

ESS DEE ALUMINIUM LIMITED

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



ANNUAL REPORT – 2018-19

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sudip Dutta
Mr. Gautam Mukherjee
Mr. Dilip Phatarphekar
Mr. Madan Mohan Jain
Mr. Debdeep Bhattacharya

Chairman
Independent Director
Independent Director
Independent Director (*Resigned w.e.f. June 13, 2019*)
Whole Time Director

CORPORATE IDENTITY NUMBER

L27203WB2004PLC170941

STATUTORY AUDITORS

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

INTERNAL AUDITOR

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

SECRETARIAL AUDITOR

Amit R. Dadheech & Associates,
Company Secretary,
Mumbai

REGISTRAR AND TRANSFER AGENTS

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

LENDERS

State Bank of India
IDBI Bank Limited
Bank of Baroda
Bank of Maharashtra
Life Insurance Corporation of India
Hero FinCorp Limited

Axis Bank Limited
The Shamrao Vithal Co-operative Bank Limited
Corporation Bank
Union Bank of India
IFCI Limited

REGISTERED OFFICE

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

PLANTS

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

P-32, Taratalla Road
Kolkata - 700 088

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

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

Plot No. 161, Kundalim Industrial Estate
Kundalim, Goa - 403 115

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

CHAIRMAN'S SPEECH

Dear Fellow Stakeholders,

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

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

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

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

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

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

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

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

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

Sudip Dutta,
Chairman

NOTICE

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

ORDINARY BUSINESS:

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

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

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

NOTES:

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

Depository Participant only and not to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.

6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Bigshare Services Private Limited, for assistance in this regard.
7. Members are requested to note that dividends not encashed/claimed within 7 years from the date of declaration of dividend will be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30th September, 2018 (date of last Annual General Meeting) on the website of the Company (www.essdee.in), as also on the Ministry of Corporate Affairs website. Kindly note that no claims will lie against the Company once the dividend amount is deposited in IEPF.
8. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting alongwith the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.
Members may also note that the Notice of the Meeting and the Annual Report 2018-19 will also be available on the Company's website www.essdee.in for their download.
9. The Register of Members, Register of Beneficial Owners and Share Transfer Books of the Company will remain closed from Tuesday, September 23, 2019 to Monday, September 29, 2019 (both days inclusive) for the purpose of compliance with the annual closure of Books as per Section 91 of the Companies Act, 2013.
10. Members are requested to:
 - a) bring their attendance slip duly filled, signed and deliver the same at the entrance of the meeting hall.
 - b) send their questions to the Company, at the Corporate Office at least 10 days before the Annual General Meeting for obtaining any information as regards accounts and operations of the Company so that the same could be compiled in time and made available at the meeting.
11. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. In accordance with the Companies Act, 2013 read with the Rules and in support of the 'Green Initiative in Corporate Governance' the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialized format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their Email ID are requested to register their Email ID addresses with M/s Bigshare Services Private Limited, the Company's Registrars and Share Transfer Agents.
12. Route Map of Venue of the Meeting is attached with the Notice.
13. **Investor Grievance Redressal :**
The Company has designated an exclusive e-mail ID viz. investorservice@essdee.in to enable investors to register their complaints, if any.
14. **Voting through Electronic Means:**
In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and business may be transacted through remote e-voting services. The facilities of casting the vote by the members using electronic voting systems from a place other than the venue of AGM ('remote e-voting') will be provided by the Central Depository Services (India) Limited (CDSL). The

facilities for voting through Ballot paper shall be made available at the AGM and members attending the meeting who have not cast their vote by 'remote e-voting' shall be able to exercise their right at the meeting through ballot paper.

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

- a) The voting period begins on September 26, 2019 at 9.00 a.m. and ends on September 28, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) The shareholders should log on to the e-voting website www.evotingindia.com.
- d) Click on Shareholders.
- e) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- f) Next enter the Image Verification as displayed and Click on Login.
- g) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- h) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- i) After entering these details appropriately, click on "SUBMIT" tab.
- j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the EVSN for the relevant <ESS DEE ALUMINIUM LIMITED> on which you choose to vote.
- m) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- p) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- q) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- r) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- t) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Date: September 4, 2019

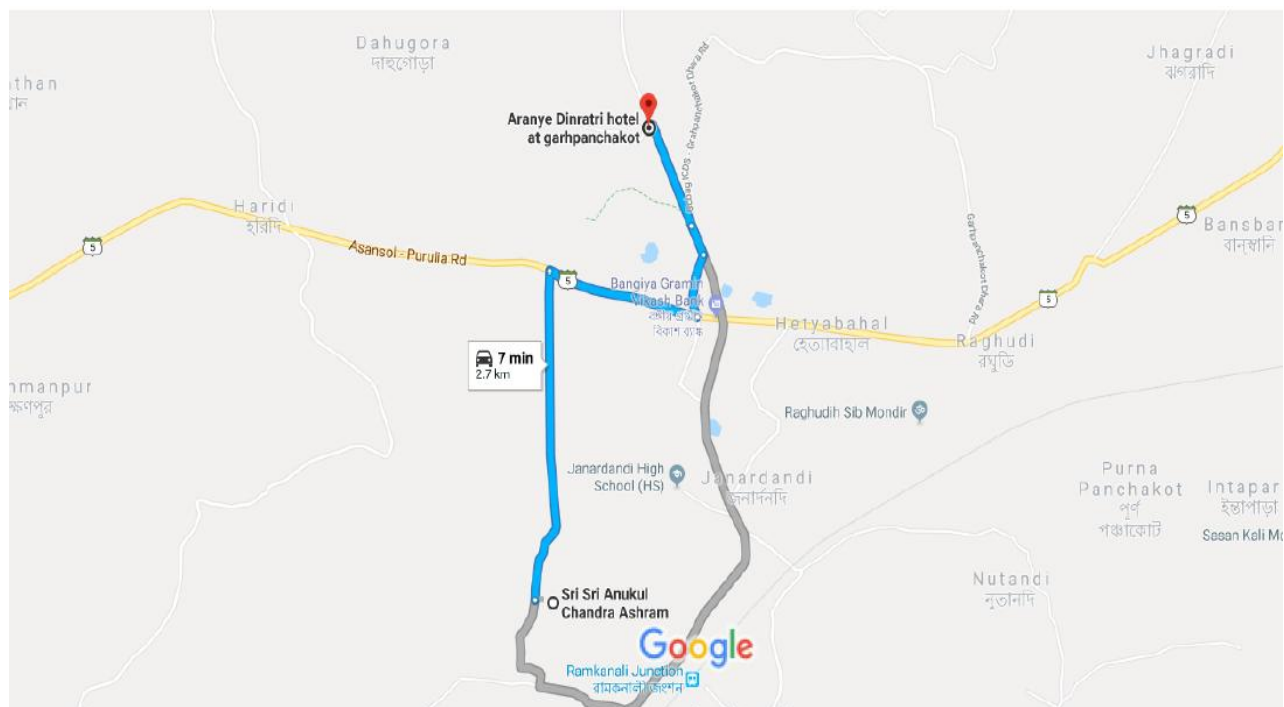
Place: Kolkata

Regd. Office: 1, Sagore Dutta Ghat Road

Kamarhati Kolkata West Bengal-700058

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

ROUTE MAP



DIRECTORS REPORT

Dear Members,

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

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The financial highlights of the year are:

(Rs. in Lacs)

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

2. PERFORMANCE REVIEW:

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

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

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

3. SHARE CAPITAL:

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

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

4. TRANSFER TO RESERVE:

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

5. DIVIDEND:

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

6. PUBLIC DEPOSIT:

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

7. SUBSIDIARY AND ASSOCIATES

Flex Art Foil Limited (FAFL)

Flex Art Foil Limited is the wholly owned Indian Subsidiary of the Company which provides facilities for printing of Aluminium blister and poly to pharmaceutical companies for their packaging solutions at various locations across the country. The policy on material subsidiary is available in the company's website. www.essdee.in

Ess Dee Aluminium Pte. Limited

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

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

8. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Independent Directors:-

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

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

Disqualification of Directors under Section 164 (2):-

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

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015.