, the emphasis has been on applying its deep knowledge of end markets, giving it an edge over the competition and ensuring a sustainable and scalable business model.

Innovation to Set New Industry Benchmarks

Ess Dee has been at the forefront of setting benchmarks for anti-counterfeit products at an affordable cost. The company has introduced concepts like security printing in currency notes, image printing, water marks and three dimensional effects in foil printing.

The company's innovativeness enables its customers to contain the counterfeit menace, establish strong brand equity for their products and increase sales.

In terms of technological innovations, Ess Dee has successfully undertaken the down gauging of aluminium foil from 40 to 30 micron for strip packs and 25 to 20 micron for blister packs- this has been made possible through the usage of superior inputs and the application of the latest technology in terms of foil rolling.

Innovation in Product Portfolio

Aluminium foil based flexible packaging laminates have been the company's forte and Ess Dee has introduced Cold Form Blister and Child-Resistant-blister packaging in the market which have helped the company to grow tremendously.

Alu Alu, a cold forming laminate for pharmaceutical blister pack application has been developed as an import substitute and used largely by the health care sector for their critical brands which require a higher barrier.

Innovation through Customer Service and Orientation

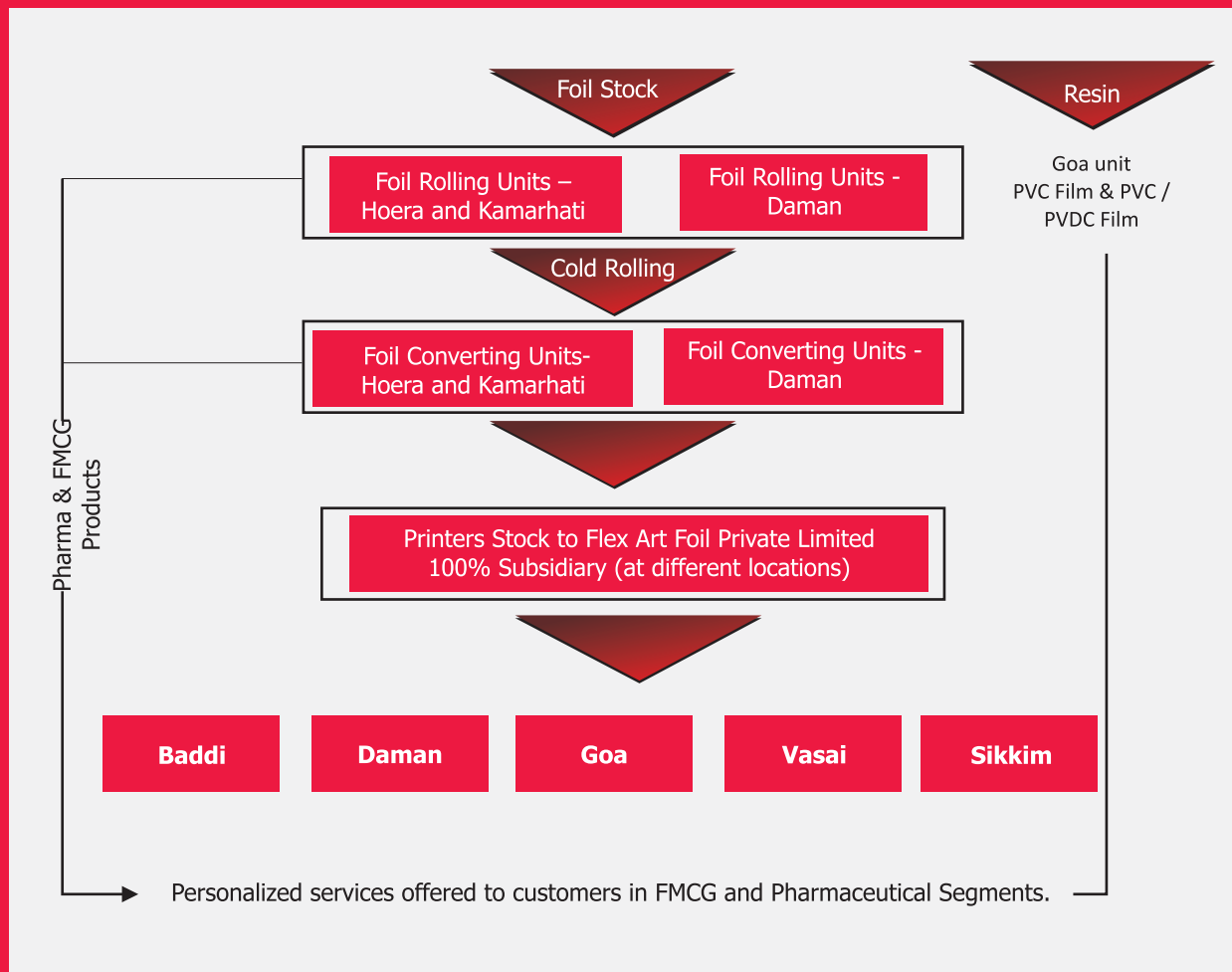
With an in-house marketing team and unique strategies for each segment of the market based on their individual requirements, Ess Dee is constantly in touch with its customers to improvise on existing products and tap newer opportunities.

MNC pharma companies, large Indian companies, mid sized but high growth Indian companies, large Export houses and biotechnology companies are served through the company's Corporate Marketing set up in Mumbai and branch offices in major cities like Delhi, Chennai, Bangalore and Hyderabad as well as at regional centers in Dehradun, Baddi and Trivandrum. This ensures that the company has covered the major pharmaceutical hubs across the length and the breadth of India.

The Impact



Our focus on Innovation and the efforts made towards integrating Ess Dee with India Foils has resulted in the emergence of a business model which is even more robust. It is not only sustainable, but also scalable and has facilitated the positioning of the company to tap the opportunities that emerge in the end user markets.



Financial Snapshot

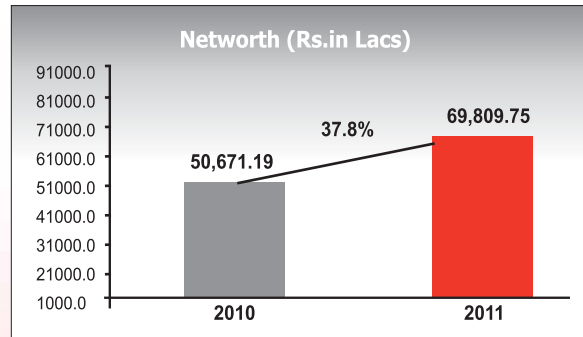
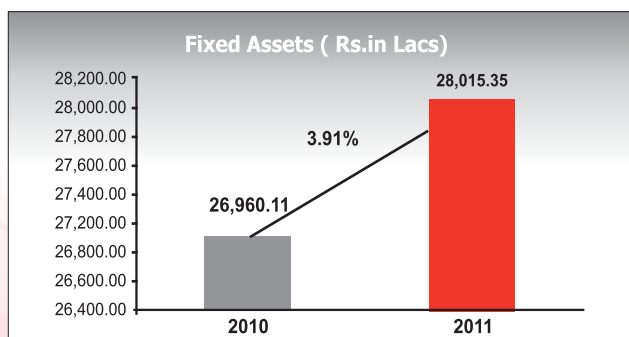
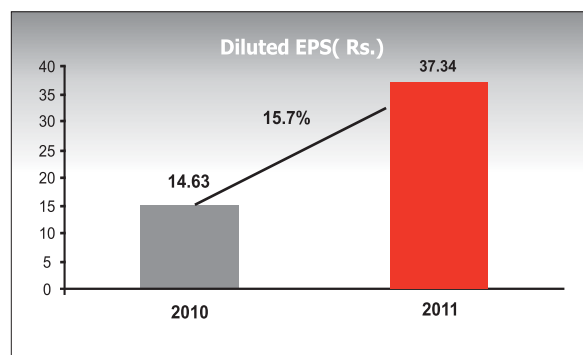
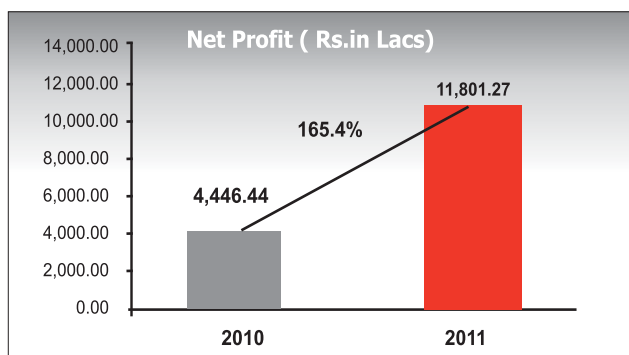
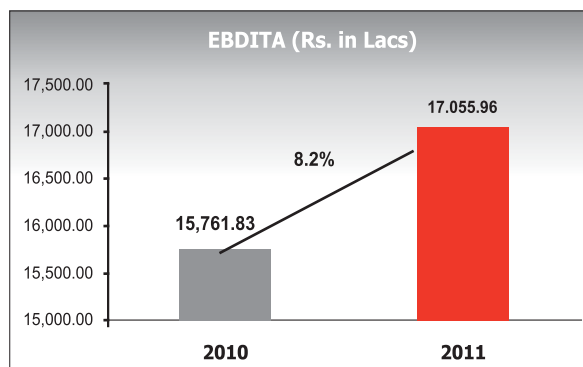
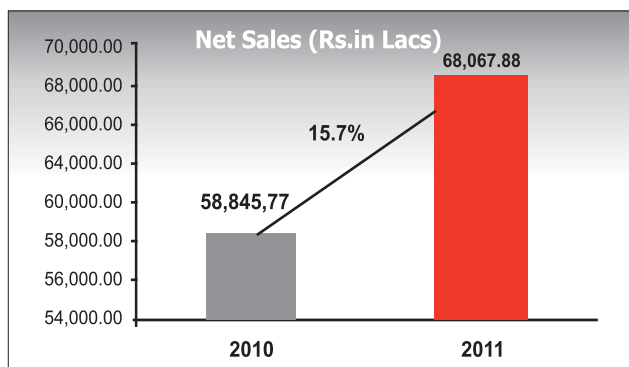
(Rs. in Lacs)

Consolidated Profit & Loss Account	FY2011	FY2010
Gross Sales	80,345.66	65,873.75
Less : Inter Company Sales	8,277.09	4,421.03
Less: Excise Duty	4,000.69	2,606.95
Net Sales / Total Income from Operations	68,067.88	58,845.77
Materials Consumed	45,263.98	38,976.47
(Increase) / Decrease in stock in Trade	242.77	(1,095.62)
Employee Costs	2,700.20	2,436.53
Other Expenditure	2,804.97	2,766.56
Operating Expenses	51,011.92	43,083.94
Operating Expenses as % of Total Income	74.94	73.22
PBDITA	17,055.96	15,761.83
Impairment (-) / Reversal of Impairment of Assets (+)	1,032.26	162.14
Other Income	1,566.52	1,397.67
Depreciation	2,028.14	1,741.22
Interest	2,207.00	1,996.83
PBT	15,419.60	13,583.59
Tax	3,618.33	(5,744.51)
Profit After Tax	11,801.27	19,328.13
Loss After Tax for the FY 2008-09	-	(14,881.66)
Adjusted Profit After Tax	11,801.27	4,446.43

Consolidated Balance Sheet	FY2011	FY2010
Fixed Assets	28,015.35	26,960.11
Total Shareholders Fund	69,809.75	50,671.19
Loan Funds	21,395.91	17,865.32

Margins & Ratios	FY2011	FY2010
PBDITA / Net Sales (%)	25	27
PAT / Total Income (%)	17	8

Financial Snapshot



Accreditations

US FDA DMF

Ess Dee Aluminium Limited

- Unit- Daman (Bhimpore)
- Unit - Daman (Bhenslore)
- Unit - Goa
- Unit - Kamarhati

Flex Art Foil Private Limited

- Unit – Vasai
- Unit – Daman
- Unit – Goa
- Unit - Baddi

ISO Certifications

Ess Dee Aluminium Limited

- Unit - Daman (Bhenslore)
- Unit - Goa
- Unit - Kamarhati

Flex Art Foil Private Limited

- Unit – Vasai
- Unit – Daman
- Unit – Goa
- Unit - Baddi



Human Resources

While the upgradation of skill sets through training, new challenges and responsibilities to raise the motivational level of our staff is a regular feature, the overall well being of an employee and a high happiness and motivation index is a crucial aspect of our HR policies and initiatives.

The company's policies are designed such that they provide new challenges and opportunities to keep the employees motivated and help them move ahead in their career goals. At the same time, these goals are aligned with the overall strategic objectives of the company to maintain high productivity levels.

Some of our Key Initiatives in this regard:

Flexible working hours, remote working facilities, goal setting, leadership and self-development training for higher productivity.



Corporate Social Responsibility

At Ess Dee, Corporate Social Responsibility refers to the commitment of business to contribute to sustainable economic development, the upliftment of local community and society at large and to improve their quality of life.

Through the Sudip Dutta Foundation, Ess Dee has been making contributions in the field of education. It is the company's belief that education can empower lives by providing people the necessary skill sets to build a sustainable life.

At Ess Dee its a conscious decision to recruit some people from the local areas where its factories operate. This results in employment generation, betterment in standard of living and overall benefit to the areas in which the company has its operations.



COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sudip Dutta
Mr. Soumitra Barari
Mr. Debdeep Bhattacharya
Mr. Rajib Mukhopadhyay
Mr. Gautam Mukherjee
Mr. Dilip Phatarphekar
Mr. Ramdas Baxi
Mr. Madan Mohan Jain

Chairman and Managing Director
Whole Time Director
Whole Time Director
Director Finance
Independent Director
Independent Director
Independent Director
Independent 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
Kotak Mahindra Bank Limited
IDBI Bank Limited

Axis Bank Limited
Standard Chartered Bank
Barclays Bank
The Shamrao Vithal Co-operative Bank Limited

REGISTERED OFFICE

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

PLANTS

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

P-32, Taratalla Road
Kolkata 700 088

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

1, Sagore Dutta Ghat Road
Kamarhati, Kolkata 700 058

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

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

NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of Ess Dee Aluminium Limited will be held at Hotel Sea Rock Inn, Devka Beach, Daman - 396 210 on Wednesday, the 28th day of September, 2011, at 1.00 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors' thereon.
2. To declare a dividend on the shares of the Company.
3. To appoint a Director in place of Mr. Dilip Phatarphekar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ramdas Baxi, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Auditors of the Company 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 a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, including any statutory modification(s) or re-enactment thereof for the time being in force ("**the Act**") and the relevant provisions of Articles of Association of the Company and subject to such approvals and sanctions as may be necessary, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sudip Dutta as the Chairman and Managing Director of the Company for a further period of 5 (five) years commencing from 15th June, 2011 upon the following terms and conditions including the payment of remuneration, perquisites and benefits as under :

a) Salary :

Basic Salary in the range of Rs. 35,00,000/- to Rs. 70,00,000/- per month with an initial salary of Rs. 35,00,000/- per month. *

- * With an authority to the Board of Directors (hereinafter referred as "**the Board**", which term shall also include any Committee thereof) of the Company to grant suitable increment within the aforesaid salary range during his tenure as the Chairman and Managing Director of the Company.

b) Perquisites :

- Furnished residential accommodation. Where the Company provides no accommodation, suitable house rent allowance in lieu thereof may be paid. The expenses on furnishing, repairs and maintenance, housekeeping, society charges, gas, electricity, water and other utilities shall be borne by the Company.
- Reimbursement of all medical expenses including hospitalization incurred for self and family. ('Family' means wife, dependent children and dependent parents of the Chairman and Managing Director)
- Insurance Premium for medical and hospitalization for self and family.
- Personal Accident Insurance Cover for self and family.
- Reimbursement of expenses on domestic / foreign travel by business class and above, leave travel, credit card annual fees and membership fee of clubs.
- Reimbursement of entertainment expenses and other expenses actually and properly incurred for the business of the Company.
- Company maintained car(s) with driver(s), Mobile(s), Telephone(s) and fax at residence.
- Contribution to provident fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity at the rate not exceeding half month's salary for each completed year of service.
- Leave at the rate of one month for every twelve months of service. Leave not availed of may be encashed.

In respect of the above perquisites which are to the extent not taxable under the Income Tax Act, 1961 shall not be included in the computation of the ceiling of remuneration.

c) Commission :

Commission of such amount, as may be determined by the Board, for each financial year subject to the ceiling stipulated in Sections 198 and 309 of the Act.

The Company shall not pay to Mr. Sudip Dutta any sitting fees for attending the meetings of the Board or Committee thereof so long as he functions as the Chairman and Managing Director of the Company.

RESOLVED FURTHER THAT the aggregate amount of remuneration payable to Mr. Sudip Dutta by the Company during his tenure in a financial year shall be subject to the ceiling 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. Sudip Dutta, the Company shall pay to Mr. Sudip Dutta 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. Sudip Dutta 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. Sudip Dutta retires by rotation and is re-appointed by the members, such appointment shall not be considered as a break in office and Mr. Sudip Dutta shall be deemed to continue in office during the tenure of his appointment.

RESOLVED FURTHER THAT the terms and conditions of Mr. Sudip Dutta's re-appointment as the Chairman and Managing 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 re-appointment of Mr. Sudip Dutta as Chairman and Managing 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 necessary 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."

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 Section 81(1A) 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 "**Companies Act**"), the Listing Agreements with the Stock Exchanges where the Company's equity shares are listed and the applicable provisions of the Foreign Exchange Management Act, 1999 (the "**FEMA**"), as amended or restated, rules, regulations, guidelines, notifications and circulars issued under FEMA including but not limited to the Foreign Exchange Management (Transfer or Issue of Security by a Resident Outside India) Regulations, 2000, as amended or restated, the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, as amended or restated, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "**ICDR Regulations**"), as applicable and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended or restated and the enabling provisions of the Memorandum and Articles of Association of the Company, as amended and subject to such approvals, consents, permissions and / or sanctions, if any, of the Government of India (the "**GOI**"), the Reserve Bank of India (the "**RBI**"), the Foreign Investment Promotion Board (the "**FIPB**"), the Securities and Exchange Board of India (the "**SEBI**"), the relevant Registrar of Companies (the "**ROC**"), the relevant Stock Exchanges, the Department of Industrial Policy and Promotion, Ministry of Commerce and all other regulatory authority(ies) as may be required, within or outside India, under applicable law or regulation and subject to such conditions as may be prescribed by any of them in granting such approvals, consents, permissions and 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 constituted or to be constituted by the Board, or any person(s) authorized by the Board or its Committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more domestic / follow on / international offerings with or without Green Shoe Option, including by way of a Qualified Institutional Placement under the provisions of Chapter VIII of ICDR Regulations ("**QIP**"), such number of equity shares and/or

any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("**GDRs**") and/or American Depository Receipts ("**ADRs**") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("**FCCBs**") and/or Foreign Currency Exchangeable Bonds ("**FCEBs**") and/or any other permitted fully or partly paid securities/instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or the holder(s) of the security(ies), and/or securities linked to equity shares, (hereinafter collectively referred to as the "**Securities**"), in one or more tranches, whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), right issue(s), preferential issue(s), private placement(s) or any combination thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion for an aggregate amount, in one or more offering(s) and/or in one or more tranches, not exceeding **Rs. 500 Crores** (Rupees Five Hundred Crores), either by way of offer for sale or a sponsored issue of Securities (by one or more existing shareholders of the Company) or through a fresh issue of Securities or in any combination thereof, and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and wherever necessary in consultation with advisor(s), and underwriter(s) appointed by the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of the Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals have all or any terms or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the securities during the duration of the securities.

RESOLVED FURTHER THAT the Company and/or any agency or body authorized by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations and under the forms and practices prevalent in such international and/or domestic capital markets.

RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and/or at the place of issue of the securities in international capital markets and shall be governed by the applicable domestic/foreign laws and regulations.

RESOLVED FURTHER THAT the Company may enter into any agreements with any agency or body for the issue, upon conversion of the Securities of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations and under the form and practices prevalent in international capital markets.

RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares of the Company as may be required to be issued and allotted upon conversion, exchange, redemption or cancellation of any of the securities or as may be necessary in accordance with the terms of the offerings and all such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except such right as to dividend as may be provided under the terms of the issue and in the offer document, if any.

RESOLVED FURTHER THAT in case of allotment of Securities by way of QIP as per the provisions of Chapter VIII of the ICDR Regulations :

- (i) the relevant date on the basis on which price of the resultant shares shall be determined as specified under the applicable law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorised by the Board decides to open the proposed issue of Securities;
- (ii) the allotment of Securities shall be completed within twelve months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Regulations from time to time;
- (iii) the Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange, or except as may be permitted from time to time by the SEBI Regulations; and
- (iv) the total amount raised in such manner should not, together with the over-allotment option exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year;

RESOLVED FURTHER THAT in the event of issue of securities (i) by way of GDRs / ADRs / FCCBs / FCEBs or by way of any preferential issue(s), the relevant date shall be the date as specified under the applicable law or regulation.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and /or things including but not limited to finalization and approval of the preliminary as well as the final document(s) determining the form and manner of the issue including the class of investors to whom the securities are to be issued and allotted, the number of securities to be allotted, the issue price, the face value, the premium amount on the issue / conversion / exchange of the Securities, if any, the rate of interest, the execution of various transaction documents, creation of mortgage / charge in accordance with Section 293(1)(a) of the Companies Act in respect of any securities, either on pari passu basis or otherwise and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of securities including amending the terms

of securities and subject to applicable law for the utilization of issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and / or things, expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such Consultant(s), Lead Manager(s), Underwriter(s), Guarantor(s), Depositories, Custodian(s), Registrar(s), Agent(s), Authorised Representatives, Trustee(s), Banker(s), Lawyer(s), Merchant Banker(s) and any other Advisor(s), Professional(s) and intermediaries as may be required, to pay them such fees, commission and other expenses as it deems fit and enter into or execute all such agreement(s) / arrangement(s) / MOU(s) / placement agreement(s) / underwriting agreement(s) / deposit agreement(s) / trust deed(s) / subscription agreement / payment and conversion agency agreement / or any other agreement(s) or document(s) with any such agencies, listing of securities in domestic and / or international stock exchanges, authorizing any Director(s) or any officer(s) of the Company, severally to sign for and on behalf of the Company, offer document(s), agreement(s), arrangement(s), application(s), authority letter or any other related paper(s) / documents, give any undertaking(s), affidavit(s), certification(s), declaration(s) as he/she may in his/her absolute discretion deem fit including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorized to make all filings including as regards the requisite listing application / prospectus / offer document / registration statement or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the ROC and such other authorities or institutions in India and / or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to this resolution and the Common Seal of the Company, wherever necessary, be affixed as per the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to severally delegate all or any of its powers herein conferred to any Committee of Directors or any Executive Director or Directors or any other Officer of the Company, in order to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors

Haresh Vala
Company Secretary

Place : Mumbai
Date : 27th May, 2011

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Instrument appointing the Proxy, in order to be effective, should 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 relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, setting out the material facts in respect of the special business to be transacted under Item Nos. 6 and 7 is annexed hereto.
4. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2011 to Wednesday, 28th September, 2011 (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 all 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 held directorship and memberships / chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India are provided in the Report on Corporate Governance forming a part of the Annual Report.
6. None of the Non Executive Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting hold any equity shares in the Company as on the date of Notice.
7. Members are requested to:
 - a) complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - b) bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - c) send their questions if any, at least 10 days before the Annual General Meeting about any further information on accounts so as to enable the Company to keep the information ready.
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 Registrar and Transfer Agents, Bigshare Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
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 IFS code), in respect of shares held in dematerialized form with their respective Depository Participants 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.
12. 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.
13. 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.
14. 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.
15. 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 the Registrar and Transfer Agents, M/s. Bigshare Services Private Limited.
16. Members holding shares in single name and physical form are advised to make nominations in respect of their shareholding in the Company. Members desirous of making nomination may procure the prescribed Form 2B from the Registrar and Transfer Agents, M/s. Bigshare Services Private Limited and have it duly filled and sent back to them.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that the service of notice / documents including Annual Report can be sent by e-mail to its members. To support this Green Initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses by submitting the duly filled in e-communication registration form attached at the end of the Report. Members who hold shares in dematerialised form are requested to submit the said form to their respective Depository Participants. Members who hold shares in physical form are requested to submit their form to Bigshare Services Private Limited to enable them to register for the Green Initiative.

ANNEXURE TO NOTICE

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

Item No. 6

Mr. Sudip Dutta was appointed as the Chairman and Managing Director of the Company for a period of 5 (five) years with effect from 15th June, 2006 and the same was approved by the members of the Company at the Extraordinary General Meeting held on 19th June, 2006.

In view of his significant and valuable contribution to the Company and as the Company is contemplating further growth, it is imperative that the Company should continue to benefit from his stewardship so as to achieve the growth plans so contemplated. Keeping the above in mind, the Board of Directors at its meeting held on 27th May, 2011, upon the recommendation of the Remuneration Committee at its meeting held on 27th May, 2011 considered the re-appointment of Mr. Sudip Dutta as the Chairman and Managing Director of the Company for a further period of 5 (five) years with effect from 15th June, 2011 on the terms and conditions as set out in resolution at Item No. 6 of the accompanying Notice.

Mr. Sudip Dutta satisfies all the conditions set out in Part I of Schedule XIII of the Companies Act, 1956 ("the Act") for being eligible for re-appointment.

The draft of the agreement between the Company and Mr. Sudip Dutta is available for inspection by the members of the Company at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. to 1.00 p.m.

As required under Section 302 of the Act, an abstract and memorandum of interest of the terms and conditions of the said re-appointment had already been circulated to all the members of the Company.

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

Pursuant to the provisions of the Act, the aforesaid re-appointment and the terms of remuneration are subject to the approval of the members of the Company. The Board, therefore, recommends the resolution at Item No. 6 of the accompanying Notice for the approval of the members.

Mr. Sudip Dutta, is interested in the resolution as it pertains to his re-appointment and remuneration.

None of the other Directors are concerned or interested in the resolution.

Item No. 7

The Company is planning substantial expansion through organic and inorganic route. At this present juncture, the Company is pursuing to include expansion of existing aluminium foil mills, addition of flexible and pharmaceutical printing process lines, long term working capital and capital expenditure requirement of the Company and its subsidiaries, investment in subsidiaries, acquisition of companies, businesses, projects and other general corporate purposes.

The consent of the members is being sought by the Special Resolution for approving an enabling authority in favour of the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted or to be constituted by the Board, or any person(s) authorized by the Board or its Committee for such purposes) to issue securities under Qualified Institutional Placement ("QIP") to the Qualified Institutional Buyers (QIBs) in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure

Requirements) Regulations, 2009 (the "ICDR Regulations") and to any other international or domestic Investor outside or inside India, through public issue, rights issue, preferential issue, private placement or any combination thereof.

Pursuant to the above, the Board may, in one or more tranches, issue or allot equity shares / fully convertible debentures / partly convertible debentures / non convertible debentures with warrants / any other securities, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than such time period as permitted under applicable law.

The QIP as proposed shall be subject to the provisions of the ICDR Regulations including the pricing, as set out in the resolution. Accordingly, an enabling resolution is proposed to be passed to give adequate flexibility and discretion to the Board to finalise the term of the issue. The securities issued pursuant to the offering may be listed on the Indian Stock Exchanges and / or any other Stock Exchanges inside or outside India or issued without any listing on any Stock Exchanges to the extent permissible by the law.

The securities issued under any domestic or international offering pursuant to an offer may, if necessary, be secured by mortgage / hypothecation on the Company's assets as may be finalized by the Board in consultation with securities holders / trustees for the holders of the securities and enabling approval is also sought under Section 293(1)(a) of the Companies Act, 1956.

The approval of the members is also sought by the special resolution for enabling authority to the Board to create / offer / issue and allot in the course of either one or more international offering(s) in one or more foreign markets and / or in the course of one or more domestic offering(s) including by way of QIP under the ICDR Regulations such number of equity shares and / or any securities linked to, convertible or exchangeable for equity shares, including without limitation through GDRs / ADRs / fully convertible debentures / partly convertible debentures / non convertible debentures with warrants / any other securities, which are convertible into or exchangeable with equity shares at the option of the Company and / or holder(s) of the security(ies) as the Board may decide, at such time and at such price as the Board may in consultation with Lead Managers, Advisors and other intermediaries, as they may think fit.

In terms of Section 81(1A) of the Companies Act, 1956 and the Listing Agreement entered into with the Stock Exchanges, in case of any proposal to increase the subscribed capital of the Company by a further issue and allotment of shares, the shares should be first offered to the existing members in the manner laid down in the said Section / Listing Agreement unless the shareholders decide otherwise in a general meeting. The said Special Resolution, if passed, shall have the effect of allowing the Board on behalf of the Company to create, offer, issue and allot the securities as stated in the resolution, to persons other than the existing members of the Company.

The Board believes that such issue is in the interest of the Company and therefore recommends passing of the Special Resolution contained in the notice.

None of the Directors are concerned or interested in the resolution except as shareholders of the Company.

By Order of the Board of Directors

Haresh Vala
Company Secretary

Place : Mumbai
Date : 27th May, 2011

DIRECTORS' REPORT

To the Members,
Ess Dee Aluminium Limited

Your Directors are pleased to present the Seventh Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

The financial highlights of the year are:

(Rs. in Lacs)

Particulars	Consolidated		Standalone	
	March 2011	March 2010	March 2011	March 2010
Total Income	70,666.66	60,405.58	67,243.74	55,487.07
Profit before Interest, Depreciation and Tax	19,654.74	17,321.64	17,867.65	15,486.75
Less Interest Expenses	2,207.00	1,996.83	1,854.85	1,662.36
Less Depreciation	2,028.14	1,741.22	1,943.57	1,665.64
Profit before Tax	15,419.60	13,583.59	14,069.23	12,158.75
Less Provision for Taxation	3,618.33	(5,744.51)	3,313.24	(6,033.92)
Profit after Tax	11,801.27	19,328.10	10,755.99	18,192.67
Loss After Tax for FY 2008-09 of erstwhile IFL	--	(14,881.66)	--	(14,881.66)
Balance of P & L of erstwhile IFL (Net of Adj. of Merger)	--	(13,527.90)	--	(13,527.90)
Net Profit after Tax	11,801.27	(9,081.46)	10,755.99	(10,216.89)
Add Balance brought forward	3,835.52	14,664.03	175.35	12,139.60
Profit available for Appropriation	15,636.80	5,582.57	10,931.34	1,922.71
Appropriation:				
General Reserve	900.00	1,000.00	900.00	1,000.00
Debenture Redemption Reserve	700.00	--	700.00	--
Proposed Dividend	640.96	640.96	640.96	640.96
Dividend Distribution Tax	106.45	106.40	106.45	106.40
Excess provision of Wealth Tax	--	0.31	--	--
Balance carried Forward to the next year	13,289.39	3,835.52	8,583.93	175.35
Earning Per Share (Rs.) Basic	37.34	15.98	34.03	11.90
Earning Per Share (Rs.) Diluted	37.34	14.63	34.03	10.90

PERFORMANCE REVIEW

Your Company has recorded a significant growth in its performance. Total Income grew to Rs. 67,243.74 lacs, registering 21.19% growth over previous year total income of Rs. 55,487.07 lacs. Profit before Tax increased by 15.71% to Rs. 14,069.23 lacs in the current year compared to Rs. 12,158.75 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 year ended 31st March, 2011 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. 106.45 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 23rd September, 2011 to 28th September, 2011, both days inclusive. The Annual General Meeting of the Company is scheduled to be convened on 28th September, 2011 at Daman.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 900 lacs (Previous year Rs. 1,000 lacs) to the General Reserve out of the amount available for appropriations and an amount of Rs. 8,583.93 lacs (Previous year Rs. 175.35 lacs) has been proposed to be retained in the Profit and Loss Account. The transfer to General Reserve is in compliance to the Companies (Transfer of Profits to Reserves) Rules, 1975.

NON CONVERTIBLE DEBENTURES

During the year under review, the Company had issued on private placement basis Secured Non Convertible Debentures amounting to Rs. 80.00 Crores. The Debentures are listed on the Wholesale Debt Market of Bombay Stock Exchange Limited. All debentures issued by the Company have been rated 'AA-' by CARE.

An amount of Rs. 700 lacs has been transferred to Debenture Redemption Reserve.

SHARE CAPITAL

The paid up share capital of the Company as on 31st March, 2011 was Rs. 32,04,78,110/- comprising of 3,20,47,811 equity shares of Rs. 10/- each.

During the year under review, the Company allotted 16,64,000 equity shares of Rs. 10/- each at a premium of Rs. 507.03 per share to Qualified Institutional Buyers through Qualified Institutional Placement ("QIP") under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

In terms of the Share Exchange Ratio sanctioned by the Hon'ble Board for Industrial and Financial Reconstruction, the Company had also allotted 25,59,046 equity shares of Rs. 10/- each to the shareholders of erstwhile India Foils Limited.

DIRECTORS

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

As disclosed in the last year's Annual Report, Mr. Prasenjit Datta, Whole Time Director of the Company tendered his resignation and the same was accepted by the Board w.e.f. 31st July, 2010 and Mr. Shankar Kamble, Non Executive Director of the Company tendered his resignation and the same was accepted by the Board w.e.f. 30th October, 2010. The Board places on record its appreciation for the valuable services rendered by Mr. Prasenjit Datta and Mr. Shankar Kamble during their tenure as Directors of the Company.

The tenure of office of Mr. Sudip Dutta as the Chairman and Managing Director of the Company is expiring on 14th June, 2011. The Board of Directors at its meeting held on 27th May, 2011 decided to reappoint Mr. Sudip Dutta as Chairman and Managing Director of the Company subject to approval of members for a further period of 5 (five) years commencing from 15th June, 2011. Mr. Sudip Dutta is being re-appointed as the Chairman and Managing Director of the Company for a further period of 5 (five) years w.e.f. 15th June, 2011.

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.

SHIFTING OF REGISTERED OFFICE OF THE COMPANY

Considering the business opportunities of the Company and the merger of erstwhile India Foils Limited with the Company, the Board of Directors of the Company decided to shift the registered office of the Company from Union Territory of Daman to Kolkata in the State of West Bengal subject to approval of the members through postal ballot.

The members of the Company accorded their consent on 8th April, 2011 through postal ballot for shifting of the registered office of the Company from the Union Territory of Daman to Kolkata in the State of West Bengal in supersession of the earlier resolution passed by the members for shifting of registered office of the Company from the Union Territory of Daman to Mumbai. As per the Company Law Board Regulations, the Company had served individual notice to the creditors of the Company intimating them about the shifting of the registered office of the Company to Kolkata in the State of West Bengal and further had filed a petition before the Company Law Board (CLB), Mumbai Bench for amendment in Clause II of the Memorandum of Association 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 to provide complete packaging solutions.

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

The particulars as prescribed under Sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in the Annexure to this report as Annexure 'A'.



PARTICULARS OF EMPLOYEES

The Ministry of Corporate Affairs by notification dated 31st March, 2011, issued the Companies (Particulars of Employees) Amendment Rules, 2011, which amended the limits of remuneration of employees mentioned under the Companies (Particulars of Employees) Amendment Rules, 2011 and the provisions of Section 217(2A) of the Companies Act, 1956, 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 are required to be attached to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report does not contain the said Annexure. Any member desirous of obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

SUBSIDIARY

As on 31st March, 2011, Flex Art Foil Private Limited (FAFPL) is the subsidiary Company of the Company.

Particulars of subsidiary are as follows:

Our Subsidiary, FAFPL was incorporated on 31st August, 2005. Post acquisition of 100% stake in March, 2006, FAFPL became the wholly owned Subsidiary of our 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 the subsidiary for the financial year ended 31st March, 2011 is as follows:

(Rs. in lacs)

Particulars	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Sales (net of excise duty) & Other Income	10,758.13	9,002.67
Profit before Depreciation & Tax	1,329.73	1,549.30
Less Depreciation	84.57	75.57
Profit after depreciation before tax (PBT)	1,245.16	1,473.73
Provision for Taxation	305.09	289.42
Net Profit available for Appropriation (PAT)	940.07	1,184.31

The Ministry of Corporate Affairs, Government of India vide its circular No. 51/12/2007-CL-III dated 8th February, 2011 has given general exemption with regard to attaching of the Balance Sheet, Profit & Loss Account and other documents of its subsidiary Company subject to fulfillment of conditions mentioned therein. The Company has fulfilled all the necessary conditions in this regard. The Company has not attached the Balance Sheet, Profit & Loss Account and other documents of Flex Art Foil Private Limited, the subsidiary Company with the Balance Sheet of the Company. The annual accounts of the Subsidiary Company and the related detailed information will be made available to any member of the Company and its subsidiary Company who may be interested in obtaining the same. The annual accounts of the Subsidiary Company will also be kept open for inspection by any member of the Company at its registered office and also at the registered office of the Subsidiary Company on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. till Annual General Meeting of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Company.

Requisite statement pursuant to Section 212 of the Companies Act, 1956, is also attached herewith as 'Annexure B'.

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 critical to 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 effectiveness.

We strongly believe that trained and motivated people determine the future growth 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 and opportunities.

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 provisions of Section 217(2AA) of the Companies Act, 1956, and in respect of the annual accounts for the year under review, the Directors hereby confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii) Proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken to the best of their knowledge and ability;
- iv) The Annual Accounts have been prepared 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

Aluminium foil has been a primary material in protective packaging because of its barrier properties finding applications across industries. Ess Dee Aluminium Limited ("EDAL") caters to the packaging needs of the Pharmaceutical and Fast Moving Consumer Goods ("FMCG") segments.

Considering the advantage of Aluminium foil in preventing exposure to light, oxygen, moisture, odors, flavors and specifically bacteria; the pharmaceutical industry uses Aluminium foil extensively and regularly for packaging of different medicines such as tablets and capsules, etc. Its ability to successfully block light, oxygen, moisture, odors, flavors and bacteria makes it safe and healthy for the food packaging industry as well. Aluminium foil is also used to make long life packs for dairy products and drinks, etc., which eliminates the need for refrigeration during their storage. Aluminium foil is also used to pack other products extremely sensitive to oxygen or moisture such as tobacco. With its excellent barrier and sealing properties, aluminium foil creates the highest quality aseptic packaging material for many FMCG Products.

Pharmaceuticals:

The Indian healthcare sector is expected to reach USD 280 billion by 2020, according to a report by an industry body. According to a recent report, Healthcare emerged as one of the most progressive and largest service sectors in India with an estimated GDP spend of 8 per cent by 2012 as compared to 5.5 per cent in 2009. It is believed to be the next big thing after IT and predicted to become a USD 280 billion industry by 2020. (Source : www.ibef.org). According to a McKinsey report, Indian pharma packaging is expected to reach USD 50 billion by 2015. (Source : www.expresspharmaonline.com).

Food and FMCG:

The Food industry size has been estimated at USD 70 billion by the Ministry of Food Processing, Government of India. The food processing industry has grown by leaps and bounds as compared to 2003 when it contributed 6.3 per cent to India's GDP and had a share of 6 per cent in total industrial production. The sector is expected to attract huge investments of about Rs. 1,400 billion over the next decade. Further, the FMCG segment is expected to witness more than 50% of growth in its rural and semi-urban segments by 2012, which in totality, is projected to grow at a CAGR of 10%. This would make its market size over Rs. 1,06,300 crore as compared to the present level of Rs. 87,900 crore, according to an analysis carried out by the Associated Chambers of Commerce and Industry of India (ASSOCHAM). The global value of the FMCG packaging market will reach USD 456 billion in 2011 as per a Research Report on www.companiesandmarkets.com.

Further, more than 80% of the packaging in India still comprises rigid packaging. As the economy grows and the Indian consumer comes of age, the share of flexible packaging is likely to go up from 20%. Aluminium foils are expected to benefit from this trend. (Source : www.etintelligence.com)

OPERATIONS

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

Your Company has also established presence in the South East Asian market specially in Bangladesh market due to the close proximity from the West Bengal units as increasing trends towards lower dosages which requires them to deploy small batch sizes for their products. These markets were predominantly procuring aluminium based packaging materials from the European markets. By getting the material from EDAL, they got a better pricing, have to maintain lower inventory levels and got just in time supplies. The plant in Kamarhati offers cost effective aluminium foil based laminates to the South East Asian markets.

EDAL's COMPETITIVE INDUSTRY POSITIONING:

- EDAL's products comprise an insignificant cost to the end consumer but disproportionately significant value protection. While packaging is just 2-7% of the product cost, it is critical for protection of 100% of the value, quality and brand image of the Company from the user industry.
- The Company has pan India presence with plants located in major pharma manufacturing bases i.e. Daman, Baddi, Goa, Sikkim, Maharashtra and Kolkata. Being close to customers ensures just in time deliveries and lower inventory costs along with tailor-made offerings for customers. This has made EDAL, the preferred backyard supplier for its customers.
- EDAL's products provide protection and preservation of the final products it packages for end consumers. It forms an integral element in the whole supply chain and its growth is intertwined with the huge potential which is there in its end user industries.
- The Company has loyal customers by way of registration as an approved vendor in the Pharma Dossiers of the customer. Its manufacturing facilities are certified by some of the most stringent regulatory and quality standards in the Industry.
- It has a comprehensive product portfolio with a huge bank of customized printing cylinders to ensure tailor made supplies and lower response time to the changing needs of customers.
- With a focused R&D initiative, EDAL has been at the forefront of innovation with products like Anti- Counterfeit packaging and Alu Alu, among others.
- Managed by a team of highly qualified and experience professionals with a long standing track record in the industry.

STRENGTHS:

- Fully Integrated Rolling mill with in-house Casting facility.
- State of Art manufacturing and R&D facility.
- Strategic plant location facilitating pan India presence.
- Market leader in the organized segment.
- Derisked business with diverse and innovative products catering to different segments.
- Reputed client base.

OPPORTUNITIES

- Organised retail market segment is expected to grow in the next 4-5 years.
- The food and grocery segment is grossly underrepresented and offers strong growth potential in the coming years.



- FMCG segment is aligning its products with special emphasis on packaging to build brand equity and good recall value.
- Strong growth opportunities overseas market.
- India to evolve into fast growing pharmaceutical packaging markets especially in area of generic drugs.
- Potential of innovative packaging solution requirements like Anti counterfeit solutions / Child resistant packaging.

RISKS & CONCERNS:

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

1. Increase in aluminium prices may have a negative impact on our financial performance. Aluminium foil stock (Aluminium Sheets) is the primary raw material for our packaging products

We do not enter into any price contracts with our supplier of raw materials. However, given the nature of our products we are able to pass on the costs to our consumers. The Company has also taken a step towards backward integration at its Hoera plant which has commenced operations, its caster plant with an installed capacity of 11,000 MTPA converts aluminium INGOTS into aluminium foil sheets, which is the primary raw material for the Company and helps to control costs efficiently.

2. Our Company relies on GARMCO, our single-largest supplier of our primary raw material viz. aluminium foil stock

The Company has been dependent on GARMCO, Bahrain for our primary supply of aluminium foil stock. We believe that we can source additional vendors since aluminium foil stock is a commodity product and available off the shelf. The primary risk is of timely supplies since Bahrain is seven shipping days time. Any failure of our existing supplier to deliver these raw materials in the desired quantities or to adhere to delivery schedule or specific quality standards would adversely affect our production schedule and our ability to deliver orders on time and at the desired level of quality.

With the backward integration unit at Hoera, the dependency of single supplier risk has reduced.

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. This internal control testing, forms the basis of CFO certificates under Clause 49. 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 retire at the conclusion of the ensuing Annual General Meeting. They have confirmed their eligibility and willingness to accept the office of Auditors.

The Audit Committee and the Board of Directors therefore recommend M/s. M. P. Chitale & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2011-2012 for the approval of the members.

With regard to Auditors' remarks on the non payment of advance tax of Rs. 1,312.20 lacs, the Board wishes to inform that as per the order of Hon'ble Board for Industrial and Financial Reconstruction (BIFR) sanctioning the merger of erstwhile India Foils Limited with the Company, the BIFR has asked the concerned Department to consider exemption under Section 115JB of the Income Tax Act, 1961/Sales Tax. The Company is in the process of obtaining the approval.

TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year, there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

INTELLECTUAL PROPERTY

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

RECONCILIATION OF SHARE CAPITAL AUDIT

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

CAUTIONARY STATEMENT

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

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory and 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 business partners / associates at all levels.

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

For and on behalf of Board of Directors

Place: Mumbai
Date: 27th May, 2011

Sudip Dutta
Chairman and Managing Director



Annexure 'A' to Directors' Report

Information under Section 217(1)(e) of the Companies Act, 1956 read with 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. Energy conservation measures taken by the Company have resulted in gradual savings.

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

	Current Year 2010-2011	Previous Year 2009-2010
A Power & Fuel Consumption		
1 Electricity		
a) Purchased		
Units (KWH)	27497377	25079502
Total Amount (Rs.)	135755515	74958291
Rate/Unit (Rs.)	4.93	2.99
b) Own Generation (through diesel generator)		
Units (KWH)	--	--
Unit per Ltr. of diesel oil	--	--
Cost/Unit (Rs.)	--	--
2 Coal		
Quantity (in MT)	--	--
Total Cost (Rs.)	--	--
Average Rate Per MT (Rs.)	--	--
3 Furnace Oil/Diesel		
Quantity in Ltrs.	1619142	1323882
Total Cost (Rs.)	44968539	35724562
Average Rate (Rs.)	27.77	26.98
4 Rolling Oil		
Quantity in Ltrs.	396207	325608
Total amount (Rs.)	25411159	21543385
Average Rate (Rs.)	64.13	66.16
B Consumption per unit of production		
Electricity (unit)	1030.20	1051.09
Coal (MT.)	--	--
Furnace Oil (Ltrs.)	62.43	55.48
Rolling Oil (Ltrs.)	15.28	13.64

II TECHNOLOGY ABSORPTION

(A) Research and Development (R & D)

1. Specific areas in which R & D is carried out by the Company:
 - (a) Your Company has one of the best R&D facilities at Daman. The prototype testing of various laminates both within pharma as well as food and FMCG sectors are carried out.
 - (b) Quality improvement of major raw material through structural design of experiments.
 - (c) Established cost effective substitutes of various HSL lacquers.
 - (d) Developed and established new vendors for raw materials like ink, poly film and paper.
2. Benefits derived as a result of the above R&D:
 - (a) Your Company is first Company in India to manufacture high-end pharma packaging products like cold form blister foil, child resistant blister, etc.
 - (b) In the contraceptive segment, your Company has secured major orders from leading Companies.
 - (c) 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 downgaging from 25 micron to 20 micron.
 - (d) Your Company is one of the pioneer Indian Companies to successfully develop 'Alu Alu' cold formed laminates for the pharmaceutical sector.
 - (e) Toffee wrap business almost 80% with the Company.
3. Future plan of action:

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

 - (a) Reverse Printed Cold Form Blister the one the only perfect anti counterfeit solution.
 - (b) Ultra thin gauge foil being used in laminate for beverage sector.
 - (c) Tropical blister foil.
 - (d) 20 micron pinhole plane blister.
 - (e) Retrot pack pauches.
 - (f) Development of ultra light gauge foil for cigarette foil, capacitor foil and other foil based specifications for niche market.
4. 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) Development of anti-counterfeit laminations by a combined usage of electronic engraving, printing inks and the rotogravure process.
 - (b) Backward integration and stabilization of own blown film line which has resulted in house production of both mono and multi layer films.
 - (c) Commercialization of PVDC coated PVC film for cold thermoforming.

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.

2. During the year under review:

- (a) Foreign exchange earnings by the Company were Rs. 4,014.98 lacs (Previous Year Rs. 3,391.91 lacs)
- (b) Foreign exchange expenditure (which includes import of raw materials, spares and capital goods, commission on export and traveling expenditure) was Rs. 18,415.38 lacs (Previous Year Rs. 16,989.98 lacs).

For and on behalf of Board of Directors

Place: Mumbai
Date: 27th May, 2011

Sudip Dutta
Chairman and Managing Director

Annexure 'B' to the Directors' Report**Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary Company**

1.	Name of the Subsidiary Company	Flex Art Foil Private Limited
2.	Holding Company's Interest	2,00,00,000 Equity Shares of Rs. 10 each fully paid up
3.	Extent of Holding	100%
4.	Subsidiary's Financial year ended on	31 st March, 2011
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 year of the subsidiary since it become the holding company's subsidiary	Rs. in Lacs 940.07 1,184.31
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

For and on behalf of Board of Directors

Place: Mumbai
Date: 27th May, 2011

Sudip Dutta
Chairman and Managing Director

CORPORATE GOVERNANCE REPORT

1) Company's Philosophy on Corporate Governance

Ess Dee Aluminium Limited (EDAL) continues its commitment to high standard of Corporate Governance. In all its operation process, the Company adheres the stringent Governance norms so that its stakeholders are ensured of superior and sustained financial statements. It remains unfettered in its business endeavor to continuously create value for its stakeholders, be it customers, shareholders, employees or the society at large. The Company's focus on adopting the highest standards of Corporate Governance is fundamental to this pursuit. Consequently, highest levels of transparency, accountability and equity in all facets of its operations form the cornerstone of the Company's business ethos. It believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis. 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 chapters on Management Discussion and Analysis and Additional Shareholders Information, 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) The Company has 8 directors with a Whole Time Chairman and Managing Director, who is the Promoter of the Company. Of the 8 Directors, 4 are Executive Directors including Chairman and Managing Director and 4 Non-Executive Directors. All the Non-Executive Directors are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Company.

All 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 Committees of other Companies, which are within permissible limits of the Companies Act, 1956 and Corporate Governance Code.

- b) Five Board meetings were held during the year and the gap between two meetings did not exceed four months. The dates of board meetings were generally decided in advance with adequate notice. 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 committees of the Board are also individually given to the Directors and thereafter tabled at the subsequent Board Meeting for the Board views thereon, if any. The dates on which the Board Meetings were held during the year are as follows: 26th May, 2010, 13th August, 2010, 30th October, 2010, 13th November, 2010 and 11th February, 2011. 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 is a Director. Necessary disclosures regarding Committee positions in other public company and subsidiary of public company as on 31st March, 2011 have been made by all the Directors. The following table gives details of Directors attendance, Directorships held in other Public companies 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 5 Meetings held		No. of Directorships/ committee(s) positions held in other public company and subsidiary of public company as on 31 st March, 2011		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Mr. Sudip Dutta	Promoter & Executive	5	Yes	1	-	-
Mr. Rajib Mukhopadhyay	Executive	5	Yes	-	-	-
Mr. Debdeep Bhattacharya*	Executive	4	No	1	-	-
Mr. Soumitra Barari §	Executive	3	Yes	-	-	-
Mr. Gautam Mukherjee	Independent	5	Yes	1	-	-
Mr. Dilip Phatarphekar	Independent	5	Yes	1	1	-
Mr. Ramdas L. Baxi	Independent	5	No	1	-	1
Mr. Madan Mohan Jain	Independent	5	No	1	-	1
Mr. Prasenjit Datta #	Executive	Nil	NA	NA	NA	NA
Mr. Shankar Kamble #	Non-Executive	1	NA	NA	NA	NA

* Mr. Debdeep Bhattacharya was appointed as a Whole Time Director on 1st August, 2010.

§ Mr. Soumitra Barari was appointed as a Whole Time Director on 30th October, 2010.

Mr. Prasenjit Datta resigned on 31st July, 2010 and Mr. Shankar Kamble resigned on 30th October, 2010.

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 Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

3) BOARD COMMITTEES

Currently, the Board has five Committees viz. Audit Committee, Finance Committee, Shareholders'/Investors' Grievance Committee, Remuneration Committee and Management Committee (constituted pursuant to order of Hon'ble Board for Industrial and Financial Reconstruction dated 30th September, 2010).

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.

Five meetings of the Audit Committee were held during the financial year under review i.e. on 26th May, 2010, 13th August, 2010, 30th October, 2010, 13th November, 2010 and 11th February, 2011. 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. Minutes of each Audit Committee meetings 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 14th December, 2010.

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

The Finance Committee of Directors was constituted on 31st October, 2007 and the present constitution of the Finance Committee is as under:

Mr. Sudip Dutta as Chairman, Mr. Rajib Mukhopadhyay and Mr. Dilip Phatarphekar, Directors of the Company are the members.

Pursuant to the resignation of Mr. Prasenjit Datta, Mr. Rajib Mukhopadhyay was inducted as a member of the Committee at the Board meeting held on 13th August, 2010.

One meeting of the Finance Committee was held during the financial year on 16th June, 2010.

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 comprising 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 and investors. The Company Secretary is the Compliance Officer and the Secretary to the Committee.

One meeting of the Committee was held during the financial year 2010-2011 on 13th August, 2010. Minutes of each Shareholders' / Investors' Grievance Committee meetings are placed and discussed in the next meeting of the Board.

The Company had received 15 complaints during the year ended 31st March, 2011 which were replied to the satisfaction of the shareholders. There were no outstanding complaints as on 31st March, 2011.

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 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 ceiling 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, two Meetings of Remuneration Committee were held on 30th July, 2010 and 30th October, 2010.

Details of Remuneration paid to Directors:

Details of remuneration for the year ended 31st March, 2011:

a) Chairman & Managing Director and Whole Time Directors

(Rs. in lacs)

Name	Designation	No. of Shares held	Salary	Allowances & Perquisites	Total	Relationship with any other Director
Mr. Sudip Dutta	Chairman & Managing Director	1,87,55,913	300.00	11.11	311.11	None
Mr. Rajib Mukhopadhyay	Director- Finance	1,500	29.00	00	29.00	None
Mr. Debdeep Bhattacharya #	Whole Time Director	Nil	22.25	00	22.25	None
Mr. Soumitra Barari \$	Whole Time Director	Nil	18.49	00	18.49	None
Mr. Prasenjit Datta *	Whole Time Director	N. A.	5.31	00	5.31	None

Mr. Debdeep Bhattacharya was appointed as the Whole Time Director of the Company w.e.f. 1st August, 2010.

\$ Mr. Soumitra Barari was appointed as the Whole Time Director of the Company w.e.f. 30th October, 2010.

* Mr. Prasenjit Datta resigned as the Whole Time Director of the Company w.e.f. 31st July, 2010.

b) Non -Executive Directors

The Non-Executive Directors are paid remuneration by way of 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 st March, 2011
Mr. Gautam Mukherjee	70,000/-	Nil
Mr. Dilip Phatarphekar	80,000/-	Nil
Mr. Ramdas Baxi	75,000/-	Nil
Mr. Madan Mohan Jain	35,000/-	Nil
Mr. Shankar Kamble *	5,000/-	Nil

* Mr. Shankar Kamble resigned as a Director w.e.f. 30th October, 2010.

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	5	1	1
Mr. Dilip Phatarphekar		5	2	1
Mr. Ramdas Baxi		5	2	1

V. Management Committee

The Management Committee was duly constituted on 30th October, 2010 pursuant to Clause 20 (ii) of the order of the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) dated 30th September, 2010. Mr. Sudip Dutta, Chairman and Managing Director of the Company is the Chairman, representative of Kotak Mahindra Bank Limited, Monitoring Agency, Mr. Soumitra Barari, Whole Time Director of the Company are Members of the Committee. Mr. Rajaram Shanbhag, Chief Financial Officer of the Company is an Invitee to the Committee meetings.

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

One meeting of the Committee was held during the financial year 2010-2011 on 7th January, 2011 after its constitution on 30th October, 2010.

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
31.07.2008	4 th AGM	Hotel Miramar, Devka Beach, Daman - 396210	3.00 p.m.	Yes
14.12.2009	5 th AGM	Hotel Miramar, Devka Beach, Daman - 396210	12.30 p.m.	Yes
14.12.2010	6 th AGM	Hotel Miramar, Devka Beach, Daman - 396210	12.30 p.m.	Yes

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

At the 4th AGM held on 31st July, 2008, one special resolution was passed to shift the registered office of the Company from the Union Territory of Daman to the State of Maharashtra.

At the 5th AGM held on 14th December, 2009, two special resolutions were passed for increasing the managerial remuneration of Managing Director and Whole Time Director.

At the 6th AGM held on 14th 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.

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 has not held any Extra Ordinary General Meeting.

c) Postal Ballot:

During the year under review, the members of the Company passed the following special resolutions through postal ballot:

1. Special Resolution for shifting of the registered office of the Company from the Union Territory of Daman to the State of Maharashtra.
2. Special Resolution in supersession of the special resolution mentioned above and for shifting of the registered office of the Company from the Union Territory of Daman to the State of West Bengal.

In respect of the resolution at No. 1, M/s. Anish Gupta & Associates, Company Secretaries were appointed as the Scrutinizer and Mr. Mahendra Salunke, Practising Company Secretary was appointed as the Scrutinizer for resolution No. 2 for conducting the Postal Ballot in a fair and transparent manner. The results of the postal ballots were declared based on the reports of the Scrutinizers.

The details of the postal ballot procedure, voting process is as under:

i. Resolution No. 1

The Board of Directors of the Company at its meeting held on 30th October, 2010 approved the postal ballot notice, form and calendar of events for shifting of the registered office of the Company from the Union Territory of Daman to the State of Maharashtra. The postal ballot notice alongwith the postal ballot form and self-addressed pre-paid postage envelope were sent to the shareholders. The last date for receipt of the Postal Ballot form from the shareholders was 21st December, 2010.

M/s. Anish Gupta & Associates, Company Secretaries, the Scrutinizer submitted their report dated 23rd December, 2010 to the Director Finance of the Company and based on the said report, results of the Postal Ballot were declared by the Director Finance on 23rd December, 2010 as under :

No. of valid postal ballot forms received	Votes in favour of the resolution	Votes against the resolution	% of votes in favour	No. of postal ballot forms rejected
117	1909658	155	99.991%	6

The Director Finance declared that the said resolution was approved and passed by the shareholders with requisite majority.

ii. Resolution No. 2

The Board of Directors of the Company at its meeting held on 11th February, 2011 approved the postal ballot notice, form and calendar of events for shifting of the registered office of the Company from the Union Territory of Daman to the State of West Bengal in supersession of the earlier resolution passed. The postal ballot notice alongwith the postal ballot form and self-addressed pre-paid postage envelope were sent to the shareholders. The last date for receipt of the Postal Ballot form from the shareholders was 5th April, 2011.

Mr. Mahendra Salunke, Practising Company Secretary, Scrutinizer submitted his report dated 8th April, 2011 to the Chairman and Managing Director and based on the said report, results of the Postal Ballot were declared by the Chairman and Managing Director on 8th April, 2011 as under :

No. of valid votes received	Votes in favour of the resolution	Votes against the resolution	% of votes in favour	No. of invalid votes
21704173	21703735	438	99.96%	8468

The Chairman declared that the said resolution was approved and passed by the shareholders with requisite majority.

5) SUBSIDIARY COMPANY

The Company has one subsidiary Flex Art Foil Private Limited, a wholly owned subsidiary during the financial year under review.

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

- The financial statements, in particular, the investments, if any, made by the subsidiary company, are reviewed by the Audit Committee of the Company.
- The minutes of the board meetings of the subsidiary company are placed at the subsequent board meetings of the Company.
- Details of significant transactions and arrangements entered into by the 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 Private 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 31st March, 2011. The code of conduct is available on the website of the Company: www.essdee.in

The requisite Declaration of the Chairman 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 31st March, 2011.

23rd May, 2011

Sudip Dutta
Chairman 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 of the Company 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 or relatives, etc. as per Accounting Standard 18 "Related Party Disclosures" are presented under Note 10 in Schedule 18 B of the Balance Sheet. No material transaction has been entered with 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 10 in Schedule 18 B of the Balance Sheet. All such transaction have 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 'Economic Times- all editions' and 'Daman Ganga Times'. The financial results were also displayed on the website of the Company www.essdee.in soon after its submission to the Stock Exchanges.

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

9) GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting:

Date : 28th September, 2011

Time : 1.00 p.m.

Day : Wednesday

Venue: Hotel Sea Rock Inn, Devka Beach, Daman - 396 210.

ii) Last date for receipt of Proxy:

26th September, 2011 before 1.00 p.m. at the Registered Office of the Company.

iii) Financial Year:

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

Dates of Board Meetings for approval of quarterly and annual financial results:

	2010-11 (actual)	2011-12 (actual/tentative)
1 st Quarter	26 th May, 2010	27 th May, 2011
2 nd Quarter	13 th August, 2010	1 st / 2 nd week of August, 2011
3 rd Quarter	13 th November, 2010	1 st / 2 nd week of November, 2011
4 th Quarter	11 th February, 2011	1 st / 2 nd week of February, 2012

iv) Date of book closure

23rd September, 2011 to 28th September, 2011 (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's debt securities are listed on the Wholesale Debt Market (WDM) of BSE.

The Company has paid the annual Listing Fees for the financial year 2011-2012 to BSE and NSE.

The Custodial Fees for the year 2011-2012 have been paid to the National Securities Depository Limited and 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	-	947007 and 947009
--	---	-------------------

Debenture Trustee

IDBI Trusteeship Services Limited

Asian Building, Ground Floor

17, R. Kamani Marg, Ballard Estate, Mumbai 400023

viii) Market price data

The monthly high and low prices of the Company's shares at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2011 are as follows:

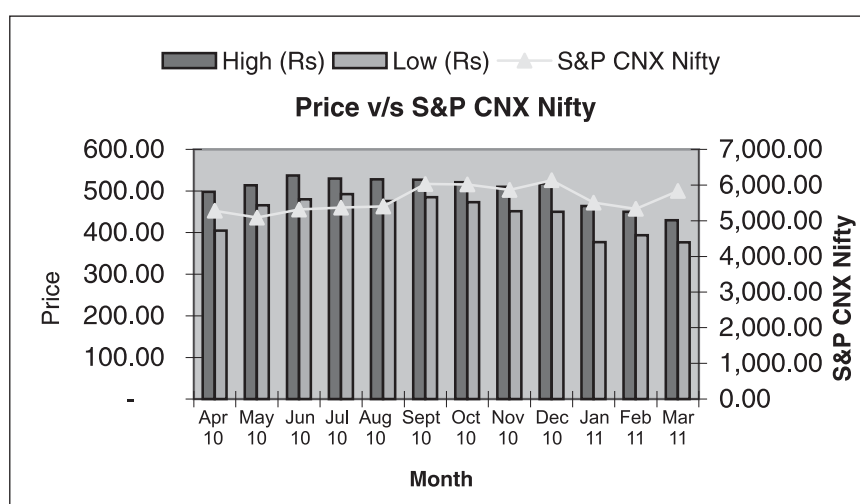
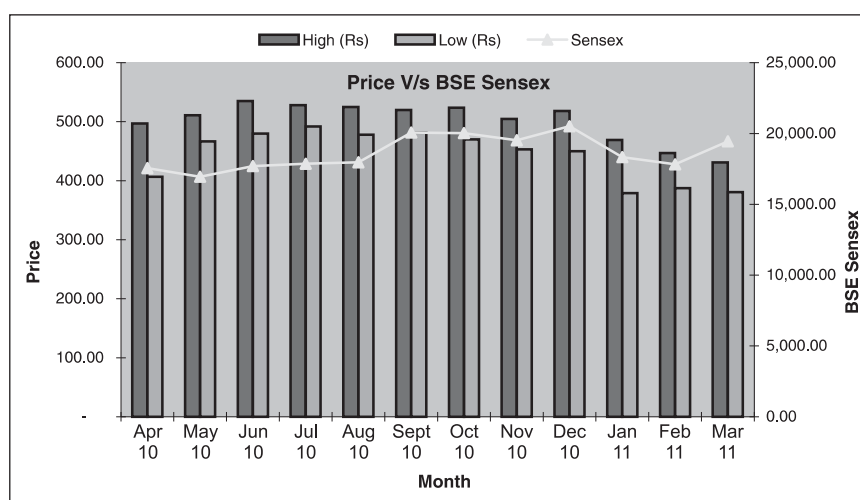
Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Sensex (closing)	High (Rs.)	Low (Rs.)	S & P CNX Nifty (closing)
April 2010	497.00	406.55	17,558.71	498.00	405.00	5,278.00
May 2010	511.00	466.75	16,944.63	513.85	465.75	5,086.30
June 2010	534.90	480.00	17,700.90	537.00	480.25	5,312.50
July 2010	528.20	492.00	17,868.29	530.00	492.50	5,367.60
August 2010	524.90	478.00	17,971.12	527.95	476.10	5,402.40
September 2010	520.00	481.30	20,069.12	527.40	485.05	6,029.95
October 2010	523.70	470.00	20,032.34	521.00	473.00	6,017.70
November 2010	504.80	453.00	19,521.25	509.80	451.25	5,862.70
December 2010	518.00	450.05	20,509.09	518.00	450.00	6,134.50
January 2011	469.00	379.00	18,327.76	463.90	377.15	5,505.90
February 2011	447.00	387.50	17,823.40	449.80	394.00	5,333.25
March 2011	431.00	380.50	19,445.22	430.00	377.00	5,833.75

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 scripts form part of the SEBI's compulsory demat segment bearing ISIN No. INE825H01017.

xi) Distribution of shareholding as on 31st March, 2011

Holding	No. of Shareholders	No. of shares held	Share holding %
1-500	9803	437247	1.37
501- 1000	198	146999	0.46
1001- 2000	93	134576	0.42
2001- 3000	37	93229	0.29
3001- 4000	10	36681	0.11
4001- 5000	22	102798	0.32
5001-10000	29	207425	0.65
10001 & above	82	3088856	96.38
Total	10274	32047811	100.00

Distribution of shareholding by ownership as on 31st March, 2011

Category	No. of Shares held	Share holding %
Promoters	19068867	59.50
FII's	7052315	22.00
Venture Capital Funds	0	0
Insurance Companies	1192572	3.72
Mutual Funds/UTI/Banks	1189341	3.71
Bodies Corporate	1028099	3.21
Individuals/others	2516617	7.86
Total	32047811	100.00

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 Pvt. Ltd. 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 3,07,98,907 Shares (96.10%) and CDSL 12,48,634 Shares (3.90%) as on 31st March, 2011. 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 01.04.2010	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 31st March, 2011 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 -396210

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

xvi) Registered Office

Plot No.124-133, Panchal Udyog Nagar,
Bhimpore, Daman-396 210
Tel: 91 260 3298250, 3293224
Fax: 91 260 2220316
Website: www.essdee.in

xvii) Investors correspondence may be addressed to:

Company Secretary & Compliance Officer
Ess Dee House, Akurli Road
Kandivali (East), Mumbai 400101
Tel: 91 22 66908200 Fax: 91 22 66908396
Email ID: investorservice@essdee.in

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

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 Registrars and Transfer Agents of the Company. Beneficiaries holding the script 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.

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

Item Nos. 3, 4, 6 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. Dilip Phatarphekar	Mr. Ramdas Baxi	Mr. Sudip Datta
Date of Birth	24.01.1938	19.03.1938	04.05.1972
Date of Appointment	22.05.2006	22.05.2006	10.02.2004
Expertise in specific functional area	He 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.	He has 40 years of experience in the field of Insurance. He retired as Director and General Manager of New India Assurance Company Limited.	Management of all Business division, growth and diversification initiatives and providing vision and strategy.
Qualifications	B.A., LLB	B. Com, LLB	H.S.C.
Directorships held in other Indian public limited companies as on 31.03.2011	Panama Petrochem Limited	GIC Asset Management Company Limited	Flex Art Foil Private Limited
Chairman / Member of the Committee of Board of Directors of the Company as on 31.03.2011	Chairman - Remuneration Committee, Member - Shareholders' / Investors' Grievance Committee, Finance Committee & Audit Committee	Chairman- Shareholders/ Investors' Grievance Committee, Member - Audit Committee, Remuneration Committee	Chairman- Finance Committee, Management Committee
Chairman / Member of Committees of Board of Directors of other Indian public limited Companies as on 31.03.2011	a) Chairman - Investor Grievance Committee, b) Chairman - Remuneration Committee of Panama Petrochem Limited	Member- Audit Committee, GIC Asset Management Company Limited	Nil
No. of Shares held in the Company as on 31.03.2011	Nil	Nil	1,87,55,913

**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 31st March, 2011 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 as stipulated in the said Clause. 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' / Investors' 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 : May 27, 2011



Auditors' Report

To
The Members of
Ess Dee Aluminium Limited

1. We have audited the attached Balance Sheet of Ess Dee Aluminium Limited as at March 31, 2011 and also the relative Profit and Loss Account and Cash Flow Statement for the financial year ended on that date both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report as follows:-
 - i) As required by the Companies (Auditor's Report) Order 2003 and as amended by Companies (Auditors' Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 - ii) 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.
 - iii) In our opinion, proper books of account as required by the law have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
 - iv) The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of account.
 - v) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account read with notes thereon comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - vi) On the basis of the written representations received from the Directors as on March 31, 2011, which have been taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2011 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.
 - vii) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give true and fair view.

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011.
- in the case of the Profit and Loss Account, of the profit for the year ended on that date.
- in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

Ashutosh Pednekar
Partner
ICAI M. No. 041037
Mumbai
May 27, 2011

Annexure to Auditors' Report

Annexure referred to in paragraph 3.i of the Auditors' 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) According to the information and explanations given to us, the Company has neither granted any loans or taken from parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clauses (b), (c), (d) (e), (f) & (g) of clause (iii) of Para 4 of the Order are not applicable.



- 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 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 prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi During the year, the Company has not accepted any deposits from the public. Accordingly paragraph 4 (vi) of the order is not applicable.
- vii The Company has an Internal Audit System commensurate with the size and nature of its business.
- viii We have broadly reviewed the books of account maintained by the Company relating to the manufacture of Aluminium Foils 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. To the best of our knowledge and according to information and explanation given to us the central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 for any other products of the company.
- ix
 - (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, 2011 for a period of more than six months except payment of advance tax of Rs. 1,312.20 Lacs for the year. *However, the following are not paid :-*
 - 1) *Other dues of Deferred Sales Tax, aggregating Rs.810.59 lacs, as set out below, which is outstanding as at the end of the year:-*

Period to which the amount relates	Due Date	Amt Rs. Lacs
Quarter ended 30.09.96	31.10.05	12.98
Quarter ended 31.12.96	31.01.06	25.62
Quarter ended 30.03.97	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 30.12.97	31.01.07	51.39
Quarter ended 30.03.98	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 30.12.98	31.01.08	41.61
Quarter ended 30.03.99	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 30.03.00	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

Note: Interest due on above Rs.275.90 lacs

- (2) 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.

Statute	Amount (Rs. In Lacs)	Financial year to which the Amount pertains	Forum where dispute is pending
Income Tax	225.56	2005-06	Asst Commissioner of IT for order giving Effect on CIT order
Income Tax	624.48	2006-07	Asst Commissioner of IT for order giving effect on CIT order
Income Tax	1,780.09	2007-08	Asst Commissioner of IT for order giving Effect on CIT order

Name of the Statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount of relates	Forum where the disputes are pending
West Bengal Sales Tax Act/ West Bengal Value Added Tax Act/ Central Sales Tax	Sales Tax Act	1740.60	1982-1984,1986-1988,1993-94 to 1999-2001 & 2003-04	Revision Board (Tribunal)
		444.32	2001-02 to 2002-03	Additional Commissioner of Commercial Taxes (Revision)
		153.74	2004-05 to 2005-06	Deputy Commissioner (Appeals)
		2338.66		
Central Excise Act	Excise Duty	864.63	1986 to 2003	Commissioner of Central Excise

- x 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.
- xi The Company has not defaulted in repayment of dues to banks.
- xii 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.
- xiii 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.
- xiv According to the information and explanations, the Company is not a dealer or trader in securities.
- xv According to the information and explanations given to us, the Company has given guarantee for bank loans taken by its subsidiary Flex Art Foil Private Limited on such terms and conditions which are prima facie not prejudicial to the interest of the company.
- xvi 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.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short term basis have, prima facie, not been used for long term investment.
- xviii 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.

- xix The Company has created securities and registered the charge in respect of non convertible debenture issued during the year.
- xx The Company has not raised any money by Public Issues during the year.
- xxi 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
Mumbai
May 27, 2011

BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	SCHEDULE Nos.	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	1	3,204.78	2,782.48
Share Capital Suspense Account	1A	-	15,130.79
Reserves and Surplus	2	60,143.62	27,341.84
Loan Funds			
Secured Loans	3	18,910.28	15,196.16
Deferred Sales Tax Liability		2,102.62	2,102.62
Total		84,361.30	62,553.89
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block		42,903.84	38,370.68
Less : Depreciation		18,304.54	13,175.90
Net Block	4	24,599.30	25,194.78
Capital work in Progress	4A	24,607.86	10,880.38
Investments	5	6,262.28	401.54
Deferred Tax Assets (Net)	6	7,108.57	7,503.91
Current Assets, Loans and Advances			
Inventories	7	3,487.68	3,497.17
Sundry Debtors	8	36,123.47	31,818.54
Cash and Bank Balances	9	1,877.50	1,491.07
Loans and Advances	10	11,777.62	7,727.29
Total Current Assets (A)		53,266.27	44,534.07
Current Liabilities and Provisions	11		
Current Liabilities		15,862.04	13,256.33
Provisions		15,620.94	12,704.47
Total Current Liabilities (B)		31,482.98	25,960.80
Net Current Assets (A-B)		21,783.29	18,573.28
Total		84,361.30	62,553.89
Significant Accounting Policies and Notes to Accounts.	18		
The Schedules referred to above form an integral part of the Balance Sheet			

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	SCHEDULE Nos.	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Income			
Gross Sales		68,989.59	56,522.70
Less: Excise Duty		4,333.79	2,591.21
Net Sales		64,655.80	53,931.49
Other Income	12	1,555.68	1,393.44
Reversal of Impairment		1,032.26	162.14
TOTAL		67,243.74	55,487.07
Expenditure			
Material Costs	13	41,947.35	33,212.54
Manufacturing Expenses	14	2,661.64	2,338.45
Employee Costs	15	2,283.42	2,051.72
Selling and Administrative Expenses	16	2,483.68	2,397.61
Financial Expenses	17	1,854.85	1,662.36
Depreciation	4	1,943.57	1,665.64
TOTAL		53,174.51	43,328.32
Profit Before Tax		14,069.23	12,158.75
Provision For Taxation			
Current Tax		2,916.00	2,300.00
Wealth Tax		1.90	1.47
Deferred Tax		395.34	(8,335.39)
Profit After Tax		10,755.99	18,192.67
Loss after tax of FY 2008-09 of erstwhile IFL		-	(14,881.66)
Profit		10,755.99	3,311.01
Balance of Profit & Loss account of erstwhile IFL (net of adjustment as per BIFR order dated 30.09.2010)		-	(13,527.90)
Balance Brought Forward From Previous Year		175.35	12,139.60
Profit Available For Appropriation		10,931.34	1,922.71
Less : Proposed Dividend		640.96	640.96
Less : Corporate Dividend Tax Thereon		106.45	106.40
Less : Transferred To General Reserve		900.00	1,000.00
Less : Transferred To Debenture Redemption Reserve		700.00	-
Balance Carried To Balance Sheet		8,583.93	175.35
Earnings per Equity Share-Basic (Rs.)		34.03	11.90
Earnings per Equity Share- Diluted (Rs.)		34.03	10.90

Significant Accounting Policies and Notes to Accounts 18
The Schedules referred to above form an integral part of the Profit and Loss Account

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
A Cash Flows From Operating Activities		
Profit before prior period items, tax & after Extraordinary Items	14,069.23	12,158.75
Add :		
Depreciation	1,943.57	1,665.54
Loss on sale of Fixed Assets	-	1.74
Reversal of impairment of Fixed Assets	(1,032.26)	(162.14)
Interest Paid	1,854.85	1,662.36
	2,766.17	3,167.60
Operating Profit before working Capital Changes	16,835.40	15,326.35
Working Capital Changes		
(Increase) / Decrease in Inventories	9.51	(1,921.22)
(Increase) / Decrease in Debtors	(4,304.93)	(8,214.96)
(Increase) / Decrease in Other Current Assets	4,283.94	(12,125.23)
Increase / (Decrease) in Trade Payables	(2,812.07)	25,388.99
(Increase) / Decrease in Working Capital	(2,823.55)	3,127.58
Cash Generated from Operating Activities	14,011.85	18,453.93
Tax Paid	(2,917.90)	(2,301.47)
	(2,917.90)	(2,301.47)
Net Cash used (-)/(+) generated from operating activities	11,093.95	16,152.46
B. Cash Flows from Investing Activities		
Additions in Fixed Assets & CWIP on account of merger	-	(49,710.11)
Proceeds from sale of Fixed Assets	-	4.80
Purchase of Fixed Assets including CWIP	(14,043.31)	(2,033.14)
Purchase of Investments including invst in subsidiaries	(5,860.74)	-
Effect of C/fd loss and BIFR adjustments on merger	-	(27,511.97)
Effect of Depreciation on merger	-	32,759.52
Reduction in investments in subsidiaries on merger	-	11,344.59
Net Cash used (-)/(+) generated from Investing activities	(19,904.05)	(35,146.31)
C Cash Flows From Financing Activities		
Share Capital suspense a/c on merger	-	15,130.79
Proceeds from Issue of Share Capital	8,084.71	-
Interest and Finance Charges Paid	(1,854.85)	(1,662.36)
Dividend and taxes thereon	(747.41)	(747.36)
Deferred Sales Tax Liability on a/c of merger	-	2,102.62
Proceeds from Long term borrowings	3,714.12	4,942.26
Proceeds from Short term borrowings	-	-
Repayment of short term borrowing	-	(9.38)
Net Cash used (-)/(+) Generated from Financing activities	9,196.57	19,756.57
D Net Increase (+)/ Decrease (-) in cash and cash equivalent	386.44	762.72
Cash and Cash Equivalent Opening Balance	1,491.07	728.34
Cash and Cash Equivalent Closing Balance	1,877.50	1,491.07
Includes deposits of Rs 1,008.40 Lacs pledged as margin		

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary

SCHEDULES FORMING PART OF THE BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 1		
Share Capital		
Authorised		
Equity Shares		
(CY 3,50,00,000 Equity Shares of Rs 10/- each)	3,500.00	3,500.00
(PY 3,50,00,000 Equity Shares of Rs 10/- each)		
(CY 80,00,00,000 Equity Shares of Re 1 each)	8,000.00	8,000.00
(PY 80,00,00,000 Equity Shares of Re 1 each)		
Preference Shares		
(CY 2,56,40,000 Preference Shares of Rs 100/- each)	25,640.00	25,640.00
(PY 2,56,40,000 Preference Shares of Rs 100/- each)		
Issued, Subscribed & Paid Up		
Equity Shares		
(CY 3,20,47,811 Equity Shares of Rs 10/- each)	3,204.78	2,782.48
(PY 2,78,24,765 Equity Shares of Rs 10/- each)		
TOTAL	3,204.78	2,782.48
Note:- a) Of the total Paid up Capital 40,00,000 (PY 40,00,000) Equity Shares of Rs 10 each fully paid up have been issued for consideration other than cash. b) 95,58,182 (PY 95,58,182) Equity Shares have been issued as fully paid-up bonus shares by capitalization of free reserves on 13/04/2006 c) 25,59,046 Equity shares of Rs 10 each allotted as fully paid up pursuant to Modified Rehabilitation Scheme sanctioned by BIFR vide order dated 30th September 2010. d) During the year 16,64,000 Equity shares of Rs 10 each fully paid up were allotted through a qualified institutional placement.		
Schedule No 1A		
Share Capital suspense Account		
Opening Balance	15,130.79	-
Add : Effect of Merger	-	15,130.79
Less : Allotment of Shares pursuant to Merger	13,955.50	-
Less : Capital Reserve on Merger.	1,175.29	-
TOTAL	-	15,130.79
Schedule No 2		
Reserves & Surplus		
Capital Reserve		
Opening Balance	-	-
Add : Capital Reserve on Merger.	1,175.29	-
TOTAL	1,175.29	-
Revaluation Reserve		
Opening Balance	897.59	-
Add: Transferred on Merger	-	897.59
TOTAL	897.59	897.59
Securities Premium Account		
Opening Balance	23,718.90	23,718.90
Add : Received during the year	21,617.91	-
TOTAL	45,336.81	23,718.90
General Reserve		
Opening Balance	2,550.00	1,550.00
Add : Transferred from Profit & Loss Account	900.00	1,000.00
TOTAL	3,450.00	2,550.00

SCHEDULES FORMING PART OF THE BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Debenture Redemption Reserve		
Opening Balance	-	-
Add : Transferred from Profit & Loss Account	700.00	-
TOTAL	700.00	-
Profit & Loss Account		
Balance Brought Forward	8,583.93	175.35
TOTAL	8,583.93	175.35
TOTAL	60,143.62	27,341.84
Schedule No 3 SECURED LOANS		
400 (PY Nil) 9.30% Redeemable Non Convertible Debentures of Rs 10 Lacs each.	4,000.00	-
400 (PY Nil) 9.65% Redeemable Non Convertible Debentures of Rs 10 Lacs each	4,000.00	-
Term Loans from Bank/Others	-	5,000.00
Cash Credit with Banks	10,834.34	10,169.91
Vehicle Loans	75.94	26.25
TOTAL	18,910.28	15,196.16

- Note: a) 9.30% NCD are redeemable at par on 29th July 2013
b) 9.65% NCD are redeemable at par in four equal installments commencing from 29th July 2014
c) NCDs are secured by first charge on land at Mehsana and fixed assets situated at Bhimpore to extent of Rs 10,000 Lacs
d) Cash Credit and other facilities from the Company's bankers are secured by pari pasu first charge on the entire fixed assets other than Point (c) above and current assets comprising of stock of raw materials, consumable stores and spares in the factory godown or in transit and book debts / receivables of the company.
e) Vehicle Loans are secured by hypothecation of vehicles purchased.

Schedule Nos. 4

FIXED ASSETS

Sr	Particulars	GROSS BLOCK					DEPRECIATION				NET BLOCK		
		Opening As at 01/04/10 Rs	Additions Rs	Deduc- tion/ Adjust ments Rs	Reversal Of Impairment Rs	Gross Block As at 31/03/11 Rs	Opening As At 01/04/10 Rs	Additions Rs	Deduct/ Adjust Rs	Reversal On Impairment Rs	Depreciation As at 31/03/11 Rs	Net Block As at 31/03/11 Rs	Net Block as on 31/03/10 Rs
1	Lease Hold Land	51.49	-	-	-	51.50	45.65	0.30	-	-	45.95	5.55	5.84
2	Free Hold Land	689.05	5.01	-	-	694.06	-	-	-	-	-	694.06	689.05
3	Factory Building	5,480.72	14.40	-	-	5,495.12	1637.45	183.31	-	-	1,820.76	3,674.36	3,843.27
4	Plant & Machinery	29,576.66	88.21	-	4,217.32	33,882.19	10,599.14	1,591.92	-	3,185.06	15,376.11	18,506.08	18,977.54
5	Factory Equipment	457.57	38.66	-	-	496.23	93.98	22.34	-	-	116.32	379.91	363.59
6	Electrical Installation	572.18	13.32	-	-	585.50	72.67	27.42	-	-	100.09	485.41	499.51
7	Office Equipments	517.85	4.91	-	-	522.76	462.12	20.90	-	-	483.02	39.74	55.73
8	Computer Systems	96.37	8.46	-	-	104.83	37.82	16.24	-	-	54.06	50.77	58.55
9	Computer Software	32.31	3.86	-	-	36.16	12.38	6.83	-	-	19.21	16.95	19.93
10	Air conditioners	18.34	-	-	-	18.34	3.03	0.87	-	-	3.90	14.44	15.31
11	Furniture & Fixtures	547.49	1.32	-	-	548.81	115.78	34.70	-	-	150.48	398.33	431.71
12	Vehicles	330.65	137.69	-	-	468.34	95.90	38.74	-	-	134.64	333.70	234.75
	Total	38,370.68	315.84	-	4,217.32	42,903.84	13,175.92	1,943.57	-	3,185.06	18,304.54	24,599.30	25,194.78
	Previous Year	35,806.04	2,056.49	12.80	520.85	38,370.68	11,157.71	1,665.63	6.23	358.81	13,175.92	25,194.78	18,601.49

Schedule Nos. 4 A
CAPITAL WORK IN PROGRESS

Sr	Particulars	GROSS BLOCK				All Figures Rs in Lacs	
		Opening As at 01/04/2010 Rs	Additions Rs	Transfer Rs	Gross Block As at 31/03/2011 Rs	As at 31/03/2011 Rs	As at 31/03/2010 Rs
1	Capital Work in Progress	10,880.38	13,727.48	-	24,607.86	24,607.86	10,880.38
	Total	10,880.38	13,727.48	-	24,607.86	24,607.86	10,880.38
	Previous Year	-	10,880.38	-	10,880.38	10,880.38	-

SCHEDULES FORMING PART OF THE BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 5 INVESTMENTS		
Unquoted Investments Trade		
- Shares of Shamrao Vithal Co.op Bank Ltd (CY Unquoted at cost 6,175 ordinary shares of Rs 25 each fully paid up) (PY Unquoted at cost 6,175 ordinary shares of Rs 25 each fully paid up)	1.54	1.54
Investment In Subsidiaries Non Trade		
Unquoted		
- Shares of Flex Art Foil Private Limited (CY Unquoted at cost 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) ordinary shares of Rs 10 each are received by way of bonus shares)	400.00	400.00
Investments in Mutual Funds * Refer Note Nos. 18	5,860.74	-
TOTAL	6,262.28	401.54
Schedule No 6 DEFERRED TAX LIABILITY (NET)		
Opening Balance	7,503.91	(831.49)
Add : Current years provisions	(395.34)	8,335.39
TOTAL	7,108.57	7,503.91
Schedule No 7 INVENTORIES		
(As taken valued and certified by the management) (At cost or net realizable value whichever is lower)		
- Raw Materials	1,523.12	1834.07
- Work In Progress	319.47	309.80
- Finished Goods	412.06	306.44
- Stores & Spares	1,233.03	1,046.86
TOTAL	3,487.68	3,497.17
Schedule No 8 SUNDRY DEBTORS		
(Unsecured Considered Good)		
- Debts Outstanding for a period exceeding six months		
- Subsidiary	-	-
- Others	3,257.35	6,708.65
- Other Debts		
- Subsidiary	2,045.20	2,026.66
- Others	30,820.92	23,083.23
TOTAL	36,123.47	31,818.54
Schedule No 9 CASH AND BANK BALANCES		
Cash on Hand	11.53	13.85
Balance with scheduled Banks		
- On Current Account	857.57	471.02
- On Deposit Account as Margin Money	1,008.40	1,006.20
TOTAL	1,877.50	1,491.07

SCHEDULES FORMING PART OF THE BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 10		
LOANS & ADVANCES		
(Unsecured Considered Good)		
Advance recoverable in cash or in kind or for value to be received	8,593.00	4,541.41
Deposit with others	1,047.34	1,053.53
Advance payment of Taxes	2,112.58	2,131.43
Accrued Interest on Fixed Deposit	24.70	0.92
TOTAL	11,777.62	7,727.29
Schedule No 11		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors		
1 a) Micro, Small and Medium Enterprises	21.15	51.59
b) Others	15,839.24	13,203.09
2) Investor Education and Protection Fund to be credited by the Unclaimed -		
Dividend	0.12	0.12
Fixed Deposit	1.53	1.53
TOTAL	15,862.04	13,256.33
Provisions		
Provisions for Taxes	14,873.53	11,957.11
Proposed Dividend	640.96	640.96
Tax on Dividend Distribution	106.45	106.40
TOTAL	15,620.94	12,704.47
TOTAL	31,482.98	25,960.80

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 12 OTHER INCOME		
- Dividend from unquoted trade Investments	229.25	0.23
- Foreign Exchange Gain (net)	244.01	279.44
- DEPB Export Incentive	234.73	154.02
- Interest on Fixed Deposit (TDS Rs 8.50 Lacs , PY Rs. 52.75 Lacs)	78.80	52.43
- Profit on sale of shares.	156.49	733.11
- Others	612.40	174.21
TOTAL	1,555.68	1,393.44
Schedule No 13 MATERIAL COST		
Opening Stock	3,190.73	1,473.16
Add: Transferred on Merger	-	1,170.04
Add : Purchases	41,937.85	33,909.39
TOTAL	45,128.58	36,552.59
Less Closing Stock	3,075.61	3190.73
TOTAL	42,052.97	33,361.86
Increase / Decrease in Finished Goods		
Opening Stock of Finished Goods	306.44	102.79
Add: Transferred on Merger	-	54.33
Closing Stock of Finished Goods	412.06	306.44
(Accretion) / Decretion in stock	(105.62)	(149.32)
TOTAL	41,947.35	33,212.54
Schedule No 14 MANUFACTURING EXPENSES		
- Freight Carriage	205.30	149.67
- Power and Fuel	1,760.32	1,599.15
- Labour Charges	244.32	212.85
- Factory Expenses	293.67	210.88
- Repairs to Machinery	158.03	165.90
TOTAL	2,661.64	2,338.45
Schedule No 15 EMPLOYMENT COST		
- Salary, Wages and Allowance	2,029.55	1,857.32
- Staff Welfare and other benefits	85.08	77.69
- Contribution to Provident & other Fund	168.79	116.71
TOTAL	2,283.42	2,051.72

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 16		
SELLING AND ADMINISTRATIVE EXPENSES		
- Auditors Remuneration	18.00	14.38
- Advertisement & Publicity	19.89	15.64
- Carriage Outward	618.41	489.27
- Commission on Sales	120.26	116.86
- Foreign Exchange Loss on trade purchases	10.08	23.97
- Legal & Professional Charges	406.22	578.27
- Rates & Taxes	376.91	390.73
- Rent	206.32	169.76
- Insurance Charges	57.72	40.37
- Interest on Deferred Sales Tax	135.23	101.37
- Postage & Telephone	38.58	39.48
- Conveyance & Travelling	158.98	146.15
- Other Expenses	317.08	271.36
TOTAL	2,483.68	2,397.61
Schedule No 17		
FINANCIAL EXPENSES		
- Bank Interest	1,456.17	1,126.18
- Bank Commission and Other Charges	398.68	536.18
TOTAL	1,854.85	1,662.36

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE NO. 18

A) 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 Profit and Loss Account.

7. Employee Benefits:

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

Year's accrued liability on account of Gratuity and Leave encashment benefit [only for employees of erstwhile India Foils Limited (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. For other employees Gratuity is considered actuarial and accounted for as per actuarial valuation done by SBI Life Insurance Company Ltd. Under the Group Gratuity scheme and leave encashment is accounted for as per actuarial valuation done by an actuary.

Contributions towards provident funds are recognized as expense.

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

Year's accrued liability on account of Pension Scheme for certain employees of erstwhile IFL under defined benefit plan upto 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. Financials Derivatives Hedging Transactions.

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

10. Provision, Contingent Liabilities and Contingent Assets

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

11. Impairment of Assets

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

12. Earnings Per Share

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

13. Leases

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

SCHEDULE 18**B) NOTES TO ACCOUNTS****1 Merger of erstwhile India Foils Limited (IFL)**

The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order September 30, 2010 has sanctioned the Modified Rehabilitation cum Merger Scheme (Scheme) for the revival of erstwhile India Foils Limited (IFL), a subsidiary of Ess Dee Aluminium Limited (EDAL). According to the Scheme, IFL with effect from April 1, 2008 stands merged into EDAL without any further act, instrument or deed and without registration of any document. In accordance with the exchange ratio approved in the Scheme of Merger the Company has on October 30, 2010 issued & allotted 25,59,046 fully paid equity shares of Rs.10/- each to the eligible share holders of erstwhile IFL.

2 Placement of Shares through QIP

During the current year, the Company made a Qualified Institutional Placement, in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, of 16,64,000 equity shares of Rs. 10/- each at a premium of Rs. 507.03 per share to Qualified Institutional Buyers on 7th July, 2010.

3 Contingent Liabilities

- a) The Company has given guarantee to the electricity supply undertakings aggregating to Rs. 87.69 Lacs (PY 13.80 Lacs) which is secured by fixed deposit under lien to the bank to the extent of Rs 7.95 Lacs. (PY 3.45 Lacs)
- b) The Company is under obligation under the EPCG and Advance License scheme to export Aluminium Foil and PVC film. The contingent liability under the guarantee amounted to Rs 133.07 Lacs (PY 179.17 Lacs), which is secured by fixed deposit under lien to the bank to the extent of Rs 116.97 Lacs. (PY 163.07 Lacs).
- c) Guarantees given for a bank loan taken for its subsidiary Flex Art Foil Private Limited to the extent of Rs 2,640.00 Lacs (PY 3,058.60 Lacs)
- d) Demand from Kolkata Port Trust in respect of increased lease rental amounting to Rs 186.18 Lacs (PY Rs. 186.18 Lacs) against the Company not acknowledged as debt. The matter is subjudice and is pending before the Appellate Authority for Industrial and Financial Reconstruction. The Estate Officer appointed under the Public Premises (Eviction of Unauthorized Occupants) Act, 1971 has served an order dated 10/12/2009 for eviction and auction of the Company's assets situated at Taratalla. The Company has filed an appeal before the District Judge Alipore Court, Kolkata challenging this order and is confident that the order of the Estate Officer will be overturned.
- e) The Company has issued a bank guarantee to the customs authorities Kolkata Airport for a value of Rs. 23.29 Lacs (PY 23.29 Lacs) which is fully secured by a fixed deposit under lien to the bank.

4 Payments to Directors

Exclusive of future liabilities in respect of retirement benefits like contribution to gratuity fund, provision for leave encashment on retirement and other retirement benefits. The said payment is within the limits prescribed under Sec 269 read with Sec 198, 309, 349 and 350 of the Companies Act 1956

	Remuneration to Directors	2010-11 Rs in Lacs	2009-10 Rs in Lacs
(a)	Salary	375.07	342.64
(b)	Allowances	Nil	Nil
(c)	Perquisites	11.11	3.67
(d)	Sitting Fees to non-executive directors	3.25	3.46

5. Payment to Auditors:

(Exclusive of Service Tax)

	2010-11 Rs in Lacs.	2009-10 Rs in Lacs.
Audit Fees	18.00	14.38
Tax Audit Fees	4.00	3.46
Certification Fees	0.60	0.90

6. Suppliers/service providers covered under Micro, Small, Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. Hence, information required to be disclosed u/s 22 of the said Act is given to the extent of declaration received.

Sr.	Description	2010-11 Rs in Lacs	2009-10 Rs in Lacs
1.	The Principal amount remaining unpaid to supplier as at the end of accounting year	21.15	51.59
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

7. In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

8. Disclosure under AS 15 Employee benefits

For Daman / Goa and Corporate Office

Gratuity is a funded defined benefit plan for which the Company has obtained a qualifying insurance policy from SBI Life Insurance Co. Ltd.

	Gratuity (Funded) Rs in Lacs	
	31/03/2011	31/03/2010
The major categories of plan assets as a percentage of total plan		
Qualifying Insurance Policy	100%	100%
Changes in the present value of the obligation		
1 Present Value of obligation 01/04/2010	55.56	31.26
2 Interest Cost	3.98	2.49
3 Current Service Cost	14.05	19.19
4 Past Service Cost	Nil	Nil
5 Benefits Paid	(11.68)	(0.25)
6 Actuarial (gain) / loss on Obligation	(8.83)	2.86
7 Present Value of obligation 31/03/2011	53.07	55.56
Changes in the Fair Value of Assets		
1 Fair value of plan Assets 01/04/2010	64.31	51.16
2 Expected Return on Plan assets	5.25	4.44
3 Contributions	14.22	8.80
4 Benefits Paid	(11.68)	(0.25)
5 Actuarial gain(loss) on Plan Assets	0.13	0.17
6 Fair value of plan Assets 31/03/2011	72.23	64.32
Profit & Loss Expenses		
1 Current Service Cost	14.05	19.19
2 Interest Cost	3.98	2.49
3 Expected Return on Plan assets	(5.25)	(4.44)
4 Net Actuarial gain (loss) recognized in the year	(8.96)	2.69
5 Past Service Cost	Nil	Nil
6 Expenses Recognized in the statement of Profit & Loss	3.82	19.94
Actuarial Assumptions		
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%	12.00%
5 Mortality Post-retirement	Ultimate	Ultimate

	Leave Encashment (Unfunded) Rs in Lacs	
	31/03/2011	31/03/2010
The major categories of plan assets as a percentage of total plan		
Changes in the present value of the obligation		
1 Present Value of obligation 01/04/2010	11.77	10.70
2 Interest Cost	1.00	1.32
3 Current Service Cost	3.92	5.43
4 Past Service Cost	-	-
5 Benefits Paid	(1.65)	1.85
6 Actuarial (gain) / loss on Obligation	(5.35)	(3.82)
7 Present Value of obligation 31/03/2011	9.69	11.77
Changes in the Fair Value of Assets		
1 Fair value of plan Assets 01/04/2010	-	-
2 Expected Return on Plan assets	-	-
3 Contributions	-	-
4 Benefits Paid	-	-
5 Actuarial gain(loss) on Plan Assets	-	-
6 Fair value of plan Assets 31/03/2011	-	-
Profit & Loss Expenses		
1 Current Service Cost	3.92	5.43
2 Interest Cost	1.00	1.32
3 Expected Return on Plan assets	-	-
4 Net Actuarial gain (loss) recognized in the year	(5.35)	(3.82)
5 Past Service Cost	-	-
6 Expenses Recognized in the statement of Profit & Loss	9.69	11.77
Actuarial Assumptions		
1 Discount Rate	7.75%	7.75%
2 Expected Rate of Return on Plan Assets		
3 Expected Rate of Salary Increase	6.50%	6.50%
4 Attrition Rate		
5 Mortality Post-retirement	Ultimate	Ultimate

For Units in West Bengal.

	Gratuity (Funded) Rs in Lacs	
	31/03/2011	31/03/2010
The major categories of plan assets as a percentage of total plan		
Qualifying Insurance Policy		
Changes in the present value of the obligation		
1 Present Value of obligation at 01/04/2010	282.92	265.77
2 Interest Cost	22.62	18.05
3 Current Service Cost	20.85	17.98
4 Past Service Cost	2.81	-
5 Benefits Paid	0.36	11.75
6 Actuarial (gain) / loss on Obligation	(6.59)	(22.09)
7 Present Value of obligation at 31/03/2011	322.25	282.92
Changes in the Fair Value of Assets		
1 Fair value of plan Assets at 01/04/2010	147.44	135.72
2 Expected Return on Plan assets	11.80	10.86
3 Contributions	-	-
4 Benefits Paid	0.36	11.75
5 Actuarial gain(loss) on Plan Assets	0.21	0.87
6 Fair value of plan Assets at 31/03/2011	159.44	147.44
Reconciliation of the present value of the defined benefit obligation and the fair market value of plan assets		
1 Present value of the obligation at 31/03/2011	322.25	282.92
2 Fair value of plan Assets at 31/03/2011	159.44	147.44
Assets / (Liabilities) recognized in the balance sheet	(162.80)	(135.48)
Expenses recognised in the Profit and Loss Account		
1 Current Service Cost	20.85	17.98
2 Interest Cost	22.62	18.05
3 Expected Return on Plan assets	(11.80)	(10.86)
4 Net Actuarial gain (loss) recognized in the year	(6.80)	(22.96)
5 Past Service Cost	2.81	-
6 Expenses Recognized in the statement of Profit & Loss	27.70	5.43
Category of plan assets		
1 Fund with Life Insurance Corporation of India		
Actual Return of Plan Assets		
Principal Actuarial Assumptions		
1 Discount Rate	8.00%	8.00%
2 Expected Rate of Salary Increase	5.00%	5.00%
3 Expected Return on Assets	8.00%	8.00%
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	18	19

	Pension (Funded) Frozen as on 31st December 2000) Rs in Lacs	
	31/03/2011	31/03/2010
The major categories of plan assets as a percentage of total plan		
Qualifying Insurance Policy		
Changes in the present value of the obligation		
1 Present Value of obligation at the beginning of the yr	19.10	20.25
2 Interest Cost	1.50	1.46
3 Current Service Cost	-	-
4 Past Service Cost	-	-
5 Benefits Paid	0.71	3.93
6 Actuarial (gain) / loss on Obligation	0.89	1.32
7 Present Value of obligation at the end of the year	18.99	19.10
Changes in the Fair Value of Assets		
1 Fair value of plan Assets at the beginning of the year	4.63	8.07
2 Expected Return on Plan assets	0.37	0.65
3 Contributions	-	-
4 Benefits Paid	0.71	3.93
5 Actuarial gain(loss) on Plan Assets	(0.07)	(0.15)
6 Fair value of plan Assets at the end of the year	4.23	4.63
Reconciliation of the present value of the defined benefit obligation and the fair market value of plan assets		
1 Present value of the obligation at the end of the year	18.99	19.10
2 Fair value of plan Assets at the end of the year	4.23	4.63
Assets / (Liabilities) recognised in the balance sheet	(14.77)	(14.48)
Expenses recognised in the Profit and Loss Account		
1 Current Service Cost	-	-
2 Interest Cost	1.50	1.46
3 Expected Return on Plan assets	0.37	0.65
4 Net Actuarial gain (loss) recognized in the year	(0.84)	1.47
5 Past Service Cost		
6 Expenses Recognized in the statement of Profit & Loss	0.29	2.29
Category of plan assets		
1 Fund with Life Insurance Corporation of India		
Actual Return of Plan Assets		
Principal Actuarial Assumptions		
1 Discount Rate	8.00%	8.00%
2 Expected Rate of Salary Increase	NA	NA
3 Expected Return on Assets	8.00%	8.00%
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	NA	NA

	Leave Encashment (Unfunded) Rs in Lacs	
	31/03/2011	31/03/2010
The major categories of plan assets as a percentage of total plan		
Changes in the present value of the obligation		
1 Present Value of obligation at the beginning of the yr	72.08	58.51
2 Interest Cost	5.76	4.13
3 Current Service Cost	10.51	15.63
4 Past Service Cost	-	-
5 Benefits Paid	0.17	13.73
6 Actuarial (gain) / loss on Obligation	(12.35)	7.54
7 Present Value of obligation at the end of the year	75.83	72.08
Changes in the Fair Value of Assets		
1 Fair value of plan Assets at the beginning of the year	-	-
2 Expected Return on Plan assets	-	-
3 Contributions	-	-
4 Benefits Paid	-	-
5 Actuarial gain(loss) on Plan Assets	-	-
6 Fair value of plan Assets at the end of the year	-	-
Reconciliation of the present value of the defined benefit obligation and the fair market value of plan assets		
1 Present value of the obligation at the end of the year	75.83	72.08
2 Fair value of plan Assets at the end of the year Assets / (Liabilities) recognised in the balance sheet	(75.83)	(72.08)
Expenses recognized in the Profit and Loss Account		
1 Current Service Cost	10.51	15.63
2 Interest Cost	5.76	4.13
3 Expected Return on Plan assets	-	-
4 Net Actuarial gain (loss) recognized in the year	(12.35)	7.54
5 Past Service Cost	-	-
6 Expenses Recognized in the statement of Profit & Loss	3.92	27.31
Category of plan assets		
1 Fund with Life Insurance Corporation of India	NA	NA
Actual Return of Plan Assets	NA	NA
Principal Actuarial Assumptions		
1 Discount Rate	8.00%	8.00%
2 Expected Rate of Salary Increase	5.00%	5.00%
3 Expected Return on Assets	-	-
4 Method Used	Projected Unit Credit Method	Projected Unit Credit Method
5 Remaining working life of employees (in years)	19	19

9 Segment Reporting (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.

10 Related Party Disclosures (Accounting Standard - 18)

10.1 List of Related Parties and Relationship with whom transactions during the year 2010-11

Sr. Particulars	Particulars
A Subsidiary	Flex Art Foil Private Limited
B Key Management Personnel	Mr. Sudip Dutta - CMD Mr. Rajib Mukhopadhyay Mr. Soumitra Barari Mr. Debdeep Bhattacharya Mr. Prasenjit Datta (Resigned w.e.f. 31/07/2010)
C Relative of Key Management Personnel	Mrs. Aarti Dutta
D Enterprises over which key management Personnel and their relatives are able To exercise significant influence	M/s Parth International M/s Neat Pack Vyoma Investment & Finance Company Pvt. Ltd. Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Private Limited Ess Dee Infraventure Private Limited

10.2 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	Enterprise over which key management... (10.1.D)
Sale of Material / Finished Goods Flex Art Foil Private Limited	8,267.89 (PY 6,403.70)	- -	- -
Total	8,267.89 (PY 6,403.70)	- (PY Nil)	- (PY Nil)
Purchase of Material / Finished Goods Flex Art Foil Private Limited	618.12 (PY Nil)	- (PY Nil)	- (PY Nil)
Total	618.12 (PY Nil)	- (PY Nil)	- (PY Nil)
Rent Paid Mr. Sudip Dutta	- -	138.94 (PY 128.00)	- -
Mrs. Aarti Dutta	- -	24.00 (PY 6.00)	- -
Total	- -	162.94 (PY 134.00)	- -

Salary			
Mr. Sudip Dutta	-	311.11	-
	-	(PY 303.67)	-
Mr. Prasenjit Datta	-	5.31	-
	-	(PY 21.70)	-
Mr. Rajib Mukhopadhyay	-	29.00	-
	-	(PY 6.94)	-
Mr. Soumitra Barari	-	18.49	-
	-	(PY 14.00)	-
Mr. Debdeep Bhattacharya	-	22.25	-
	-	(PY Nil)	-
Total	-	386.16	-
	-	(PY 346.31)	-
Investment as on 31.03.2011			
Flex Art Foil Private Limited	400.00	-	-
	(PY 400.00)	-	-
Total	400.00	-	-
	(PY 400.00)	-	-
Debit Balances as on 31.03.2011			
Flex Art Foil Private Limited	2098.02	-	-
	(PY 1,210.67)	-	-
Mr. Sudip Dutta	-	900.00	-
	(PY Nil)	(PY 900.00)	-
Total	2098.02	900.00	-
	(PY 1,210.67)	(PY 900.00)	-
Credit Balances as on 31.03.2011			
Flex Art Foil Private Limited	618.71	-	-
	(PY 442.66)	-	-
Mr. Soumitra Barari	-	1.66	-
	-	(PY 1.17)	-
Mr. Sudip Dutta	-	112.93	-
	-	(PY 26.92)	-
Mr. Prasenjit Datta	-	Nil	-
	-	(PY 1.48)	-
Mr. Rajib Mukhopadhyay	-	1.90	-
	-	(PY 2.11)	-
Mr. Debdeep Bhattacharya	-	1.08	-
	-	(PY Nil)	-
Mrs. Aarti Dutta	-	-	-
	-	-	(PY 1.80)
Total	618.71	117.57	-
	(PY 442.66)	(PY 31.68)	(PY 1.80)

11. Leases (Accounting Standard - 19)

Operating Lease

The company has leased facilities under non cancelable operating leases. The future lease payments in respect of these leases as at 31st March 2011 and 31st March 2010 are Minimum Lease payments

Particulars		2010-11 Rs in Lacs	2009-10 Rs in Lacs
A	Not later than one year	0.30	0.30
B	Later than one year but not later than five years	1.81	1.51
C	Later than five years.	3.73	4.03

12 Earning per Share (Accounting Standard - 20)

Basic and Diluted earning per share (EPS)

Particulars	2010-11	2009-10
Profit After Tax * Rs In Lacs	10,755.99	3,311.01
Weighted Average Nos of Shares-Basic	3,20,47,811	2,78,24,765
Add Shares to be issued pursuant to merger order dated 30.09.2010 #	-	25,59,046
Weighted Average Nos of Shares-Diluted	3,20,47,811	3,03,83,811
EPS Basic	34.03	11.90
EPS Diluted	34.03	10.90

Dilution in respect of shares to be issued pursuant to the merger is considered for the entire year since the merger is effective 1st April 2008 for FY 2009-10

* Includes impact of merger in the previous year.

13 Deferred Tax Assets and Liabilities (Accounting Standard - 22)

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

Deferred Tax Liability / (Assets)	As At 31/03/2011 Rs In Lacs	As At 31/03/2010 Rs In Lacs
Depreciation on fixed Assets	7,108.57	(356.95)
Other disallowances / deductions	Nil	(17.78)
Carried forward business loss and depreciation	Nil	7,878.64
Net Deferred Tax Asset	7,108.57	7,503.91

14. Details of Movements in Provisions (Accounting Standard - 29)

(Rs. in Lacs)

Particulars	Opening as on 01.04.2010	Provision / Additions made during the year	Provisions Reversed / Adjusted	Closing as on 31.03.2011
Taxation	5,432.65 CY (PY 3,132.82)	2,917.90 CY (PY 2,301.47)	1.47 CY (PY 1.64)	8,349.08 CY (PY 5,432.65)
Dividend	747.36 CY (PY 651.07)	747.41 CY (PY 747.36)	747.36 CY (PY 651.07)	747.41 CY (PY 747.36)
Sales tax #	5,495.00 CY (PY 5,495.00)	- -	- -	5,495.00 CY (PY 5,495.00)
Excise Duty#	1,029.46 CY (PY 1,031.00)	- -	- (PY 1.54)	1,029.46 CY (PY 1029.46)
Impairment #	5,517.86 CY (PY 5,680.00)	- -	1,032.26 CY (PY 162.14)	4,485.60 CY (PY 5,517.86)
Other Provisions	92.99 CY (PY Nil)	97.85 CY (PY 92.99)	92.99 CY (PY Nil)	97.85 CY (PY 92.99)

Out flow in respect of above provisions, both timing and certainty would depend on developments / outcome of these events.

Additional information pursuant to paragraphs 3, 4C and, 4D of part II of Schedule VI to the Companies Act, 1956.

15 Information regarding capacity, stocks, production and sale (as certified by Management)

- i) Licensed Capacity: Not applicable
 ii) Installed Capacity: Foil 37,000 Mts p.a
 PVC 4,200 Mts p.a

(As certified by the management and being a technical matter accepted by the auditors)

iii) Stocks, Production and Sales:

Details	Unit		Opening Stock	Closing Stock	Production / Consumption during the year	Quantity Sold	Sales Value Net of Excise Rs. in Lacs
Aluminium Foil	Mts.	CY (PY)	58.308 (39.307)	92.015 (58.308)	22,938.018 (20,631.381)	22,902.872 (20,612.379)	61214.92 (50,575.01)
PVC Film	Mts.	CY (PY)	30.020 (6.865)	26,030 (30.020)	2998.128 (3,228.999)	3002.118 (3,205.844)	3,440.88 (3,356.49)

iv) Raw Materials consumed:

	2010-11		2009-10	
	MTS	Rs. in Lacs	MTS	Rs. in Lacs
Aluminium Foil Stock	22,938.020	29,388.69	21,389.223	24,713.77
PVC Resin	2,998.000	1,454.69	3,205.844	1,469.88
Others		11,209.59		7,178.21
Grand Total		42,052.97		33,361.86

Notes: None of the items included in the groups individually account for 10% or more of the total value of materials consumed. In the absence of verifiable records the Auditors have relied upon the management's representation to this behalf

16 Foreign Currency Earnings and outgo

(Rs in Lacs)

		2010-11	2009-10
16.1	Value of Imports calculated on CIF Basis Raw Materials Capital Goods	18,235.70 Nil	16,821.67 10.51
16.2	Earnings in Foreign Exchange: FOB Value of Exports	4,014.98	3,391.91
16.3	Expenditure in Foreign Currency: Travelling Advertisement Export Commission	122.94 Nil 56.74	44.21 1.08 112.51

17 Value of Raw Materials consumed

	2010-11		2009-10	
	Rs in Lacs	Percent	Rs in Lacs	Percent
Aluminium Foil Imported Indigenous	29,388.69	100%	24,713.77	100%
PVC Imported Indigenous	1233.72 220.97	84.81% 15.19%	877.36 592.52	59.68% 40.31%

18. Investments Bought and Sold during the year. * Schedule 5

(Rs in Lacs)

Sr.	Particulars	Bought		Sold		Closing Balance		
		Units	Value	Units	Value	Units	NAV	Value
1	Bharti Axa Liquid Fund	1670702.097	16707.02	1670702.097	16707.02	Nil	Nil	Nil
2	UTI Mutual Fund - Institutional Plan (Growth) - Liquid Cash Plan - Floating Rate Fund - Treasury Advantage Fund	635906.997 245269.513 251207.226 365457.039	8000.00 2500.39 2514.01 3655.35	635906.997 245269.513 251207.226 365457.039	8000.00 2500.39 2514.01 3655.35	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil
3	Axis Mutual Fund - Short Term Fund Institutional Plan - Treasury Advantage Fund - Liquid Fund Institutional Plan.	73446382.467 738825.105 500218.473	7325.65 7388.26 5002.27	73446382.467 738825.105 500218.473	7325.65 7388.26 5002.27	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
4	Canera Robeco Mutual Fund	93746951.357	11631.28	93746951.357	11631.28	Nil	Nil	Nil
5	SBI Mutual Fund FMP	610842.000	61.08	610842.000	61.08	Nil	Nil	Nil
6	Daiwa Mutual Fund Retail Plan	5030.973	50.34	5030.973	50.34	Nil	Nil	Nil
7	Taurus MF Short Term Bond Fund	330419.402	3309.94			330419.402	1001.739	3309.94
8	L&T MF Freedom Income STP Inst	29439866.510	2,989.68	7926973.373	805.00	21512893.140	10.155	2185.31
9	JM Financial MF Short Term Fund.	3497257.826	366.12			3497257.826	10.451	365.49
							Total	5,860.74

19. Previous year's figures have been regrouped / reclassified wherever necessary.

Subsidiary Companies' Particulars

Particulars regarding subsidiary Companies, in accordance with section 212 (8) of the Companies Act, 1956 and General Circular No: 02/2011 dated 8th February, 2011 from the Ministry of Corporate Affairs.

Name of the Subsidiary : Flex Art Foil Private Limited.

Country : India

Year : 2010-11

All Figures Rs. in Lacs

Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investment included in Total Assets	Turnover	Profit/ (Loss) Before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend
2,000.00	4,805.01	12,979.43	6,174.43	0.53	11,356.07	1,245.16	305.09	940.07	Nil

Signature to Schedules
As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary

Balance Sheet Abstract and General Profile of the Company under Part IV to Schedule of the Companies Act, 1956

Sr. No.	Particulars	Details
I	Registration Details Registration No State Code Balance Sheet Date	L27203DD2004PLC003385 56 31.03.2011
II	Capital raised during the year (Rupees in Thousand) Public Issue Right Issue Bonus Issue Private Placement	Nil Nil Nil 42,230.46
III	Position of mobilization and deployment of funds (Rupees in Thousand) Total Liabilities Total Assets	84,36,130 84,36,130
IV	Sources of Funds (Rupees in Thousand) Paid up capital Reserves and surplus Deferred Tax Liability (Net) Secured Loans Unsecured Loans	3,20,478.00 60,14,362.00 (7,10,857.00) 18,91,028.00 -
V	Application of Funds (Rupees in Thousand) Net Fixed Assets (Incl. of CWIP) Investments Net Current Assets Miscellaneous Expenditure	49,20,716.00 6,26,228.00 21,78,329.00 -
VI	Performance of Company (Rupees in Thousand) Turnover (Include other Income) Total Expenditure Profit/(Loss) Before Tax Profit/(Loss) After Tax Earning Per Share (Rs.) Dividend (%)	67,24,374.00 53,17,451.00 14,06,923.00 10,75,599.00 34.03 20%
VII	Generic Name of Principal Products of Company (As per monetary terms) Item Code No (ITC Code) Manufacture of Blister Aluminium Foil / PVC /PVdC Rigid Film 76.07/39.20	

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

- 1 We have examined the attached financial statements of Ess Dee Aluminium Limited and its subsidiary (the "Ess Dee Group") as at March 31, 2011 comprising the consolidated Balance Sheet, the consolidated Profit and Loss account and consolidated Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on them based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all respects, in accordance with the prescribed financial reporting framework and are free of material misstatements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
- 3 We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, and on the basis of the separate audited financial statements of the Flex Art Foil Private Limited included in the consolidated financial statements.
- 4 We report that these Consolidated Financial statements, give a true and fair view
 - a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Ess Dee Group as at March 31, 2011;
 - b. in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Ess Dee Group for the year then ended and
 - c. in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Ess Dee Group for the year then ended.

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

Ashutosh Pednekar
Partner
ICAI M. No. 041037
Place : Mumbai,
Date : May 27, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	SCHEDULE Nos.	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	1	3,204.78	2,782.48
Share Capital Suspense Account	1A	-	15,130.79
Reserves And Surplus	2	66,604.97	32,757.92
Loan Funds			
Secured Loans	3	21,395.91	17,865.32
Deferred Sales Tax Liability		2,102.62	2,102.62
Total		93,308.28	70,639.13
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		46,615.45	40,346.98
Less : Depreciation		18,600.05	13,386.92
Net Block		28,015.35	26,960.11
Capital Work In Progress	4A	24,607.86	10,880.38
Investments	5	5,862.81	2.07
Deferred Tax Asset (Net)	6	6,984.89	7,420.99
Current Assets, Loans And Advances			
Inventories	7	5,856.52	5,464.13
Sundry Debtors	8	36,602.68	35,010.90
Cash & Bank Balances	9	1,896.78	1,583.83
Loans & Advances	10	13,284.43	9,545.57
Total Current Assets (A)		57,640.41	51,604.43
Current Liabilities & Provisions	11		
Current Liabilities		13,188.87	12,795.44
Provisions		16,614.17	13,433.42
Total Current Liabilities (B)		29,803.04	26,228.86
Net Current Assets (A-B)		27,837.37	25,375.57
Total		93,308.28	70,639.13
Significant Accounting Policies & Notes to Accounts	18		
The Schedules referred to above form an integral part of the Balance Sheet			

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	SCHEDULE Nos.	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Income			
Gross Sales		80,345.66	65,873.75
Less Inter Company Sales		8,277.09	4,421.03
Less Excise Duty		4,000.69	2,606.95
Net Sales		68,067.88	58,845.77
Other Income	12	1,566.52	1,397.67
Reversal Of Impairment		1,032.26	162.14
TOTAL		70,666.66	60,405.58
Expenditure			
Material Costs	13	42,672.67	35,342.20
Manufacturing Expenses	14	2,834.08	2,538.65
Employee Costs	15	2,700.20	2,436.53
Selling and Administrative Expenses	16	2,804.97	2,766.56
Financial Expenses	17	2,207.00	1,996.83
Depreciation	4	2,028.14	1,741.22
TOTAL		55,247.06	46,821.99
Profit Before Tax		15,419.60	13,583.59
Provision For Taxation			
Current Tax		3,180.30	2,565.30
Wealth Tax		1.93	1.52
Deferred Tax		436.10	(8,311.33)
Profit After Tax		11,801.27	19,328.10
Loss After Tax for the FY 2008-09		-	(14,881.66)
Profit		11,801.27	4,446.44
Balance of Profit and Loss Account of erstwhile IFL (Net of Adjustment as per BIFR order dated 30/09/2010)		-	(13,527.90)
Total		11,801.27	(9,081.46)
Balance Brought Forward from previous year		3,835.53	14,664.03
Profit Available For Appropriation		15,636.80	5,582.57
Add : Excess provision of Wealth Tax		-	0.31
Less : Proposed Dividend		640.96	640.96
Less : Corporate Dividend Tax Thereon		106.45	106.40
Less : Transferred to General Reserve		900.00	1,000.00
Less : Transferred to Debenture Redemption Reserve		700.00	-
Balance Carried To Balance Sheet		13,289.39	3,835.52
Earnings per Equity Share (Basic) Rs.		37.34	15.98
Earnings per Equity Share (Diluted) Rs.		37.34	14.63
Significant Accounting Policies and Notes to Accounts	18		

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2011

Particulars	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
A Cash Flows From Operating Activities		
Profit before prior period items, tax & after Extraordinary Items	15,419.60	13,583.59
Add :		
Depreciation	2,028.14	1,741.22
Goodwill on consolidation	-	13,851.44
Impairment Loss / Reversal of Impairment of Assets	(1,032.26)	(162.14)
Deferred Tax Liability / (Assets)	-	(8,311.33)
Minority Interest	-	(12,549.50)
Interest Paid	2,207.00	1,996.83
	<u>3,202.89</u>	<u>(3,433.48)</u>
Operating Profit before working Capital Changes	18,622.49	10,150.11
Working Capital Changes		
(Increase) / Decrease in Inventories	(392.39)	(1,106.48)
(Increase) / Decrease in Debtors	(1,591.72)	(7,572.64)
(Increase) / Decrease in Other Current Assets	(3,738.90)	(2,701.61)
(Increase) / Decrease in Trade Payables	3,574.19	7,848.73
(Increase) / Decrease in Working Capital	<u>(2,148.82)</u>	<u>(3,532.00)</u>
Cash Generated from Operating Activities	16,473.67	6,618.11
Tax Paid	<u>(3,182.23)</u>	<u>(2,566.51)</u>
	<u>(3,182.23)</u>	<u>(2,566.51)</u>
Net Cash used (-)/(+) generated from operating activities (A)	13,291.44	4,051.60
B Cash Flows from Investing Activities		
Purchase of Fixed Assets	(15,778.61)	(13,238.17)
Effect of Merger & Consolidation of Subsidiary	(5,860.77)	(8,012.35)
Depreciation on consolidation of Subsidiary	-	(23.22)
Net Cash used (-)/(+) generated from investing activities	(21,639.38)	(21,273.74)
C Cash Flows From Financing Activities		
Share Capital Suspense a/c on a/c of Merger	-	15,130.79
Proceeds from Issue of Share Capital	8,084.71	-
Interest Paid	(2,207.00)	(1,996.83)
Dividend & Taxes thereon	(747.41)	(747.36)
Proceeds from Long term borrowings Net	3,530.59	5,190.47
Repayment of Short Term Borrowings	-	(9.38)
Net Cash used (-)/(+) generated from financing activities	8,660.89	17,567.69
D Net Increase (+)/ Decrease (-) in cash and cash equivalent	312.95	345.55
Cash and Cash Equivalent Opening Balance	1,583.83	1,238.28
Cash and Cash Equivalent Closing Balance #	1,896.78	1,583.83
# Includes deposits of Rs 1,020.10 lacs pledged as margin		

As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary



SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET		31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 1			
SHARE CAPITAL			
Authorised			
Equity Shares			
(CY 3,50,00,000 Equity Shares of Rs 10/- each)		3,500.00	3,500.00
(PY 3,50,00,000 Equity Shares of Rs 10/- each)			
(CY 80,00,00,000 Equity Shares of Re 1 each)		8,000.00	8,000.00
(PY 80,00,00,000 Equity Shares of Re 1 each)			
Preference Shares			
(CY 2,56,40,000 Preference Shares of Rs 100/- each)		25,640.00	25,640.00
(PY 2,56,40,000 Preference Shares of Rs 100/- each)			
Issued Subscribed & Paid Up			
Equity Shares			
(CY 3,20,47,811 Equity Shares of Rs 10/- each)		3,204.78	2,782.48
(PY 2,78,24,765 Equity Shares of Rs 10/- each)			
TOTAL		3,204.78	2,782.48
Note :- a) Of the total Paid up Capital 40,00,000 Equity Shares of Rs 10 each fully paid up (PY 40,00,000 of Rs 10 each) have been issued for consideration other than cash.			
b) 95,58,182 (PY 95,58,182) Equity Shares have been issued as fully paid-up bonus shares by capitalization of reserves on 13/04/2006			
c) 25,59,046 Equity shares of Rs 10 each allotted as fully paid up pursuant to Modified Rehabilitation Scheme sanctioned by BIFR vide order dated 30 th September, 2010.			
d) During the year 16,64,000 Equity shares of Rs 10 each fully paid up were allotted through a qualified institutional placement.			
Schedule No 1A			
Share Capital Suspense Account			
Opening Balance		15,130.79	-
Less Allotment of Shares pursuant to Merger		13,955.50	-
Less Capital Reserve on Merger		1,175.29	-
Add : Effect of Merger		-	15,130.79
TOTAL		-	15,130.79
Schedule No 2			
RESERVES & SURPLUS			
Revaluation Reserve			
Opening Balance		897.59	897.59
TOTAL		897.59	897.59
Capital Reserve			
Opening Balance		155.90	155.90
Add : Capital Reserve on Merger		1,175.29	-
TOTAL		1,331.19	155.90
Securities Premium Account			
Opening Balance		23,718.90	23,718.90
Add : Received during the year		21,617.91	-
TOTAL		45,336.81	23,718.90
General Reserve			
Opening Balance		2,550.00	1,550.00
Add : Transferred from Profit & Loss Account		900.00	1,000.00
TOTAL		3,450.00	2,550.00
Debenture Redemption Reserve			
Opening Balance		-	-
Add : Transferred from Profit & Loss Account		700.00	-
TOTAL		700.00	-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Profit & Loss Account		
Transferred from Profit & Loss A/c	13,289.38	3,835.53
Add : Additions on account of Consolidation	1,600.00	1,600.00
TOTAL	14,889.38	5,435.53
TOTAL	66,604.99	32,757.92
Schedule No 3 SECURED LOANS		
400 (PY Nil) 9.30% Redeemable Non Convertible Debenture of Rs 10 Lacs each #	4,000.00	-
400 (PY Nil) 9.65% Redeemable Non Convertible Debentures of Rs 10 Lacs each #	4,000.00	-
Term Loans from Banks #	118.32	5,269.25
Cash Credit with Banks #	13,193.20	12,564.85
Vehicle Loans #	84.39	31.22
TOTAL	21,395.91	17,865.32

- Note : # a) 9.30% NCD are redeemable at par on 29th July 2013.
b) 9.65% NCD are redeemable at par in four equal installments commencing from 29th July 2014.
c) NCDs are secured by first charge on land at Mehsana and fixed assets situated at Bhimpore to extent of Rs10,000 Lacs.
d) Term Loans from Banks are secured by first charge on Fixed Assets of the company.
e) Installment of term loan due within one year Rs 108.08 Lacs (PY Rs 5172.92 Lacs).
f) Cash Credit and other facilities from the Company's bankers are secured by pari pasu first charge on the entire fixed assets of the Holding company other than (c) above and current assets comprising of stock of raw materials, consumable stores and spares in the factory godown or in transit and book debts / receivables of the company.
g) Cash Credit and other facilities from the subsidiary Company's bankers are secured by pari pasu first charge on subsidiary's entire Fixed assets and current assets comprising of stock of raw materials, consumable stores and spares in the factory godown or in transit and book debts / receivables of the subsidiary company.
h) Vehicle Loans are secured by hypothecation of vehicles purchased.

Schedule Nos. 4

FIXED ASSETS

Schedule Forming part of Consolidated Balance Sheet.

Sr	Particulars	GROSS BLOCK					DEPRECIATION				NET BLOCK		All Figs Rs in Lacs
		Opening As at 01/04/10 Rs	Additions Rs	Deduc-tion/ Adjust ments Rs	Reversal Of Impairment Rs	Gross Block As at 31/03/11 Rs	Opening As At 01/04/10 Rs	Additions Rs	Deduct/ As Adjust Rs	Reversal On Impairment Rs	Depreciation As at 31/03/2011 Rs	Net Block As at 31/03/11 Rs	
1	Lease Hold Land	501.37	-	-		501.37	63.63	5.54	-	-	69.17	432.21	437.74
2	Free Hold Land	689.05	5.01	-		694.06	-	-	-	-	-	694.06	689.05
3	Factory Building	5,886.99	446.85	-		6,333.84	1,689.01	197.73	-	-	1,886.74	4,447.10	4,197.98
4	Plant & Machinery	30,306.85	1,305.51	-	4,217.32	35,829.68	10,657.55	1,627.66	-	3,185.06	15,470.27	20,355.49	19,649.35
5	Factory Equipment	513.69	76.02	-		589.71	102.71	25.61	-	-	128.32	461.40	410.98
6	Electrical Installation	669.49	45.03	-		714.54	82.42	32.66	-	-	115.08	599.47	587.07
7	Office Equipments	517.85	4.91	-		522.76	462.12	20.90	-	-	483.02	43.78	55.73
8	Computer Systems	111.97	10.36	-		122.33	46.67	18.90	-	-	65.57	56.97	65.50
9	Computer Software	39.41	3.86	-		43.27	16.63	8.25	-	-	24.88	18.38	22.78
10	Air conditioners	33.24	0.30	-		33.54	4.94	1.58	-	-	6.52	27.01	28.30
11	Furniture & Fixtures	678.34	5.74	-		684.08	137.15	43.24	-	-	180.39	503.68	541.19
12	Vehicles	398.74	147.51	-		546.25	124.29	46.07	-	-	170.36	375.85	274.45
	Total	40,346.98	2,051.13	-	4,217.32	46,615.43	13,386.87	2,028.14		3,185.06	18,600.06	28,015.35	26,960.11
	Previous Year	37,468.25	2,407.15	49.37	520.95	40,346.99	11,310.95	1,741.20	23.15	358.81	13,386.87	26,960.11	26,158.19

**Schedule Nos. 4A
CAPITAL WORK IN PROGRESS**

All Figures Rs in Lacs

Sr	Particulars	GROSS BLOCK			NET BLOCK	
		Opening As at 01/04/2010 Rs	Additions Rs	Transfer Rs	Gross Block As at 31/03/2011 Rs	As at 31/03/2010 Rs
1	Capital Work in Progress	10,880.38	13,727.48	-	24,607.86	10,880.38
	Total	10,880.38	13,727.48	-	24,607.86	10,880.38
	Previous Year	-	10,880.38	-	10,880.38	-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 5 INVESTMENTS		
UNQUOTED INVESTMENTS TRADE		
- Shares of Shamrao Vithal Co.op Bank Ltd (CY Unquoted at cost 8,275 ordinary shares of Rs 25 each fully paid up) (PY Unquoted at cost 8,275 ordinary shares of Rs 25 each fully paid up) of these 100 shares (PY 100 shares) are held in the name of erstwhile partnership firm Aditya Foils	2.07	2.07
Investments in Mutual Funds *Refer Note No. 15	5,860.74	-
TOTAL	5,862.81	2.07
Schedule No 6 DEFERRED TAX LIABILITY / ASSET (Net)		
Opening Balance	7,420.99	(890.34)
Add : Current year Provisions	(436.10)	8,311.33
TOTAL	6,984.89	7,420.99
Schedule No 7 INVENTORIES		
(As taken valued and certified by the management) (At cost or net realizable value whichever is lower)		
- Raw Materials	2,349.61	2,400.40
- Work in Progress	319.47	309.80
- Finished Goods	428.04	326.18
- Stores & Spares	2,759.40	2,427.75
TOTAL	5,856.52	5,464.13
Schedule No 8 SUNDRY DEBTORS		
(Unsecured Considered Good)		
- Debts Outstanding for a period exceeding six months		
- Subsidiaries	-	-
- Others	3,719.55	7,393.96
- Other Debts		
- Subsidiaries	-	-
- Others	32,883.13	27,616.94
TOTAL	36,602.68	35,010.90
Schedule No 9 CASH AND BANK BALANCES		
Cash on Hand	17.99	101.53
Balance with scheduled Banks		
- On Current Account	858.69	471.23
- On deposit Account	-	1.86
- On Deposit Account as Margin Money	1,020.10	1,009.21
TOTAL	1,896.78	1,583.83
Schedule No 10 LOANS & ADVANCE		
(Unsecured Considered Good)		
Advance recoverable in cash or in kind or for value to be received	9,117.77	5,614.54
Deposit	1,158.31	1,163.63
Advance payment of Tax	2,983.69	2,766.48
Accrued Interest on Fixed Deposit	24.66	0.92
TOTAL	13,284.43	9,545.57

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET		31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 11			
CURRENT LIABILITIES AND PROVISIONS			
Sundry Creditors			
1 a) Micro, Small and Medium Enterprises		51.15	75.33
b) Others		13,136.07	12,718.46
2) Investor Education and Protection Fund to be credited by the Unclaimed -			
	Dividend	0.12	0.12
	Fixed Deposit	1.53	1.53
	TOTAL	13,188.87	12,795.44
Provisions			
Provisions for Taxes		15,866.76	12,686.06
Proposed Dividend		640.96	640.96
Tax on Dividend Distribution		106.45	106.40
	TOTAL	16,614.17	13,433.42
	TOTAL	29,803.04	26,228.86

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 12 OTHER INCOME		
- Dividend from unquoted trade investments	229.31	0.31
- Foreign Exchange Gain	244.01	279.44
- DEPB Export Incentive	234.73	154.02
- Interest on Fixed Deposit (TDS Rs 5.38 Lacs, PY Rs 57.50 Lacs)	79.40	52.72
- Long Term Capital Gains	156.49	733.10
- Others	622.58	178.08
TOTAL	1,566.52	1,397.67
Schedule No 13 MATERIAL COST		
Opening Stock	5,186.83	3,130.80
Add : Transfer on account of Amalgamation	-	1,170.04
Add : Purchases	43,065.05	36,340.06
TOTAL	48,251.88	40,640.90
Less Closing Stock	5,372.10	5,186.83
TOTAL	42,879.78	35,454.07
Increase / Decrease in Finished Goods		
Opening Stock of Finished Goods	326.18	111.10
Add : Transfer on account of merger	-	54.33
Closing Stock of Finished Goods	428.04	326.18
(Accretion) / Decretion in stock	(101.86)	(160.75)
Less Stock Reserve	105.25	(48.88)
TOTAL	42,672.67	35,342.20
Schedule No 14 MANUFACTURING EXPENSES		
- Freight Carriage	210.71	155.90
- Power and Fuel	1,831.99	1,682.42
- Labour Charges	297.66	269.26
- Factory Expenses	311.12	236.03
- Repairs & Maintenance	182.60	195.04
TOTAL	2,834.08	2,538.65
Schedule No 15 EMPLOYMENT COST		
- Salary, Wages and Allowance	2,382.57	2,190.86
- Staff Welfare and other benefits	131.69	115.19
- Contribution to Provident and other Funds	185.94	130.48
TOTAL	2,700.20	2,436.53

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT	31st March 11 Rs in Lacs	31st March 10 Rs in Lacs
Schedule No 16		
SELLING AND ADMINISTRATIVE EXPENSES		
- Auditors Remuneration	21.50	17.14
- Advertisement & Publicity	20.39	16.30
- Carriage Outward	690.40	559.64
- Commission on Sales	120.26	116.86
- Foreign Exchange	10.08	23.97
- Legal & Professional Charges	431.15	610.13
- Rates & Taxes	382.83	395.64
- Rent	242.85	204.27
- Insurance Charges	61.04	42.12
- Interest on Deferred Sales tax	135.23	101.37
- Postage & Telephone	59.96	57.00
- Conveyance & Travelling	211.62	190.05
- Other Expenses	417.66	432.07
TOTAL	2,804.97	2,766.56
Schedule No 17		
FINANCIAL EXPENSES		
- Bank Interest	1,795.17	1,452.25
- Bank Commission and Other Charges	411.83	544.58
TOTAL	2,207.00	1,996.83

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

SCHEDULE NO. 18

A) 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 that 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 dispatch 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 Profit and Loss Account.

7. Employee Benefits:

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

Year's accrued liability on account of Gratuity and Leave encashment benefit [only for employees of erstwhile India Foils Limited (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. For other employees Gratuity is considered actuarial and accounted for as per actuarial valuation done by SBI Life Insurance Company Ltd. Under the Group Gratuity scheme and leave encashment is accounted for as per actuarial valuation done by an actuary.

Contributions towards provident funds are recognized as expense.

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

Year's accrued liability on account of Pension Scheme for certain employees of erstwhile IFL under defined benefit plan upto 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. Financials Derivatives Hedging Transactions.

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

10. Provision, Contingent Liabilities and Contingent Assets

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

11. Impairment of Assets

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

12. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Weighted average number of equity shares outstanding during the period is adjusted for events of bonus share. 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.

SCHEDULE 18**B) NOTES TO ACCOUNTS****1. 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 Private Limited	100%	31.03.2011	M/s. M.P. Chitale & Co.

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.

2. Merger of erstwhile India Foils Limited (IFL)

The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order September 30, 2010 has sanctioned the Modified Rehabilitation cum Merger Scheme (Scheme) for the revival of erstwhile India Foils Limited (IFL), a subsidiary of Ess Dee Aluminium Limited (EDAL). According to the Scheme, IFL with effect from April 1, 2008 stands merged into EDAL without any further act, instrument or deed and without registration of any document. In accordance with the exchange ratio approved in the Scheme of Merger the Company has on October 30, 2010 issued & allotted 25,59,046 fully paid equity shares of Rs.10/- each to the eligible share holders of erstwhile IFL.

3. Placement of Shares through QIP

During the current year, the Company made a Qualified Institutional Placement, in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, of 16,64,000 equity shares of Rs. 10/- each at a premium of Rs. 507.03 per share to Qualified Institutional Buyers on 7th July, 2010.

4. Contingent Liabilities

- a) The Company has given guarantee to the electricity supply undertakings aggregating to Rs. 87.69 Lacs (PY 13.80 Lacs) which is secured by fixed deposit under lien to the bank to the extent of Rs 7.95 Lacs. (PY 3.45 Lacs).
- b) The Company is under obligation under the EPCG and Advance License scheme to export Aluminium Foil and PVC film. The contingent liability under the guarantee amounted to Rs 133.07 Lacs (PY 179.17 Lacs) , which is secured by fixed deposit under lien to the bank to the extent of Rs 116.97 Lacs. (PY 163.07 Lacs).

- c) Guarantees: - The Company has given guarantee to the electricity supply undertakings aggregating to Rs 6.30 Lacs (P.Y 4.73 Lacs) which is secured by fixed deposit under lien to the bank to the extent of Rs 6.30 Lacs (PY 1.86 Lacs).
- d) Guarantees given for a bank loan taken for its subsidiary Flex Art Foil Private Limited to the extent of Rs 2,640.00 Lacs (PY 3,058.60 Lacs)
- e) Demand from Kolkata Port Trust in respect of increased lease rental amounting to Rs 186.18 lacs (P Y Rs.186.18 lacs) against the Company not acknowledged as debt. The matter is subjudice and is pending before the Appellate Authority for Industrial and Financial Reconstruction. The Estate Officer appointed under the Public Premises (Eviction of Unauthorized Occupants) Act, 1971 has served an order dated 10/12/2009 for eviction and auction of the Company's assets situated at Taratalla. The Company has filed an appeal before the District Judge Alipore Court, Kolkata challenging this order and is confident that the order of the Estate Officer will be overturned.
- f) The company has issued a bank guarantee to the customs authorities Kolkata Airport for a value of Rs 23.29 Lacs (PY 23.29 Lacs) which is fully secured by a fixed deposit under lien to the bank.
- g) The demand from Commissioner of Excise in respect of liability of Rs. 10.46 lacs (PY Rs. 10.46 lacs). The Company has filed an appeal with the first appellate authority. This demand has already been paid under protest.

5. Remuneration to Directors

Exclusive of future liabilities in respect of retirement benefits like contribution to gratuity fund, provision for leave encashment on retirement and other retirement benefits.

Remuneration to Directors	2010-11 Rs In Lacs	2009-10 Rs In Lacs
(a) Salary	377.73	358.64
(b) Allowances	Nil	Nil
(c) Perquisites	11.11	3.97
(d) Sitting Fees to non-executive directors	3.25	3.46

6. Payment to Auditors:

	2010-11 Rs In Lacs	2009-10 Rs In Lacs
Audit Fees	21.50	17.14
Tax Audit Fees	5.20	4.38
Other Services and Certification fees	0.60	0.90

7. Suppliers/service providers covered under Micro, Small, Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. Hence, information required to be disclosed u/s 22 of the said Act is given, to the extent of declaration received.

Sr.	Description	2010-11 Rs in Lacs	2009-10 Rs in Lacs
1	The Principal amount remaining unpaid to supplier as at the end of accounting year	51.15	75.32
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

8. In the opinion of the Board, the Current Assets, Loans, and Advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

9. Segment Reporting (Accounting Standard 17)

There is only one business segment viz; advance packaging solutions. Accordingly, no disclosure is required to be made AS 17.

10. Related Party Disclosures (Accounting Standard 18)

10.1 List of Related Parties and Relationship with whom the transactions were held during the year 2010-11.

Sr	Particulars	Particulars
A	Key Management Personnel	Mr. Sudip Dutta CMD Mr. Rajib Mukhopadhyay Mr. Soumitra Barari Mr. Debdeep Bhattacharya Mr. Prasenjit Datta (Resigned w.e.f. 31/07/2010) Mrs. Vinaya Desai Mr. Abhijeet Bose (Resigned w.e.f. 26/05/2010)
B	Relative of Key Management Personnel	Mrs. Aarti Dutta Mr. Abhishek Deshmukh
C	Enterprises over which key management personnel and their relatives are able to exercise significant influence.	M/s Parth International M/s Neat Pack Vyoma Investment & Finance Company Pvt Ltd Ess Dee Eco Energy Private Limited Ess Dee Clean Coal Technologies Private Limited Ess Dee Infraventure Private Limited

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

Nature of Transaction	Key Management Personnel Rs. in Lacs	Relative of Management Personnel Rs. in Lacs	Related Enterprises Rs. in Lacs
Rent Paid			
Mr. Sudip Dutta	162.43	-	-
	(PY 150.00)	-	-
Mrs. Aarti Dutta	-	24.00	-
	(PY Nil)	(PY 6.00)	(PY Nil)
Total	162.43	24.00	-
	(PY 150.00)	(PY 6.00)	(PY Nil)
Salary			
Mr. Sudip Dutta	311.11	-	-
	(PY 303.67)	(PY Nil)	(PY Nil)
Mr. Prasenjit Datta	5.31	-	-
	(PY 21.70)	(PY Nil)	(PY Nil)
Mr. Rajib Mukhopadhyay	29.00	-	-
	(PY 6.94)	(PY Nil)	(PY Nil)
Mr. Abhijeet Bose	2.66	-	-
	(PY 15.38)	(PY Nil)	(PY Nil)
Mr. Soumitra Barari	18.49	-	-
	(PY 14.00)	(PY Nil)	(PY Nil)
Mr. Debdeep Bhattacharya	22.25	-	-
	(PY Nil)	(PY Nil)	(PY Nil)
Mr. Abhishek Deshmukh	-	3.10	-
	(PY Nil)	(PY 2.73)	(PY Nil)
Total	388.82	3.10	-
	(PY 347.69)	(PY 2.73)	(PY Nil)
Investment as on 31.03.2011	-	-	-
	(PY Nil)	(PY Nil)	(PY Nil)
Total	-	-	-
	(PY Nil)	(PY Nil)	(PY Nil)
Debit Balances as on 31.03.2011			
Mr. Sudip Dutta	900.00	-	-
	(PY 900.00)	(PY Nil)	(PY Nil)
Total	900.00	-	-
	(PY 900.00)	(PY Nil)	(PY Nil)
Credit Balances as on 31.03.2011			
Mr. Sudip Dutta	112.93	-	-
	(PY 26.92)	(PY Nil)	(PY Nil)
Mr. Prasenjit Datta	Nil	-	-
	(PY 1.48)	(PY Nil)	(PY Nil)
Mr. Rajib Mukhopadhyay	1.90	-	-
	(PY 2.11)	(PY Nil)	(PY Nil)
Mrs. Aarti Dutta	Nil	Nil	-
	(PY Nil)	(PY 1.80)	(PY Nil)
Mr. Debdeep Bhattacharya	1.08	-	-
	(PY Nil)	(PY Nil)	(PY Nil)
Mr. Soumitra Barari	1.66	-	-
	(PY 1.17)	(PY Nil)	(PY Nil)
Total	117.57	-	-
	(PY 31.68)	(PY 1.80)	(PY Nil)

11. Leases (Accounting Standard - 19)**Operating Lease**

The company has leased facilities under non cancelable operating leases. The future lease payments in respect of these leases as at 31st March 2011 and 31st March 2010 are Minimum Lease payments

Particulars		2010-11 Rs In Lacs	2009-10 Rs In Lacs
A	Not later than one year	5.54	5.54
B	Later than one year but not later than five years	28.03	22.19
C	Later than five years.	404.17	410.01

12. Earning per Share (Accounting Standard - 20)**Basic and Diluted earning per share (EPS)**

Particulars	2010-11	2009-10
Profit After Tax * Rs. in lacs	11,801.27	4,446.44
Weighted Average Nos of Shares-Basic	3,20,47,811	2,78,24,765
Add Shares to be issued pursuant to merger order dated 30.09.2010 #	-	25,59,046
Weighted Average Nos of Shares-Diluted	3,20,47,811	3,03,83,811
EPS Basic	37.34	15.98
EPS Diluted	37.34	14.63

Dilution in respect of shares to be issued pursuant to the merger is considered for the entire year since the merger is effective 1st April 2008 in FY 2009 - 10.

* Includes impact of merger in FY 2009 - 10.

13. Deferred Tax Assets and Liabilities (Accounting Standard - 22)

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

Deferred Tax Liability / (Assets)	As At 31/03/2011 Rs In Lacs	As At 31/03/2010 Rs In Lacs
Depreciation on fixed Assets	6,984.88	(356.95)
Other disallowances / deductions	-	(17.78)
Carried forward business loss and depreciation	-	7,878.64
Net Deferred Tax Asset	6,984.88	7,503.91

14. Details of Movements in Provisions (Accounting Standard - 29)

(Rs. In Lacs)

Particulars	Opening as on 01.04.2010	Provision / Additions made during the year	Provisions Reversed / Adjusted	Closing as on 31.03.2011
Taxation	6,161.60 CY (PY 3,597.08)	3,182.23 CY (PY 2,566.82)	1.52 CY (PY 2.30)	9,342.31 CY (PY 6,161.60)
Other Provisions	95.92 CY (PY Nil)	101.96 CY (PY 95.92)	95.92 CY (PY Nil)	101.96 CY (PY 95.92)
Dividend	747.36 CY (PY 651.07)	747.41 CY (PY 747.36)	747.36 CY (PY 651.07)	747.41 CY (PY 747.36)
Sales tax	5,495.00 CY (PY 5,495.00)	- (PY NIL)	- (PY NIL)	5,495.00 CY (PY 5,495.00)
Excise Duty	1,029.46 CY (CY 1,031.00)	- (PY NIL)	- (PY 1.54)	1,029.46 CY (PY 1029.46)
Impairment	5,517.86 CY (PY 5,680.00)	- (PY NIL)	1,032.26 CY (PY 162.14)	4,485.60 CY (PY 5,517.86)

Out flow in respect of above provisions, both timing and certainty would depend on developments / outcome of these events.

15. Investments Bought and Sold during the year. * Schedule 5

(Rs in Lacs)

Sr.	Particulars	Bought		Sold		Closing Balance		
		Units	Value	Units	Value	Units	NAV	Value
1	Bharti Axa Liquid Fund	1670702.097	16707.02	1670702.097	16707.02	Nil	Nil	Nil
2	UTI Mutual Fund							
	- Institutional Plan (Growth)	635906.997	8000.00	635906.997	8000.00	Nil	Nil	Nil
	- Liquid Cash Plan	245269.513	2500.39	245269.513	2500.39	Nil	Nil	Nil
	- Floating Rate Fund	251207.226	2514.01	251207.226	2514.01	Nil	Nil	Nil
	- Treasury Advantage Fund	365457.039	3655.35	365457.039	3655.35	Nil	Nil	Nil
3	Axis Mutual Fund							
	- Short Term Fund Institutional Plan	73446382.467	7325.65	73446382.467	7325.65	Nil	Nil	Nil
	- Treasury Advantage Fund	738825.105	7388.26	738825.105	7388.26	Nil	Nil	Nil
	- Liquid Fund Institutional Plan.	500218.473	5002.27	500218.473	5002.27	Nil	Nil	Nil
4	Canera Robeco Mutual Fund	93746951.357	11631.28	93746951.357	11631.28	Nil	Nil	Nil
5	SBI Mutual Fund FMP	610842.000	61.08	610842.000	61.08	Nil	Nil	Nil
6	Daiwa Mutual Fund Retail Plan	5030.973	50.34	5030.973	50.34	Nil	Nil	Nil
7	Taurus MF Short Term Bond Fund	330419.402	3309.94			330419.402	1001.739	3309.94
8	L&T MF Freedom Income STP Inst	29439866.510	2,989.68	7926973.373	805.00	21512893.140	10.155	2185.31
9	JM Financial MF Short Term Fund.	3497257.826	366.12			3497257.826	10.451	365.49
							Total	5,860.74

16. Previous year's figures have been regrouped / reclassified wherever necessary.

Signature to Schedules
As per our report of even date
For M.P.CHITALE & CO
Chartered Accountants

Ashutosh Pednekar
Partner
Place : Mumbai
Date : 27th May 2011

FOR AND ON BEHALF OF THE BOARD

Sudip Dutta
Chairman and
Managing Director

Rajib Mukhopadhyay
Director Finance

Haresh Vala
Company Secretary

Notes:

[illegible]

ESS DEE ALUMINIUM LIMITED

Regd. Office: P. No. 124-133, Panchal Udyog Nagar, Bhimpore, Daman-396210

7TH 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
appointof.....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 7th Annual General Meeting of the Company to
be held on Wednesday, the 28th day of September, 2011, at 1.00 p.m. at Hotel Sea Rock Inn, Devka Beach,
Daman - 396 210, and at any adjournment thereof.

Affix
Re. 1
Revenue
Stamp.

AS WITNESS my hand/our hands this..... day of2011

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 : P. No. 124-133, Panchal Udyog Nagar, Bhimpore, Daman-396210

7TH 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 7th Annual General Meeting of the Company on Wednesday, the 28th day
of September, 2011, at 1.00 p.m. at Hotel Sea Rock Inn, Devka Beach, Daman - 396 210.

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



Notes:

[illegible]

ESS DEE ALUMINIUM LIMITED

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

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

In case you have not registered your e-mail address for receiving communication from the Company in electronic mode, you may submit the Registration Form given below duly filled in at the Annual General Meeting or submit the same to your Depository Participant (DP).

E-Communication Registration form

(In terms of circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. / DP ID: Client ID:

Name of the 1st Registered Holder:

.....

Name of Joint Holder(s): 1)

2)

3)

Registered Address:

.....

.....

Email ID (to be registered):

I/We shareholder of Ess Dee Aluminium Limited agree to receive communications from the Company in electronic mode. Please register my/our above e-mail id in your records for sending communications through e-mail.

Date:

Signature:

Note: Shareholder(s) are requested to keep the Company/Depository Participant informed as and when there is any change in the e-mail address.



Notes:

[illegible]



Book-Post



If undelivered please return to:

Corporate Office

Ess Dee Aluminium Limited

**Ess Dee House, Akurli Road,
Kandivali East, Mumbai 400 101**

Board Line: + 91 (22) 6690 8200

Fax Line: + 91 (22) 6690 8396

Website: www.essdee.in