

# ESS DEE ALUMINIUM LIMITED

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



Annual Report 2016-17

## **ANNUAL REPORT – 2016-17**

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## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Sudip Dutta	Chairman
Mr. Gautam Mukherjee	Independent Director
Mr. Dilip Phatarphekar	Independent Director
Mr. Madan Mohan Jain	Independent Director
Mr. Debdeep Bhattacharya	Whole Time Director

### **CORPORATE IDENTITY NUMBER**

L27203WB2004PLC170941

### **STATUTORY AUDITORS**

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

### **INTERNAL AUDITOR**

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

### **COST AUDITOR**

Prasad Krishna Sawant  
Bungalow No.2, Siddhi Sankalp, Mervan Road,  
Village-Masoli, Dahanu  
Road, Thane-401602

### **REGISTRAR AND TRANSFER AGENTS**

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

### **BANKERS & LENDERS**

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

### **REGISTERED OFFICE**

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

### **PLANTS**

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

## CHAIRMAN'S SPEECH

Dear Fellow Stakeholders

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

Ess Dee Aluminium has well and truly established itself as a market leader

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

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

The year gone by has witnessed negligible levels of activity with manufacturing units virtually shut down. This situation is expected to continue into FY2018 as our manufacturing units are still not operational. We have undertaken various measures to completely restructure the finances, to bring down debt to sustainable levels and to ensure adequate fund inflow to meet the project completion and working capital requirements over a longer horizon. The restructuring process is time consuming as it involves locating potential equity partners with a shared and aligned vision, extensive discussions with the lenders and fulfilling the compliances to the various regulatory norms.

"It's gonna be okay, no matter how hard your rock bottom is, you can rise above it and you can come back."— Demi Lovato

We have covered a significant distance and are now in advanced discussions with existing / prospective lenders/strategic investors. We hope to bring-in to your notice a comprehensive revival plan by the end of FY2018, with a target to commence operations and complete the stalled transformational project in early calendar 2018. Further, on a regular basis we have audited the hygiene of our equipments besides sharing progress and our long term plans with our marquee clientele. This gives us the confidence that we will move on to the path of sustainable and profitable growth within the shortest possible times. Our enriched product portfolio will also help us expand our foot print globally. We firmly believe-in that there is light in spite of all the darkness

"Not everything that can be counted counts, and not everything that counts can be counted".

-Albert Einstein.

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

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

Sudip Dutta, Chairman

## NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of Ess Dee Aluminium Limited will be held at Aranye Dinratri, Gobagh, Nituria, Purulia, Kolkata – 723142, West Bengal on Sunday, 31st day of December, 2017 at 9.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - (a) the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017, the reports of the Board of Directors' and Auditors' in respect thereof and
  - (b) the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED** that pursuant to the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee, M/s. Shah & Taparia, Chartered Accountants, Mumbai (ICAI Registration No. 109463W), be and is hereby appointed in place of M/s. M.P. Chitale & Co, Chartered Accountants, Mumbai (ICAI Registration No.101851W), whose terms have expired at this Annual General Meeting, as the Statutory Auditor of the Company for a period of 5 (Five) consecutive years, from the conclusion of this AGM till the conclusion of 18<sup>th</sup> Annual General Meeting ("AGM") of the Company (subject to ratification of their appointment at the AGM to be held in FY2018 to examine and audit the accounts of the Company for the Financial Year 2017-18 on such remuneration plus service tax as may be mutually agreed between the Board of Directors and Auditors and out of pocket expenses."

**By Order of the Board of Directors**

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

Date: December 8, 2017  
Registered Office:  
1, Sagore Dutta Ghat Road,  
Kamarhati, Kolkata  
West Bengal – 700058, India  
CIN: L27203WB2004PLC170941  
Email: [investorservice@essdee.in](mailto:investorservice@essdee.in)  
Website: [www.essdee.in](http://www.essdee.in)

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company duly completed, Stamped and signed not less than 48 hours before the commencement of the Meeting.  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A proxy shall not have the right to speak at the meeting. The proxy holder shall prove his / her identity at the time of attending the meeting.
3. Route Map of Venue of the Meeting is attached with the Notice.
4. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Saturday, 23rd December, 2017 to Saturday, 30<sup>th</sup> December, 2017 (both days inclusive).
5. Members are requested to:
  - a) bring their attendance slip duly filled, signed and deliver the same at the entrance of the meeting hall.
  - b) send their questions to the Company, at the Corporate Office at least 10 days before the Annual General Meeting for obtaining any information as regards accounts and operations of the Company so that the same could be compiled in time and made available at the meeting.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc. to their Depository Participant only and not to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.
7. 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.
8. Members are requested to note that dividends not encashed / claimed within 7 years from the date of declaration of dividend will be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30th December, 2016 (date of last Annual General Meeting) on the website of the Company ([www.essdee.in](http://www.essdee.in)), as also on the Ministry of Corporate Affairs website.
9. Members who have not yet encashed their dividend warrants for the financial year 2009-2010, are requested to make their claims without any delay to Bigshare Services Private Limited. It may be noted that the unclaimed dividend for the financial year 2009-2010 declared on 14th December, 2010 can be claimed by the members by 13th December, 2017.
10. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form duly filled in to Bigshare Services Private Limited at their address.

11. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting alongwith the Annual Report 2016-17 being sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. Members are requested to support this Green Initiative by registering / updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) or with the Company's Registrar and Transfer Agents (in case of shares held in physical form). Members may also note that the Notice of the Meeting and the Annual Report 2016-17 will also be available on the Company's website [www.essdee.in](http://www.essdee.in) for their download.
12. **Investor Grievance Redressal :**  
The Company has designated an exclusive e-mail ID viz. [investorservice@essdee.in](mailto:investorservice@essdee.in) to enable investors to register their complaints, if any.
13. **Voting through Electronic means:**  
In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and business may be transacted through remote e-voting services. The facilities of casting the vote by the members using electronic voting systems from a place other than venue of AGM ("remote e-voting") will be provided by the Central Depository Services (India) Limited (CDSL). The facilities for voting through Ballot paper shall be made available at the AGM and members attending the meeting who have not cast their vote by "remote e-voting" shall be able to exercise their right at the meeting through ballot paper.

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

- (i) The voting period begins on **Thursday, 28<sup>th</sup> December, 2017 at (9:00 AM) and ends on Saturday, 30<sup>th</sup> December, 2017 (5:00 PM)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date Tuesday, 26<sup>th</sup> December, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The members who have cast their vote by 'remote e-voting' prior to the date of AGM may also attend the AGM.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com). During the Voting period.
- (v) Click on Shareholders.
- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence</li> </ul>

	<p>number in the PAN field.</p> <ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant Ess Dee Aluminium Limited on which you choose to vote.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 26th December, 2017.



- (xxiii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as of the **cut-off date i.e. 26th December, 2017**, may obtain the login ID and password by sending a request at [evoting@cdslindia.com](mailto:evoting@cdslindia.com). However if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (xxiv) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut –off date only shall be entitled to avail the facility of remote e –voting as well as voting at the AGM through ballot paper.
- (xxv) Mr. Amit R. Dadheech, Practicing Company Secretary (Membership No. 22889) has been appointed as the Scrutinizer to scrutinize voting and remote e-voting process in a fair and transparent manner.
- (xxvi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e –voting facility.
- (xxvii) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e –voting in the presence of at least two witnesses not in the employment of the Company and shall make , not later than three days of the conclusion of AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxviii) The Results declared along with the report of the Scrutinizer shall be placed on the Company’s website [www.essdee.in](http://www.essdee.in) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).
- (xxix) All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Corporate Office of the Company during normal business hours (9.00 am to 5.00pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirteenth Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL RESULTS:

The financial highlights of the year are:

Particulars	Consolidated		Standalone	
	March 2017	March 2016	March 2017	March 2016
<b>Total Income</b>	<b>822.93</b>	<b>50,172.17</b>	<b>815.56</b>	<b>46,917.53</b>
<b>Total Expenditure</b>	<b>56,550.18</b>	<b>70,804.04</b>	<b>50,903.25</b>	<b>64,821.23</b>
<b>Profit/(Loss) before Tax</b>	<b>-55,727.25</b>	<b>-20,631.87</b>	<b>-50,087.69</b>	<b>-17,903.70</b>
Less Provision for Taxation	1,009.68	-5,198.75	1,009.68	-4,892.74
<b>Net Profit/(Loss) after Tax</b>	<b>-56,736.93</b>	<b>-15,433.12</b>	<b>-51,097.37</b>	<b>-13,010.96</b>
Add Balance brought forward	11,080.33	26,513.45	7,404.13	20,415.09
<b>Profit /(Loss)available for Appropriation</b>	<b>-45,656.60</b>	<b>11,080.33</b>	<b>-43,693.24</b>	<b>7,404.13</b>
<b>Appropriation:</b>				
Transfer to General Reserve	--	--	--	--
Transfer to Debenture Redemption Reserve	--	--	--	--
Proposed Dividend	--	--	--	--
Dividend Distribution Tax	--	--	--	--
<b>Balance carried Forward to the next year</b>	<b>-45,656.60</b>	<b>11,080.33</b>	<b>-43,693.24</b>	<b>7,404.13</b>
Earning Per Share (Rs.) Basic	-177.04	-48.16	-159.44	-40.60
Earning Per Share (Rs.) Diluted	-177.04	-48.16	-159.44	-40.60

### 2. PERFORMANCE REVIEW:

The Standalone Overall Income for the year under review decreased to Rs. 815.56 lacs as compared to last year's total income of Rs. 46,917.53 lacs. The standalone total Expenditure for the financial year ended March 31, 2017 decreased to Rs. 50,903.25 as compared to Rs. 64,821.23 in the last financial year. The overall losses incurred by the Company in the current financial year increased to Rs. 51,097.37 lacs as compared to the Loss of Rs. 13,010.96 lacs in the previous year.

The Consolidated Overall Income for the year under review has also decreased to Rs. 822.93 lacs as compared to last year's total income of Rs. 50,172.17 lacs. The consolidated total Expenditure for the financial year ended March 31, 2017 decreased to Rs. 56,550.18 as compared to Rs. 70,804.04 in the last financial year. The overall loss incurred by the Company in the current financial year increased to Rs. 56,736.93 lacs as compared to the Loss of Rs. 15,433.12 lacs in the previous year.

### 3. DIVIDEND:

Since the Company has suffered losses in the current financial year, your directors do not recommend any dividend for the financial year 2016-2017. During the year, the unclaimed dividend pertaining to the dividend for the year ended 31st March, 2010 was transferred to the Investor Education and Protection Fund.