

*Milestones to Momentum*

**2022-23**  
ANNUAL REPORT

# Essen Speciality Films Limited

ANNUAL REPORT - 2022-2023

## 21st ANNUAL GENERAL MEETING

**Date** : September 29, 2023 | **Day** : Friday | **Time** : 11.00 a.m.

**Venue** : Rajoo Avenue, Survey No. 210, Plot No. 1,  
Industrial Area, Veraval (Shapar), Dist. : Rajkot - 360 024. Gujarat, India.

---

### Regd. Office

Survey No. 192, Plot No. A, Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Ladhika, Rajkot - 360024 (Gujarat) India.

**Phone** : + 91 98253 12701 | **E-mail** : compliances@essenspeciality.com

**Website** : www.essenspeciality.com | **CIN** : U24224GJ2002PLC041119

## **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that 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, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form given hereunder and register the same to

### **Bigshare Services Private Limited**

A-802, Samudra Complex, Near Klassic Gold Hotel,  
Off C.G Road, Navrangpura,  
Ahmedabad, Gujarat – 380009  
Contact: 079-49196459  
E-mail: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

1. Leadership team	01
2. Chairman's Letter	02
3. Vision	05
4. Corporate Information	06
5. Financial Highlights	10
6. Directors' Report	11
7. Corporate Governance Report	35
8. Audited Financial Statement	56
9. Notice of AGM	97

Our competent team is responsible for corporate governance and is ultimately accountable for overall strategy, risk management and financial performance of the company.

The team is led by our Chairman Mr. Pallav K. Doshi and is ably assisted by the Executive Team.



Pallav Doshi, a second generation entrepreneur, joined Essen Speciality Films in 2008 as a Sales Executive and appointed as Whole-time Director since 2011. He holds a Bachelor's degree in Electronics Engineering with specialization in Nano-technology from University of York, UK. He holds cross functional expertise in New Product Development and Manufacturing Operations. He practices an open door policy to lay a foundation of openness and transparency within the company. This enables the organization to identify areas for improvement and implement changes that result in increased efficiency and productivity. His belief that a process or a product is never perfect is also a vital mindset encouraging a culture of constant innovation and creativity within the organization.

**Pallav K. Doshi** - Chairman & Wholetime Director



Kruti Doshi has been a vital member of the ESSEN team since 2009. With a Bachelor's degree in Interior Designing and a Master's degree in Accessory Design from Central Saint Martins, UK, she possesses expertise in product design & adopts a user centric approach. Sustainability is her passion, and she firmly believes that products should be both functional and aesthetically pleasing while meeting utilitarian needs. Kruti's commitment to excellence and sustainability has played a significant role in Essen's success, making her an invaluable asset to the team.

**Kruti R. Doshi** - Executive Director



Karishma Doshi is a second generation entrepreneur who has been an integral part of ESSEN since 2015. With her Bachelor's degree in Fashion Communication from NIFT, Bangalore, and a Master's degree in Strategic Design Management from Parson's School of Design in New York, USA, Karishma brings a wealth of creative expertise to the company. As a mentor and leader of the design team, she is committed to driving innovation and keeping up with the latest market trends in the Home Décor and Home Furnishing industry

**Karishma R. Doshi** - Executive Director

“ I am thrilled to announce a significant milestone: the successful listing of Essen Speciality Films Limited on NSE Emerge. ”

CHAIRMAN'S LETTER





## Chairman's letter to Shareholders

As we enter into the new fiscal year, I am pleased to report that Essen Speciality Films Limited has achieved significant growth and success in the financial year 2022-23 and also set in place several new initiatives and strategies with long term benefits, both, operation and financial.

Elevated geopolitical conflict, inflation dampens growth. The world economy maintained a steady growth trajectory at the start of CY 2022, following a gradual recovery from the pandemic, but it was disrupted by the outbreak of the Russia-Ukraine conflict, steadily rising inflation and delayed normalization of global supply chains. Inflation was on an upswing following the massive stimulus injection to tide over the pandemic. As central banks prepared to squeeze out excess liquidity to rein in inflation, constrained supply chains were further aggravated by economic sanctions on Russia and China's stringent shutdown to contain the spike in COVID-19 cases. This pushed inflation in advanced economies to multi-decadal highs, led by energy and commodity prices. Accelerated rate hikes by major central banks and slowing demand and investment sentiments impacted economic growth during the year. Core inflation, ex-energy and food prices, remained elevated, reflecting the pass-through of energy prices, strained supply chains and tight labour markets. Global GDP grew by 3.4% in 2022, down from 5.9% in 2021.

I am delighted to address you at this pivotal moment in the history of Essen Speciality Films Limited. As we reflect on our journey and the remarkable achievements that have brought us to this point, I am thrilled to announce a significant milestone: the successful listing of Essen Speciality Films Limited on NSE Emerge. We listed on NSE SME Exchange at a premium of 30.8% above issue price on July 06, 2023. IPO was oversubscribed 71 times on last day.

Our IPO listing marks an exciting chapter in our Company's evolution. It is a testament to the dedication and hard work of our entire team, who have tirelessly pursued excellence in innovation, product development, and customer service. The decision to go public was not taken lightly; rather, it is a strategic move that positions us for continued growth, increased visibility, and enhanced opportunities to serve our customers and stakeholders.

Our relentless dedication to research and development has resulted in the creation of cutting-edge solutions that cater to the diverse needs of our valued customers. Whether it's advanced packaging materials, high-performance coatings, or environmentally conscious films, we continue to deliver products that not only meet but exceed expectations.

Furthermore, our commitment to sustainability has not wavered. We recognize the importance of minimizing our environmental impact and have implemented a range of initiatives to reduce waste, conserve resources, and promote responsible manufacturing practices. By aligning our business strategies with environmental stewardship, we are proud to contribute to a more sustainable future for our planet.

Looking forward, we remain optimistic about the opportunities that lie ahead. Our strategic partnerships and alliances have positioned us to explore new markets and expand our global footprint. By staying attuned to emerging trends and customer preferences, we are confident in our ability to drive continued growth and success.

None of our achievements would have been possible without the dedication and expertise of our exceptional team. I extend my heartfelt gratitude to each member of the Essen family for their hard work and unwavering commitment to our shared vision.

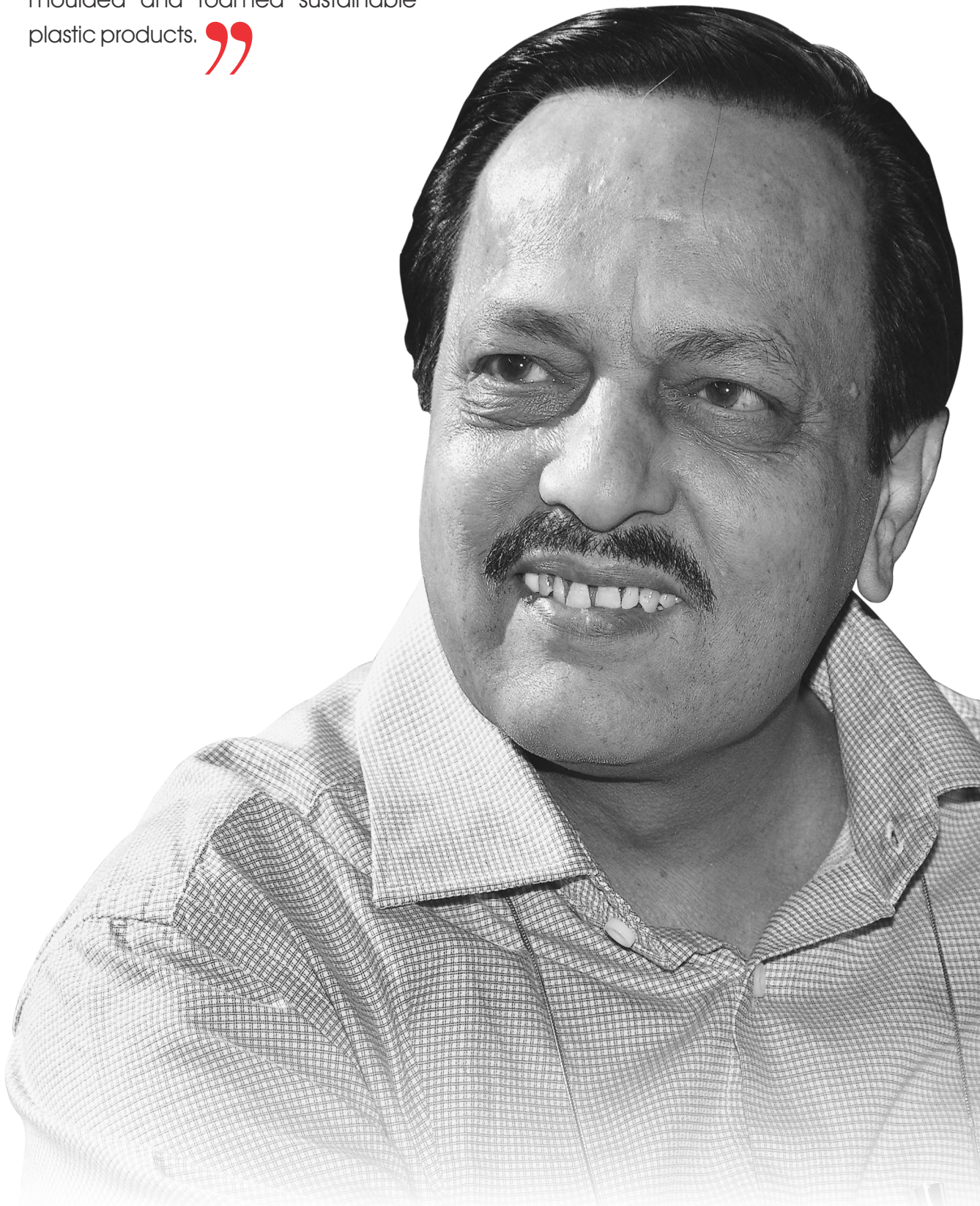
In addition, I would like to extend my sincere appreciation to our shareholders, employees, customers and partners for their continued trust and support. Your confidence in our abilities fuels our determination to excel and drive our company to new heights. Together, we will continue to shape the future of sustainable plastic products and make a positive impact on industries worldwide.

Thank you for being a vital part of our journey, and I look forward to the exciting future that lies ahead.

Sincerely,

**PALLAV K. DOSHI**

“ Emerge as one stop solution provider to all our esteemed customers for their requirement of extruded, moulded and foamed sustainable plastic products. ”





**2002**



**The Beginning**

Rajoo Group establishes ESSEN  
Speciality Films Pvt. Ltd.



**2003**



**First Shipment**

Commenced Production and  
Supply



**2006**

**Recognition**

Supplier of the Year by IKEA

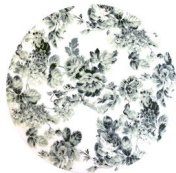


**2007**



**Factory Expansion**

15,000 sq.mtr



**2008**

**New Product Category**

Food-Grade Safe Printed PP  
Placemats



**2009**

**Recognition**

Supplier of the Year by IKEA



**2013**

**Sustainability**

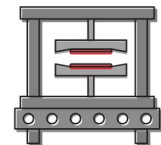
15,000 sq.mtr for Solar Plant

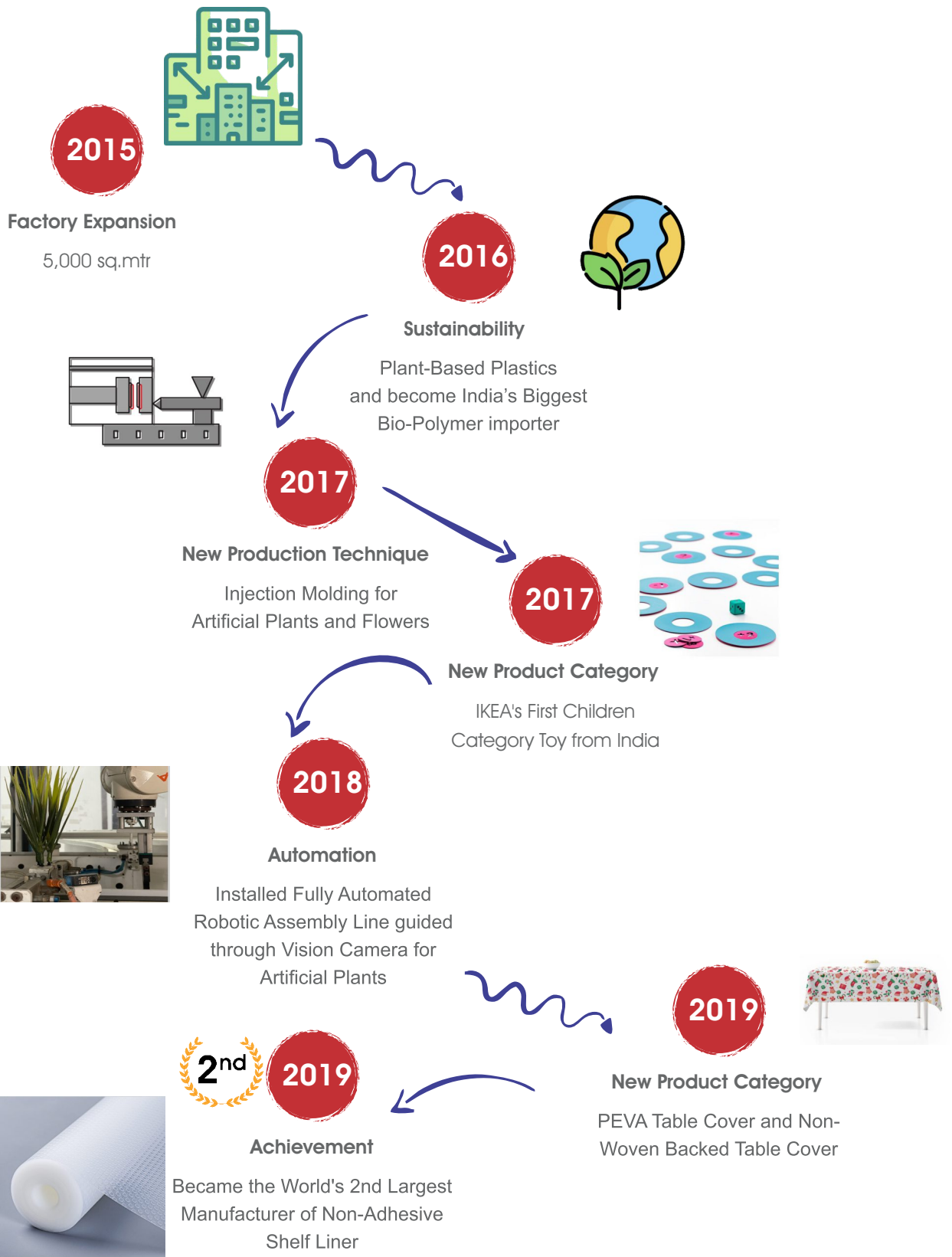


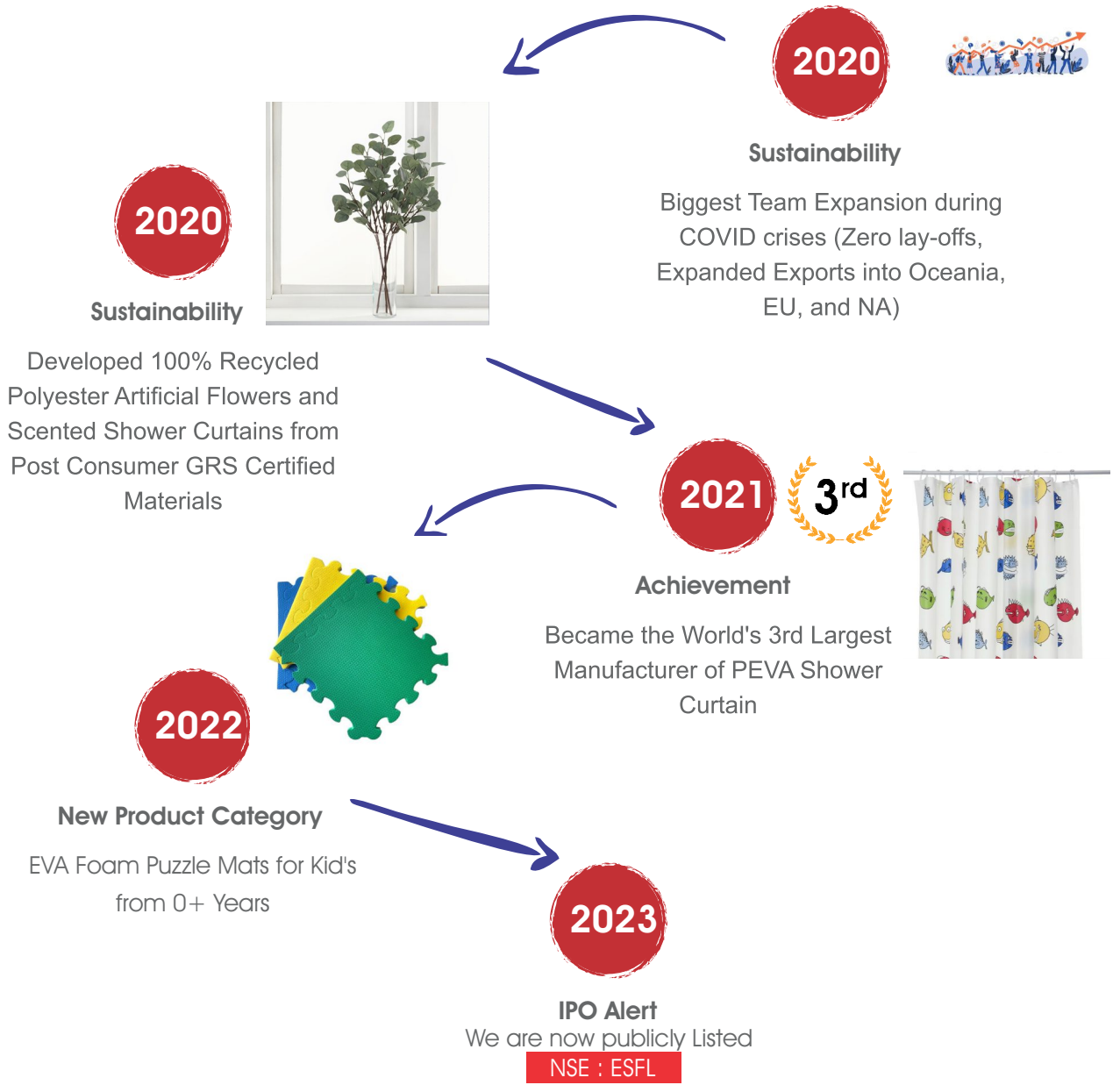
**2014**

**New Production Technique**

Compression Molding for  
processing EVA Cross-Linking  
Foam







CORPORATE INFORMATION



## Board of Directors

### Mr. Pallav K. Doshi

Chairman & Wholetime Director

### Ms. Karishma R. Doshi

Executive Director

(Appointed w.e.f. February 21, 2023)

### Mr. Kirit R. Vachhani

Non-Executive Independent Director

(Appointed w.e.f. January 01, 2023)

### Ms. Kruti R. Doshi

Executive Director

### Mr. Pratik R. Kothari

Non-Executive Independent Director

(Appointed w.e.f. January 01, 2023)

### Dr. Shital R. Badshah

Non-Executive Independent Director

(Appointed w.e.f. February 21, 2023)

## Chief Financial Officer

### Mr. Jayantilal T. Jhalavadia

(Appointed w.e.f. December 01, 2022)

## Company Secretary & Compliance Officer

### CS Romit A. Shah

(Appointed w.e.f. July 05, 2022 &

Resigned w.e.f. July 15, 2023)

### CS Sunny D. Mamtora

(Appointed w.e.f. July 16, 2023)

## Statutory Auditors

### Rushabh R. Shah and Co.

A-201, Imperial Heights,  
150 Feet Ring Road, Rajkot – 360005

## Cost Auditors

### Shailesh Thaker & Associates

B-403, Infinity Tower, Corporate Road,  
Pralhadnagar, Ahmedabad - 380015

## Bankers

Axis Bank Limited

ICICI Bank Limited

## Registered Office

Survey No. 192, Plot No. A,  
Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Rajkot, Gujarat - 360024  
Contact: +919825312701  
E-mail: compliances@essenspeciality.com  
Website: www.essenspeciality.com  
CIN: U24224GJ2002PLC041119

## Registrar & Share Transfer Agent

### Bigshare Services Private Limited

A-802, Samudra Complex, Near Classic Gold Hotel,  
Off C.G Road, Navrangpura,  
Ahmedabad, Gujarat – 380009  
Contact: 079-49196459  
E-mail: bssahd@bigshareonline.com  
Website: www.bigshareonline.com



(Amounts in Rs. Lakhs except No. of Shares)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from operation	11,861.18	11,741.47	9,388.34	7,212.90	8,579.48
Other Income	186.7	115.7	94.14	60.27	48.81
Total Income	12,047.88	11,857.17	9,482.48	7,273.17	8,628.29
EBITDA	2,103.71	1,341.90	1,917.51	1,383.82	1,303.08
Exceptional Items gain/(loss)	-	-	22.62	104.41	157.44
Profit before tax	1,526.05	705.44	1,265.17	1,083.39	1,034.37
Profit after tax	1,420.77	225.94	948.4	812.97	725.58
No. of Shares	16,000,000	16,000,000	1,000,000	1,000,000	1,000,000
Earnings per Share (EPS) - Basic & Diluted (in Rs.)	8.88	1.41	94.84	81.30	72.56
Share Capital	1,600.00	1,600.00	100.00	100.00	100.00
Reserves & Surplus	6,935.21	5,514.44	6,788.50	6,053.63	5,542.06
Net worth	8,535.21	7,114.44	6,888.50	6,153.63	5,642.06
Total Debt	657.4	2,583.00	1,541.36	443.23	661.41
Current Assets	6,461.87	7,276.71	6,298.72	3,458.29	3,371.02
Current Liabilities	1,892.78	3,899.31	3,682.31	1,336.61	1,868.34
Net Current Assets	4,569.09	3,377.40	2,616.41	2,121.68	1,502.68
Book Value per Share (in Rs.)	53.35	44.47	688.85	615.36	564.21
Net Profit Ratio (in %)	11.98	1.92	10.10	11.27	8.46
Return on Net Worth (in %)	16.65	3.18	13.77	13.21	12.86
Debt to Equity Ratio (in times)	0.08	0.36	0.22	0.07	0.12
Current Ratio (in times)	3.41	1.87	1.71	2.59	1.80

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 21st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023. This being the first Report after the Initial Public Offer (IPO) and listing on Emerge platform of National Stock Exchange of India Limited, the Board welcomes all the public shareholders and look forward to your continuing faith and support.

### 1. Financial Summary or Highlights:

(Rs. In Lakhs except EPS)

Particulars	F.Y. 2022-23	F.Y. 2021-22
Revenue from operation	11,861.18	11,741.47
Other Income	186.70	115.70
Total Income	12,047.88	11,857.17
Profit before interest, depreciation	2,103.71	1,341.90
Less: Interest	203.34	241.77
Less: Depreciation	374.32	394.69
Profit before tax	1,526.05	705.44
Less : Tax Expenses		
- Current Tax	381.88	170.87
- Deferred Tax	-276.60	308.63
Profit for the year	1,420.77	225.94
Earnings Per Shares (EPS)		
- Basic	8.88	1.41
- Diluted	8.88	1.41

### 2. State of Company's Affair

The revenue for the year has been increased to Rs. 11,861.18 lakhs as compared to Rs. 11,741.47 Lakhs in the previous year at the same time expenditure decreased to Rs. 10,521.83 Lakhs as compared to Rs. 11,151.73 Lakhs in the previous year. The company has earned net profit of Rs. 1,420.77 Lakhs in the current year as compared to the profit of Rs. 225.94 Lakhs in the previous year, which shows an increase in Earning Per Share by 6.30 times than previous year.

### 3. Material Event

During the year, the Company was converted from Private Limited to Public Limited on January 03, 2023.

### 4. Initial Public Offer of Equity Shares

The Company initiated the process for Initial Public Offer ("IPO") of its Equity Shares during the year. The IPO was completed, and the Company got listed at the Emerge platform of National Stock Exchange of India Limited ("NSE Emerge") on July 06, 2023.

The total size of the IPO was Rs. 6,633.14 Lakhs comprising of 61,99,200 equity shares including fresh issue of 46,99,200 equity shares aggregating to Rs. 5,028.14 Lakhs and offer for sale of 15,00,000 equity shares aggregating to Rs. 1,605.00 Lakhs by selling shareholders. The proceeds realised by the Company from the IPO will be utilised as per objects of the offer disclosed in the Prospectus of the Company.

The IPO opened on June 23, 2023 and closed on June 27, 2023 and the Equity shares were allotted/ allocated at a price of Rs. 107/- per Equity Share (including a share premium of Rs. 97/- per Equity Share) on July 03, 2023.

## 5. Dividend

The Company has decided to sustain the growth in line with the long term growth objectives of the Company by retaining the profit and utilizing the same for opportunities in hand, therefore your Company does not recommend any dividend during the year under review.

## 6. Share Capital

The paid up equity capital as on March 31, 2023 was Rs. 16 Crores. During the year under review, Authorised Capital of the Company was increased to Rs. 25 Crores for Public Issue of Equity Shares of the Company and listing of Equity Shares of the Company.

## 7. Transfer to Reserves

During the year under review, the Company has not made transfer to any Reserves.

## 8. Web Address of Annual Return

Draft of the Annual Return in Form MGT-7 for FY 2022-23 is available on <https://www.essenspeciality.com/investorszone.html>.

## 9. Board of Directors and Key Managerial Personnel

The Company has an appropriate mix of Executive Directors, Non-Executive Directors and Independent Directors in compliance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board of the Company consists of eminent individuals of diverse backgrounds with skills, experience and expertise in various areas as detailed in the Corporate Governance Report forming part of the Annual Report.

During the year under review following changes occurred in Board of Directors and Key Managerial Personnel of the Company:

- Mr. Pallav Kishorbhai Doshi (DIN: 02542047), Director of the Company was designated as Wholetime Director of the Company w.e.f. January 01, 2023. Further, he was re-designated as Chairman cum Wholetime Director w.e.f. February 14, 2023.
- Mr. Pratik Rajendrabhai Kothari (DIN: 03550736) and Mr. Kirit Ratanashi Vachhani (DIN: 07113088) were appointed as Non-Executive Independent Directors of the Company in a duly convened Extra-ordinary General Meeting held on January 01, 2023.
- Ms. Karishma Rajesh Doshi (DIN: 08748863) was appointed as an Executive Director and Dr. Shital Bharatkumar Badshah (DIN: 10039677) was appointed as a Non-Executive Independent Director of the Company in duly convened Extra-ordinary General Meeting held on February 21, 2023.

- Ms. Kruti Rajeshbhai Doshi (DIN: 02632833) was designated from Non-Executive Director to Executive Director w.e.f. February 21, 2023.
- Mr. Romit Ajaykumar Shah (Membership No. A65641) was appointed as a Company Secretary of the Company in a Board Meeting held on July 05, 2022. Further, he was designated as Compliance Officer of the Company in accordance with provisions of SEBI Listing Regulations w.e.f. February 14, 2023.
- Mr. Jayantilal Tapubhai Jhalavadia was appointed as Chief Financial Officer of the Company w.e.f. December 01, 2022.

**Directors and KMPs as on March 31, 2023 are as under:**

Sr. No.	Name of Directors and KMPs	Designation
1	Mr. Pallav Kishorbhai Doshi	Chairman and Wholetime Director, KMP
2	Ms. Kruti Rajeshbhai Doshi	Executive Director
3	Ms. Karishma Rajesh Doshi	Executive Director
4	Mr. Pratik Rajendrabhai Kothari	Non-Executive Independent Director
5	Mr. Kirit Ratanashi Vachhani	Non-Executive Independent Director
6	Dr. Shital Bharatkumar Badshah	Non-Executive Independent Director
7	Mr. Jayantilal Tapubhai Jhalavadia	Chief Financial Officer, KMP
8	Mr. Romit Ajaykumar Shah	Company Secretary & Compliance Officer, KMP

Further after the close of FY 2022-23, Mr. Romit A. Shah, Company Secretary & Compliance Officer (Membership No. A65641) resigned due to personal reasons w.e.f. July 15, 2023 and Mr. Sunny D. Mamtora (Membership No. A62890) was appointed as Company Secretary & Compliance Officer of the Company w.e.f. July 16, 2023.

In accordance with provisions of the Companies Act, 2013, Ms. Kruti Rajeshbhai Doshi (DIN: 02632833), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

In the opinion of the Board, all the Independent Directors appointed during the year, possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

## 10. Declaration from Independent Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 read with rule 6 of the Companies (Appointment and Qualification of Director) Rules, 2014 and Regulation 16 of SEBI Listing Regulations.

## 11. Board Evaluation

The Nomination and Remuneration Committee ("NRC") has formulated a Policy and laid down the criteria for evaluation of the Board and its Committees and the same has been adopted by the Board.



The Company got listed on July 06, 2023 on NSE Emerge and the performance evaluation of the Board and Committees for FY 2022-23 was carried out by Directors during July 2023 and the results of the same were shared with the NRC and the Board.

## 12. Board Meetings

The meeting of the Board of Directors was duly convened and held 11 (Eleven) times during the year under review. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report forming part of the Annual Report.

## 13. Management Discussion and Analysis

In terms of Regulation 34(2)(e) of SEBI Listing Regulations, a detailed report on Management Discussion and Analysis (MDA) Report is included in this Report as **Annexure-I**.

## 14. Business Responsibility and Sustainability Report

In accordance with provisions of Regulation 34(2)(f) of SEBI Listing Regulations the Company being SME listed, requirement of Business Responsibility and Sustainability Report is not applicable to the Company.

## 15. Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, it is hereby confirmed that

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis; and
- e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 16. Auditors and Auditors Report

### a. Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed there under,

M/s. Rushabh R. Shah and Co., Chartered Accountants (Membership No.: 607585, FRN: 156419W), were appointed as statutory auditors of the Company for a period of five years at the 20th Annual General Meeting held on 30th September, 2022 until the conclusion of the 25th Annual General Meeting. Rushabh Shah has confirmed his eligibility to remain continue as the auditor of the Company for his remaining term.

Report given by M/s. Rushabh R. Shah and Co., Chartered Accountants on Financial Statements of the Company for FY 2022-23 are part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanation or comments from the Board.

**b. Cost Auditors**

The Company made and maintained cost account and records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. For the financial year 2022-23, M/s. Shailesh Thaker & Associates, Cost Accountants (Membership No: 6239, FRN: 101454) have conducted the audit of the cost records of the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Board of Directors, on the recommendation of Audit Committee, appointed M/s. Sagar M. Kapadiya & Co., Cost Accountants (FRN: 103615) having Mr. Sagar M. Kapadiya (Membership No: 36767) as a sole proprietor of firm, to conduct the audit of the cost records of the Company for the financial year 2023-24.

The remuneration payable to the Cost Auditor was subject to ratification by the Members at ensuing General Meeting. Accordingly, remuneration payable to M/s. Sagar M. Kapadiya & Co. was ratified by members in duly convened Extra-ordinary General Meeting held on June 11, 2023.

**c. Secretarial Auditors**

During the year under review, provision of Secretarial Audit was not applicable to the Company as per provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder.

Further, pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board of Directors, on the recommendation of the Audit Committee, have appointed CS Nirav D. Vekariya, Practising Company Secretary (CP No. 17709 and Peer Review No. 2442/2022) as Secretarial Auditor of the Company for the financial year ended March 31, 2024.

**d. Internal Auditors**

Pursuant to the provisions of section 138 of the Companies Act, 2013 and the Rules framed there under, Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. Savjani & Associates, Chartered Accountants (FRN: 133389W) as Internal Auditors of the Company for the financial year 2023-24.

**17. Reporting of Fraud**

During the year under review, the Statutory Auditors and Cost Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee or the Board of Directors under Section 143(12) of the Act, details of which needs to be mentioned in Director's Report.

## 18. Particulars of Loans, Guarantees or Investments

During the year, the Company has not given any loan or provided any guarantee or security in favour of other parties and has also not made any investment of its fund with any other party under Section 186 of Companies Act, 2013.

## 19. Particulars of Contracts or Arrangements with Related Parties

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Details of the material related party transactions with related parties which require disclosure in the Form AOC-2, is attached herewith as **Annexure-II**.

## 20. Deposits

During the year under review, the Company has not accepted any deposits under Chapter V of the Act and, as such no amount on account of principal or interest on deposit were outstanding as of the Balance Sheet date.

## 21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### A) Conservation of Energy

- i. The steps taken or impact on conservation of energy: The Company has continued its efforts to improve energy efficiency with more vigour and depth. The Company continually took necessary steps to absorb and adopt the latest technologies and innovations in the Plastic Processing for Manufacturing home décor products. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in lesser energy consumption. Energy audits and Inter unit studies are carried out on a regular basis for taking steps for reduction of the energy consumption.
- ii. The steps taken by the Company for utilizing alternate sources of energy:
  - a. The company has installed and commissioned 275.20 KW (DC) capacity Solar Power Plant in the state of Gujarat at Village HADAMTALA, Taluka Kotda-Sangani, District Rajkot.
  - b. All efforts are made to use more natural lights in offices/Factory/stores premises to optimize the consumption of energy.
- iii. The capital investment on energy conservation equipment: Nil

### B) Technology Absorption

- i. The efforts made towards technology absorption: The Company continues to adopt and use the latest technologies to improve the productivity and quality of its products.

- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Due to integrated facility and infusion of new technology, the Company is in position to offer most energy efficient products to consumers.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): No technology was imported during last four years
- iv. The expenditure incurred on Research and Development:

Particulars	Amount in Lakhs	
	F.Y. 2022-23	F.Y. 2021-22
Capital Expenditure	Nil	Nil
Revenue Expenditure	Nil	Nil

**C) Foreign Exchange Earnings and Outgo:**

Particulars	Amount in Lakhs	
	F.Y. 2022-23	F.Y. 2021-22
Earnings	60.64	56.07
Outgo	8.37	36.16

**22. Nomination and Remuneration Policy**

For the purpose of selection of any Director, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

The Board has framed a policy for selection, appointment/ reappointment and remuneration of Directors & Senior Management, which is available at [https://www.essenspeciality.com/pdf/Policies/Nomination\\_and\\_Remuneration\\_Policy.pdf](https://www.essenspeciality.com/pdf/Policies/Nomination_and_Remuneration_Policy.pdf).

**23. Risk Management Policy**

The Company has adopted a Risk Management Policy which is available at [https://www.essenspeciality.com/pdf/Policies/Risk\\_Management\\_Policy.pdf](https://www.essenspeciality.com/pdf/Policies/Risk_Management_Policy.pdf).

Directors are taking appropriate steps to manage various identified and unidentified potential risks affecting assets and business activities of the company. Considering the present assets positions and business volume Directors are of the opinion that the same is adequate for the Company. More details on risk management are furnished in the MDA Report forming part of this Report. There are no risks which in the opinion of the Board threaten the existence of the Company.

**24. Corporate Social Responsibility**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act, comprising of three Directors including Independent Directors. The composition and report on CSR is attached herewith as **Annexure –III**.



## 25. Vigil Mechanism/ Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors, employees, vendors, customers and other stakeholders of the Company to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within the Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy can be accessed on the Website of the Company at [https://www.essenspeciality.com/pdf/Policies/Whistle\\_Blower\\_Policy.pdf](https://www.essenspeciality.com/pdf/Policies/Whistle_Blower_Policy.pdf).

## 26. Details of Subsidiary, Joint Venture or an Associate Companies

During the year under review, no Company became or ceased to be subsidiaries, joint ventures or associates of the Company.

## 27. Internal Financial control & its adequacy

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue.

Details of internal control system are given in the MDA Report forming part of this Report.

## 28. Details of Remuneration of Directors and KMPs and Particulars of Employees

Disclosure pertaining to remuneration and other details required under provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached herewith as **Annexure - IV**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the financial year 2022-23 there were no employees drawing remuneration in excess of the limits set out in the said rules.

## 29. Changes in Nature of Business

During the year under review, there were no changes in the nature of business of the Company.

## 30. Material Changes and Commitments

There were no material changes during the year affecting the Financial Position of the Company other than issuance of fresh shares as detailed in this report.

## 31. Details of Significant and Material Orders Passed by the Regulators, Courts and Tribunals

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**32. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and same is posted on the website of the Company and can be accessed at [https://www.essenspeciality.com/pdf/Policies/Prevention\\_of\\_Sexual\\_Harassment\\_Policy.pdf](https://www.essenspeciality.com/pdf/Policies/Prevention_of_Sexual_Harassment_Policy.pdf).

The Company has constituted an Internal Complaints Committee ("ICC") in accordance with the Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint pertaining to sexual harassment was received during FY 2022-23.

**33. Details of Proceedings under the Insolvency and Bankruptcy Code, 2016**

There are no proceedings initiated/ pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

**34. Difference between Valuation on One Time Settlement and while availing Loan from Banks and Financial Institution:**

There were no instances where the Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

**35. Disclosure about Secretarial Standard**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**36. Appreciation**

The Directors express their appreciation to all employees of the various divisions for their diligence and contribution to performance. The Directors also record their appreciation for the support and co-operation received from franchisees, dealers, agents, suppliers, bankers and all other stakeholders. Last but not the least, the Directors wish to thank all shareholders for their continued support.

For and on behalf of Board of Directors of  
**Essen Speciality Films Limited**  
**(Formerly known as Essen Speciality Films Private Limited)**

**Pallav K. Doshi**  
**Chairman and Wholetime Director**  
**DIN: 02542047**

Date: September 01, 2023  
Place: Veraval (Shapar)

**Annexure-I****MANAGEMENT DISCUSSION AND ANALYSIS****Forward looking statement**

*Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities 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 assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.*

*The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 as applicable. The Management of Creative Peripherals and Distribution Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.*

*The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Creative" are to "Creative Peripherals and Distribution Limited".*

**Global Plastic Industry Overview-**

The global plastic market size was valued at USD 439.28 billion in 2021 and is projected to grow from USD 457.73 billion in 2022 to USD 643.37 billion by 2029, exhibiting a CAGR of 5.0% during the forecast period. The global COVID-19 pandemic has been unprecedented and staggering, with plastic experiencing lower-than-anticipated demand across all regions compared to pre-pandemic levels. Based on our analysis, the global market exhibited a decline of 2.5% in 2020 as compared to 2019.

Plastics, also known as polymers, are used to manufacture a wide variety of products ranging from paper clips to spacecraft due to their versatility, easy manufacturing, moldability, lightweight, waterproof nature, and low cost. They are traditionally derived from natural gas and petroleum. The depleting sources of polymers have encouraged manufacturers to use renewable sources. The plastics manufactured using renewable biomass sources, such as corn starch, sawdust, vegetable fats and oil, and food waste, are called bioplastics. Moreover, rising awareness about the environmental harm caused by polymers influences manufacturers to develop recyclable products. Surging demand for high-performance plastic packaging solutions for the protection of products is a key factor driving the market.

Although there are thousands of different plastics, there are approximately seven broader types of plastic that are produced and consumed in large quantities: polyethylene terephthalate (PET), high-density

polyethylene (HDPE), polyvinyl chloride (PVC), low-density polyethylene (LDPE), polypropylene (PP), polystyrene/styrofoam (PS), and miscellaneous plastics. Polyethylene (PE) is the most widely produced plastic worldwide and is used to produce many products, such as packaging. The second-most produced plastic is polypropylene (PP), of which more than 70 million metric tons worth was produced in 2020.

<https://www.fortunebusinessinsights.com/plastics-market-102176>

### Trend in plastic export

During April 2022-February 2023, India's plastic exports stood at US\$ 10.9 billion. During this time period, the exports of writing instruments and stationery, medical items, and plastic pipes and fittings increased by 25.0%, 19.1%, and 2.8% over the same time last year, respectively. In February 2023, the exports of human hair and related products witnessed a growth of 79.9%.

The cumulative exports of plastics and related materials during 2021-22 were valued at US\$ 13.35 billion. This was a 35.4% increase from the 2020-21 exports valued at US\$ 9.86 billion. Plastic raw materials were the largest exported category and constituted 31.7% of the total exports in 2021-22; it recorded a growth of 26.55% over the previous year. Plastic films and sheets were the second largest category, comprised 15.24% of the total exports, and grew 32.62% over the previous year.

In May 2022, the exports of plastics and linoleum from India were valued at US\$ 1.07 billion. During the same period, medical items of plastics; plastic films & sheets; plastic pipes & fittings; FRP & composites; packaging items; cordage fishnets & monofilaments; and miscellaneous products recorded strong growth. The cumulative exports for April-May 2022 grew 2.6% year-on-year (YoY) to US\$ 2.17 billion.

Source: <https://www.ibef.org/exports/plastic-industry-india#:~:text=Export%20Trend,stood%20at%20US%24%206.38%20billion.>

### Plastic demand continues to grow

Despite the recent backlash against plastics due to pollution concerns, plastic remains a hugely important commodity that is used in virtually all aspects of modern daily life. Thus, plastic demand is set to continue growing for the foreseeable future, with production set to reach 589 million metric tons in 2050. The global demand for polyethylene terephthalate (PET) – a thermoplastic polymer most associated with plastic bottles – reached 27 million metric tons in 2020 and is projected to reach 42 million metric tons by 2030. The demand for eco-friendly solutions such as sustainable plastic packaging is also expected to experience growth. However, COVID-19 has had an impact on sustainability goals within the industry. Hygiene concerns have resulted in a substantial rise in the demand for single-use plastic products such as gloves and face masks, with some cities having to temporarily reverse bans on these items.

Source: <https://www.statista.com/topics/5266/plastics-industry/#topicOverview>

### India Plastic Industry Overview:

Due to the enormous potential of the Indian market, local businesses have been encouraged to develop their technical skills, meet high-quality requirements, and expand their capabilities across a wide range of sectors of the growing plastics industry.

Currently, the Indian plastic processing industry comprises approximately 30,000 units that use injection molding, blow molding, extrusion, and calendaring to create a wide range of products. Plastic material is becoming increasingly important across various industries, and per capita consumption is rising quickly. Traditional materials are being quickly replaced by plastic technology, processing equipment, expertise, and cost-effective manufacturing. The Indian plastics industry has advanced significantly over the past few decades, becoming one of the nation's most significant sectors with a considerable base.

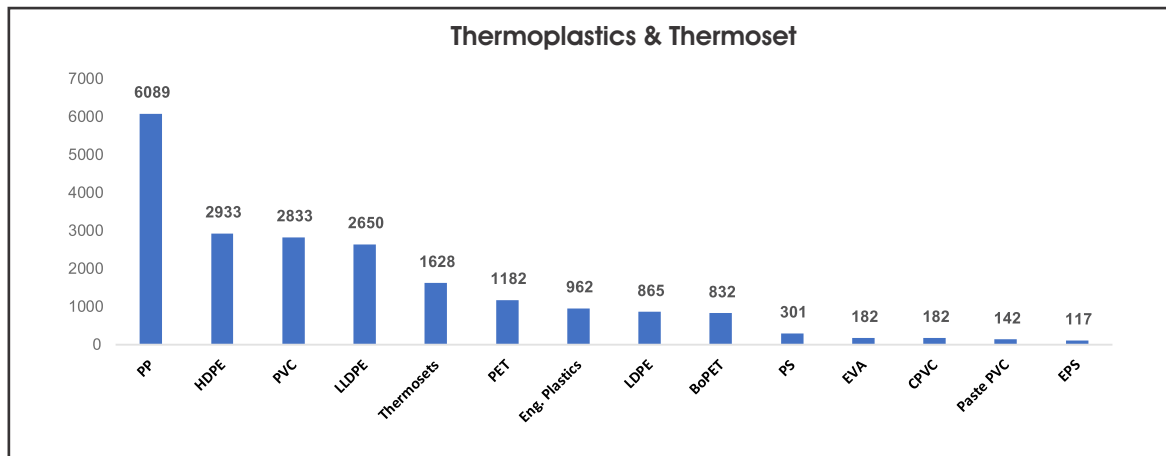
**Consumption of Plastics in India:**

The consumption of plastics in India has significant regional variation, with Western India accounting for 47%, Northern India for 23%, and Southern India for 21%. The end-use sectors of automotive, packaging (including bulk packaging), plastics applications, electronic appliances, etc., account for the majority of consumption in Northern India and are located mostly in Uttar Pradesh and Delhi-NCR. However, other regions, including Rajasthan, Punjab, Haryana, Uttarakhand, J&K, and Himachal Pradesh, are anticipated to see growth in plastic processing due to increasing feedstock supply and a greater focus on the manufacturing sector.

The plastics industry is currently home to about 50,000 industries, most of which are micro, small, and medium-sized enterprises (MSMEs). These enterprises contribute Rs. 3.5 lakh crore (US\$ 42.89 billion) to India's economy and employ more than 50,000 people. The country recycles plastic at a rate of 60%, which is higher than that of developed nations. The "Make in India," "Skill India," "Swachh Bharat," and "Digital India" initiatives of the government are increasing plastic production, and by 2027, it is expected that the plastics industry will generate Rs. 10 lakh billion (US\$ 122.54 billion) annual revenue, with two lakh tonnes of exports.

Source: <https://www.ibef.org/research/case-study/india-s-plastic-industry>

**India's Scenario on Polymer Demand (2021-22) All Fig in KT**



**2021-22 Demand 20898 KT 2022-23 Est. 22152 KT YoY Growth ~ 6 %**

Source: PLASTINDIA FOUNDATION /Industry Estimate

**Government Initiatives:**

The Union Ministry of Commerce and Industry of India targets to increase the plastic exports of the country to US\$ 25 billion by 2025. There are multiple plastic parks are being set up in the country in a phased manner that will help improve the plastic manufacturing outputs of the country. Under the plastic park schemes, funds of up to 50% of the project costs or a ceiling cost of Rs. 40 crore (US\$ 5 million) per project.



Government initiatives like “Digital India”, “Make in India”, and “Skill India” will also boost India’s Plastic industry. For instance, under the “Digital India” program, the government aims to reduce the import dependence of products from other countries, which will lift the local plastic part manufacturers.

The government also launched a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research environment pertaining to the sector in the country. This will aid in promoting and developing new applications of polymers and plastics in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in chemicals and petrochemicals sector.

Source: Plastic Production Plant, Plastic Manufacturers and Exporters In India – IBEF

### **Decorative Plastic Industry**

Decorative Plastic has been gaining prominence across both developed and developing markets with increasing urbanization and globalization trends. The global decorative plastic market reached a value of US\$ 641.4 Billion in 2020 and is estimated to reach \$838.6 Billion by 2027. Decorative Plastic is an effective way of portraying the lifestyle that a consumer believes in. Decorative Plastic products are used in the decoration of an apartment or a house with various accessories and furnishings to provide a more aesthetic and pleasant appeal to the building. Items in Decorative plastic include household furniture, lamps, textiles, floor coverings, pots, candles, artifacts, furnishing items, etc. The Global Online Decorative Plastic is expected to grow by US\$ 52.95 Billion during 2021- 2025 progressing at a CAGR of 9% during the forecast period.

This has prompted manufacturers to ensure that all products sold offline are available online also. Thus, the growing e-commerce sector will boost the demand for online home furniture in the region during the forecast period. People have started taking their home as a reflection of themselves and so, a lot of people are now spending more on both furniture and fixtures and also on home décor. Working women are spending a lot on home fashion. Disposable income, better education, and also the growing trend of individuals opting for professional services to do their interiors have together led to a rise in this category. It is true that the frequency of buying products in the category has increased over the last decade but the category still remains one among low consumption categories. It is not just because of low consumption appetite but also due to scarcity of players in the segment on one hand and low penetration of existing modern players in smaller cities on the other hand. Over the recent past, major key manufacturers of decorative plastic have been focusing on enhancing their product offerings with an aim to capture a wider customer base in developed countries such as the USA, Germany, the U.K, France and Italy among others. For the same, companies are establishing new manufacturing techniques and innovating new textures. This increase in product portfolio is expected to create opportunities for the growth of the decorative plastic market during the forecast period.

### **About Essen Speciality Films Limited**

Our Company was incorporated on August 14, 2002 as ‘Essen Speciality Films Private Limited and converted into a public limited company on December 31, 2022 as Essen Speciality Films Limited’. We are one of the leading manufacturers and exporters of specialized plastic products in the home improvement and home furnishing in India, backed by 35+ years of rich machine manufacturing experience of Rajoo Engineers Ltd, we have since then grown into a company that is supplying products to numerous Fortune 500 Retailers and OEMs across 24 countries. Our Company has been recognized as a ‘Two Star Export House’ by Ministry of

Commerce & Industry, Government of India. We have also been exclusive global supplier of IKEA for certain of our products, since incorporation. We were awarded with the awards of 'Best Supplier of the Year', twice by IKEA. We operate a fully-integrated, sustainable and technologically advanced manufacturing unit, which has been certified to be compliant with the requirements of ISO 9001:2015.

## FINANCIAL OVERVIEW

The financial performance of the Company for the year ended March 31, 2023, is as follows:

Total revenue from operations at Rs. 118.61 crore in FY 2022-23, as against Rs. 117.41 crore in FY 2021-22, representing a YoY increase of 1.02%.

EBITDA (excluding Other Income) was at Rs. 19.17 crore in FY 2022-23 as against Rs. 12.26 crore in FY 2021-22, increase of 56.34% YoY.

Profit after Tax was Rs. 14.21 crore in FY 2022-23 compared to Rs. 2.26 crore in FY 2021-22, YoY increase of 528.83%.

Basic EPS stood at Rs. 8.88 in FY 2022-23 as compared to Rs. 1.41 in FY 2021-22

## RESOURCES AND LIQUIDITY

As on March 31, 2023, the Networth stood at Rs. 85.35 crore and the total debt was at Rs. 6.57 crore.

The cash and cash equivalents at the end of March 31, 2023, were Rs. 5.35 crore.

## Details of Significant Changes in the Key Financial Ratios and Return on Net Worth

The detail of significant changes (25% or more) in the key financial ratios and any changes in Return on Net Worth of the Company including explanations therefor are given below:

Particulars	FY 2022-23	FY 2021-22	(%) Variance	Explanation
Debtors Turnover (in times)	7.58	8.33	-8.99%	N.A.
Inventory Turnover (in times)	3.81	4.87	-21.81%	N.A.
Interest Coverage Ratio (number of times)	8.27	4.87	69.82%	There is rise in this ratio due to higher profit levels during current year.
Current Ratio (number of times)	3.41	1.87	82.94%	The Ratio has Improved due to significant decrease in company's Borrowings.
Debt Equity Ratio (number of times)	0.08	0.36	-78.79%	The Ratio has Improved due to increase in share holders' funds and decrease in company's Debt.
Operating Profit Margin (%)	23.21%	15.93%	45.70%	There is rise in this ratio due to decrease in raw material cost during current year.
Net Profit Margin (%)	11.98%	1.92%	522.48%	The Net Margins has increased because of decrease in raw material cost during the current year.
Return on Net worth (%)	16.65%	3.18%	423.58%	There is rise in this ratio due to higher profit generated during current year.

## SEGMENT WISE BUSINESS PERFORMANCE

The company is engaged in the business of manufacturing of plastic and home décor products. The Company does not have more than one reportable segment in terms of AS 17 hence segment wise reporting is not applicable. As compared to other players in this segment, Company continues to be among the top performers in terms of growth in sales and profits and market share.

## RISKS AND CONCERNS

Like every business, the Company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

### Credit Risk

To manage its credit exposure, Essen has determined a credit policy with credit limit requests and approval procedures. Company does its own research of client's financial health and project prospects before bidding for a project. Timely and rigorous process is followed up with clients for payments as per schedule. The Company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

### Interest Rate Risk

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

### Competition Risk

This risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. We face different levels of competition in each segment, from domestic as well as multinational companies. The Company has created strong differentiators in project execution, quality and delivery which make it resilient to competition. Furthermore, the Company continues to invest in technology and its people to remain ahead of the curve. A strong, stable client base consisting of large and mid-sized corporations further helps to insulate the Company from this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

### Input Cost Risk

Our profitability and cost effectiveness may be affected due to change in the prices of raw materials, power and other input costs. Some of the risks that are potentially significant in nature and need careful monitoring are Raw Materials prices, availability of Power etc.

### Liability Risk

This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

**STRENGTHS:**

- 1) **Promoters' sound Experience** : The promoters of the Company have over 20 years of Plastics Processing Expertise using 3 Different Plastics Processing Techniques – Extrusion, Compression Moulding, and Injection Moulding
- 2) **Ethical and Compliant Factory setup** : The Company is compliant with various Indian and International Standards and Socio-Ethical Compliances like Sedex-SMETA, BSCI-Amfori, ISO, etc. These compliances and certifications are the reasons for the customers to Essen as a preferred partner.
- 3) **Unique and Diverse Product Range** : The Company's products are designed, curated and manufactured to the highest quality standards set by the customers. Using 3 different Plasticizing Techniques, we are able to cater in various categories like – Bath Essentials, Kitchen & Dining, Storage & Organization, Fitness & Lifestyle, Outdoor & Utilities and various other specially designed and customized products.  
The products manufactured and supplied by the Company are entry level products at mass market retailers and organized retail chains across the globe. These products have an established and expanding market in developed economies, and have a growing market in developing economies across the world.
- 4) **Sustainable Solutions** : The products of the Company are not only affordable, but also sustainable. We take pride to have provided variety of sustainable plastics solutions to our customers. We were one among a very few manufacturers in the world to introduce PEVA shower curtains made from post-consumer recycled GRS certified materials. We were also front runners in introducing the use of Bio-PE and Bio-EVA in a few of our products almost 10 years ago.
- 5) **Young and Diverse workforce** : At Essen, our biggest asset is our young and dynamic workforce from different facets of life who are ready to take on challenges and deliver every day. Average age of an employee is in their early thirties with about 65% of women in the total workforce.

**OPPORTUNITIES:**

- 1) **Increasing Organized Retail Chains in India** : Our products and product ranges are gradually expanding and gaining traction in the domestic market. With organized retail chains increasing in India, we believe there is great room for our products to be showcased and liked by the customers.
- 2) **Growing opportunities in E-commerce business** : E-Commerce is growing rapidly in the global eco system and it is offering great opportunities for the Manufacturers to expand their reach upto the consumers. Our E-commerce stores on Amazon.com, Flipkart.com, Meesho.com, Snapdeal.com are demonstrating growth year over year via our private label brands like – Draperi, Runer and Estacell. Essen embraces E-commerce and plans to create a strong foothold on E-commerce for our product categories.
- 3) **Horizontal Deployment of our Product Range** : The lowest hanging fruit we could think of is customizing and curating all of our products for all the customers. Our customers are some of the world's largest retailers, selling a range of products in all the categories. Our wished position would be to offer and sell all of our products to all of our customers. This will help us gain sales with minimum marketing efforts and strengthen our relationship with the customers. Almost all of our products, like PEVA Printed Shower Curtains, Yoga Mats, Artificial Plants & Flowers, Shelf Liners are all only attention and admiration recently. There is an immense growth potential for our products in the developed and developing economies worldwide.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The Company also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aimed at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, information security, project appraisal, and corporate governance. A qualified and independent Audit Committee of the Board of Directors also reviews the internal control system and its impacts on improvement of overall performance of the Company.

## HUMAN RESOURCES

The Company's HR philosophy is to establish and build a high performing organization, where everyone is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. As on March 31, 2023, Company is giving direct employment to 600 employees. Industrial relations are cordial and satisfactory.

## OUTLOOK

The future of the decorative plastic in both established and emerging economies has become more popular due to trends towards increased urbanisation and globalisation. The market for decorative plastics worldwide was worth US\$ 641.4 billion in 2020, and it is anticipated to grow to \$838.6 billion by 2027. Decorative Plastic is a powerful medium for expressing the way of life that a customer follows. Products made up of decorative plastic are used to decorate houses and apartments. Such houses or apartments with various furniture and accessories to give it a more aesthetically pleasing appearance. Items in Decorative plastic include household furniture, lamps, textiles, floor coverings, pots, candles, artifacts, furnishing items, etc. The Global Online Decorative Plastic is expected to grow by US\$ 52.95 Billion during 2021 - 2025 progressing at a CAGR of 9% during the forecast period.

Over the recent past, major key manufacturers of decorative plastic and paper laminates have been focusing on enhancing their products offerings with an aim to capture a wider customer base in developed countries such as the U.S., Germany, U.K., France and Italy, among others. For the same, companies are establishing new printing techniques and innovating new textures. This increase in product portfolio is expected to create opportunities for the growth of the decorative plastic and paper laminates market during the forecast period.

At Essen Speciality Films, we are pleased to inform you that, we listed on NSE SME Exchange at a premium of 30.8% above issue price on July 06 2023. IPO was oversubscribed 71 times on last day. We are manufacturer and exporter of specialized plastic products in the home improvement and home furnishing industry, to renowned multinational modern trade retailers, such as IKEA, Walmart, and Kmart, among others.



We recently welcomed esteemed customers from renowned Australian retail giant to their state-of-the-art manufacturing facility. This visit proved to be a fruitful and insightful exchange of ideas, exploring possibilities for new collaborations and business expansion. The discussions focused on exploring opportunities in the artificial flower and plants category as the next strategic step to expand their offering and cater to growing market demands. The visit centred around the kitchen & dining category expressing keen interest in new products like bendable chopping boards and placemats.

Company success lies in the strength of relationship with customers who have been associated with us. In line with our strategy we continuously focusing on market penetration and sustained investments in research and development to support the progress. It is industry practice to manufacture products with client specifications to garner competitive advantage. The Company is in process of identifying new avenues of growth and effective utilization of its existing resources.

**Annexure – II**

**Form No. AOC -2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

- 1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable**
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

**I.**

- a) Name of the related party and nature of relationship :** Mr. Utkarsh R. Doshi, Relative of Director
- b) Nature of contracts/ arrangements/ transactions :** Employment in office or place of profit
- c) Duration of the contracts/ arrangements/ transactions :** 1 Year or as may be extended from time to time
- d) Salient terms of the contracts or arrangements or transactions including the value, if any :** Mr. Utkarsh R. Doshi had been appointed as Sr. Manager - Sales & Marketing in the Company. He receives a remuneration of Rs. 31.74 Lakhs during the year under review.
- e) Date of approval by the Board :** May 05, 2022
- f) Amount paid as advances, if any :** NIL

For and on behalf of Board of Directors of  
**Essen Speciality Films Limited**  
**(Formerly known as Essen Speciality Films Private Limited)**

**Pallav K. Doshi**  
**Chairman and Wholetime Director**  
**DIN: 02542047**

Date: September 01, 2023  
Place: Veraval (Shapat)

## Annexure-III

### Annual Report on Corporate Social Responsibility (CSR) activities for F.Y. 2022-23

#### 1. Brief outline on CSR policy of the Company

Essen Speciality Films Limited (Formerly known as Essen Speciality Films Private Limited) ('Essen' or 'the Company') has adopted CSR initiatives so as to attain sustained economic performance, environmental and social stewardship. The Company engages with society beyond business as it believes a good business needs to create higher impact in building a better future for communities in its environment. The Company works towards removing malnutrition, improving healthcare infrastructure, supporting primary education, rehabilitating abandoned women and children, and preserving Indian art and culture. The Company's focus has always been to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations. The CSR activities shall be undertaken within the territory of the Republic of India, and the Company shall give preference to the local area/ areas around which it operates, for spending the amount earmarked for CSR activities.

Essen's CSR activities will focus on:

- Setting up old age homes, day care centres and such other facilities for senior citizens.
- Health Care and Medical Facilities: promoting health care including preventive health care.
- Animal Welfare.
- Promoting education.
- Empowering women.
- Ensuring environmental sustainability, ecological balance.

#### 2. Composition of CSR Committee

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1. Kirit R. Vachhani <sup>1</sup> (Chairperson)	Non-Executive Independent Director	1	1
2. Pratik R. Kothari <sup>1</sup>	Non-Executive Independent Director	1	1
3. Shital B. Badshah <sup>2</sup>	Non-Executive Independent Director	1	1
4. Pallav K. Doshi <sup>3</sup>	Chairman and Wholetime Director	1	1
5. Kruti R. Doshi <sup>2</sup>	Executive Director	1	1

1 Mr. Kirit R. Vachhani and Mr. Pratik R. Kothari, Independent Directors of the Company were appointed as Chairperson and Member of the Committee, respectively on reconstitution of CSR Committee w.e.f. January 04, 2023.

2 Dr. Shital B. Badshah, Independent Director of the Company was appointed as Member of the Committee and Ms. Kruti R. Doshi, Director of the Company ceased as Member of the Committee on reconstitution of CSR Committee w.e.f. February 21, 2023.

3 On reconstitution of CSR Committee Mr. Pallav Doshi ceased as Chairperson of the Committee w.e.f. January 04, 2023.

#### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company

Composition of CSR Committee and CSR Policy are disclosed at <https://www.essenspeciality.com/investorszone.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs. 1,019.48 Lakhs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 20.39 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil

(d) Amount required to be set off for the financial year, if any : Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] :Rs. 20.39 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Rs. 20.39 Lakhs

(b) Amount spent in Administrative Overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 20.39 Lakhs

(e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Rs. 20.39 Lakhs	NIL		NIL		

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	20.39 Lakhs
(ii)	Total amount spent for the Financial Year	20.39 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

(1) Sl. No.	(2) Preceding Financial Year(s)	(3) Amount transferred to Unspent CSR Account sub-section (6) of section 135	(4) Balance Amount in Unspent CSR Account under sub-section (6) of section 135	(5) Amount Spent in the Financial Year (in Lakhs)	(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		(7) Amount remaining to be spent in succeeding financial years	(8) Deficiency, if any
					Amount	Date of transfer		
1.	2021-22	Rs. 21.39 Lakhs	Rs. 21.39 Lakhs	-	-	-	Rs. 21.39 Lakhs	-
2.	2020-21	-	-	-	-	-	-	-
3.	2019-20	-	-	-	-	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No**

If Yes, enter the number of Capital assets created/ acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1) Sl. No.	(2) Short particulars of the property or asset(s) [including complete address and location of the property]	(3) Pincode of the property or asset(s)	(4) Date of creation	(5) Amount of CSR amount spent	(6) Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable**

For and on behalf of Board of Directors of  
**Essen Speciality Films Limited**  
 (Formerly known as Essen Speciality Films Private Limited)

**Kirit R. Vachhani**  
 Chairman of CSR Committee  
 DIN: 07113088

**Pallav K. Doshi**  
 Chairman and Wholetime Director  
 DIN: 02542047

Date: September 01, 2023  
 Place: Veraval (Shapar)



#### Annexure-IV

#### Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for FY 2022-23

Sr. No.	Name of Director & Designation	Ratio to the Median
1	Mr. Pallav K. Doshi Chairman & Wholetime Director	36.65 times
2	Ms. Kruti R. Doshi Executive Director	26.24 times
3	Ms. Karishma R. Doshi Executive Director	24.99 times
4	Mr. Kirit R. Vachhani <sup>1</sup> Non-Executive Independent Director	-
5	Mr. Pratik Kothari <sup>1</sup> Non-Executive Independent Director	-
6	Dr. Shital Badshah <sup>1</sup> Non-Executive Independent Director	-

<sup>1</sup> No remuneration were paid to Independent Directors during the FY 2022-23

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in FY 2022-23

Sr. No.	Name	% increase in remuneration as compared to FY 2021-22
1	Mr. Pallav K. Doshi Chairman & Wholetime Director	14.21%
2	Ms. Kruti R. Doshi Executive Director	7.87%
3	Ms. Karishma R. Doshi <sup>1</sup> Executive Director	-
4	Mr. Kirit R. Vachhani <sup>2</sup> Non-Executive Independent Director	-
5	Mr. Pratik Kothari <sup>2</sup> Non-Executive Independent Director	-
6	Dr. Shital Badshah <sup>2</sup> Non-Executive Independent Director	-
7	Mr. Jayantilal T. Jhalavadia <sup>2</sup> Chief Financial Officer	-
8	Mr. Romit A. Shah <sup>1</sup> Company Secretary	-

<sup>1</sup> Remuneration to Ms. Karishma R. Doshi and Romit A. Shah are not comparable as they were appointed in FY 2022-23

<sup>2</sup> No remuneration were paid to Independent Directors and Chief Financial Officer during the FY 2022-23

3. Percentage increase in the median remuneration of employees in FY 2022-23 : **4.45%**
4. The number of permanent employees on the rolls of company as on March 31, 2023 : **600**
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Increase in the average salaries of employees other than managerial personnel in the FY 2022-23 was **7.49%**

**Justification**

Higher percentage increase in managerial remuneration is on account of their roles and responsibilities in managing the affairs of the Company and their individual performance, achievement of milestones and market competitiveness. There were no other exceptional circumstances for higher percentage increase in the managerial remuneration.

6. Board affirms that the remuneration is as per the remuneration policy of the company.

For and on behalf of Board of Directors of  
**Essen Speciality Films Limited**  
**(Formerly known as Essen Speciality Films Private Limited)**

**Pallav K. Doshi**  
**Chairman and Wholetime Director**  
**DIN: 02542047**

Date: September 01, 2023  
Place: Veraval (Shapar)

## Corporate Governance Report

The report on Corporate Governance is prepared pursuant to Regulation 34 read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

### Company’s Philosophy on Corporate Governance

The Company believes in transparency, professionalism and accountability as the guiding principles of Corporate Governance. Good Corporate Governance generates goodwill amongst all the stakeholders including business partners, customers, employees and investors. It also earns respect from society and brings consistent sustainable growth for the Company and its investors.

The Company is focused to operate within the highest parameters of ethics and integrity. It constantly endeavours to adopt the best practices of Corporate Governance and improve on such aspects on an ongoing basis. In order to achieve this objective, the Company is driven by two guiding principles i.e. improving the effectiveness of the Board of Directors (“the Board”) in strategic guidance to the Company and improving the quality of information & communication with its stakeholders.

The Corporate Governance norms are stipulated under the SEBI Listing Regulations. The Company is in compliance with the applicable provisions of the said Regulations.

### Board of Directors

The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Company is managed and supported by the Wholetime Director, Executive Directors, Non-Executive Independent Directors, Key Managerial Personnel and Senior Management Personnel for discharging its fiduciary duties. The Board provides strategic guidance & oversees how the Executive Management serves and protects the long-term interest of all the stakeholders of the Company.

The Board strives to achieve compliance with all relevant laws, regulations, governance practices and secretarial, accounting & auditing standards. It identifies key risk areas and key performance indicators of business of the Company and constantly monitors the same.

### Size and Composition of the Board

The size and composition of the Board conforms to the requirements of Corporate Governance norms as stipulated under the provisions of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (“Act”). As on March 31, 2023, the Board comprised of 6 (six) directors, consisting of 1 (one) Wholetime Director and Chairman, 2 (two) Executive Woman Directors and 3 (three) Non-Executive Independent Directors.

**Category of Directors number of Directorships and Chairpersonships/ Memberships of Committees held by them and Directorships held by them in other listed entities as on March 31, 2023**

Name of the Director	Designation & Category	No. of directorship in other Public Companies <sup>1</sup>		No. of Board Committee positions in other Public Companies <sup>2</sup>		Name of the other Listed Entities wherein directors of the Company are a Director and Category of such Directorship
		Chairperson	Member	Chairperson	Member	
Mr. Pallav K. Doshi (DIN: 02542047) <sup>3</sup>	Chairman and Wholetime Director	-	-	-	-	-
Ms. Kruti R. Doshi (DIN: 02632833) <sup>4</sup>	Executive Director	-	-	-	-	-
Ms. Karishma Doshi (DIN: 08748863) <sup>5</sup>	Executive Director	-	-	-	-	-
Mr. Pratik R. Kothari (DIN: 03550736) <sup>6</sup>	Non-Executive Independent Director	-	1	1	2	Rajoo Engineers Limited (Additional Director - Independent)
Mr. Kirit R. Vachhani (DIN: 07113088) <sup>6</sup>	Non-Executive Independent Director	-	1	1	2	Rajoo Engineers Limited (Non-Executive Independent Director)
Dr. Shital B. Badshah (DIN: 10039677) <sup>7</sup>	Non-Executive Independent Director	-	1	-	2	Rajoo Engineers Limited (Additional Director - Independent)

**Notes :**

1. Includes Directorships in Indian Public Companies (whether listed or not) excluding Essen Speciality Films Limited and Section 8 Companies.
2. Includes only Audit Committee and Stakeholders Relationship Committee in all Indian Public Companies (whether listed or not) excluding Essen Speciality Films Limited and Section 8 Companies.
3. Mr. Pallav K. Doshi was designated as Wholetime Director w.e.f. January 01, 2023. Further, he was appointed as Chairman of the Board w.e.f. February 14, 2023.
4. Ms. Kruti R. Doshi was designated as Executive Director w.e.f. February 21, 2023.
5. Ms. Karishma Doshi was appointed as Executive Director w.e.f. February 21, 2023.
6. Mr. Pratik R. Kothari and Mr. Kirit R. Vachhani were appointed as Non-Executive Independent Directors for a period of 5 years w.e.f. January 01, 2023.
7. Dr. Shital B. Badshah was appointed as Non-Executive Independent Director for a period of 5 years w.e.f. February 21, 2023.

## Board's Independence

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors and after due assessment thereof, in the opinion of the Board they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors including their roles, responsibilities and duties are available at the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

## Board Meetings

### Board Support

The Company Secretary & Compliance Officer is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for its consideration. He is also responsible for preparation of agenda in consultation with the Wholetime Director and the Chairman of the Company and convening of Board and Committee meetings. He attends all the meetings of the Board and its Committees and advice & assures the Board on Compliance and Governance principles.

### Recording of Minutes of proceedings of Board and Committee meetings

The Company Secretary & Compliance Officer ensures appropriate recording of minutes of proceedings of each meeting of Board and Committee thereof in accordance with the applicable provisions of the Act read with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Selection of agenda items for Board Meetings

The information, as required under Regulation 17(7) read with Schedule II, Part A of the SEBI Listing Regulations and applicable provisions of the Act, is made available to the Board as part of agenda.

The meetings of the Board are generally held at the Registered Office of the Company at Survey No. 192, Plot No. A, Industrial Area, Behind Orchev Pharma, Veraval (Shapar), Rajkot, Gujarat - 360024, India.

The Company was in the process of Initial Public Offer ("IPO") of its Equity Shares during the year. 11 (eleven) Board Meetings were held during the year to consider and approve various matters including approvals required for the IPO process and conversion of private company into a public company. The meetings were held on May 05, 2022, June 06, 2022, July 05, 2022, September 05, 2022, September 24, 2022, November 28, 2022, January 04, 2023, January 10, 2023, February 14, 2023, February 16, 2023 and March 04, 2023. The gap between any 2 (two) Board meetings during the year did not exceed 120 (one hundred and twenty) days. The requisite quorum was present for all the meetings.



**Attendance of each Director at the Board meetings during the year and last Annual General Meeting and Number of shares held by the directors in the Company**

Name of the Director	No. of Board Meetings		Attendance at last AGM held on September 30, 2022	No. of Shares held in the Company as on March 31, 2023
	Held	Attended		
Mr. Pallav K. Doshi	11	11	Yes	13,60,000
Ms. Kruti R. Doshi	11	11	Yes	9,60,000
Ms. Karishma Doshi	1	1	Yes <sup>1</sup>	32,80,000
Mr. Pratik R. Kothari	5	5	N.A.	-
Mr. Kirit R. Vachhani	5	5	N.A.	-
Dr. Shital B. Badshah	1	1	N.A.	-

**Notes :**

- Ms. Karishma Doshi was present at the Annual General Meeting held on September 30, 2022 as a Member of the Company and she was not a director on the Board as on the date of Annual General Meeting.

**Inter-se Relationship among Directors**

Ms. Kruti R. Doshi and Ms. Karishma Doshi are sisters, other than that none of the directors are related to other Directors of the Company.

**Selection of New Directors and Board Membership Criteria**

The Nomination and Remuneration Committee ('NRC') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business leadership, strategy, operations, technology, finance & accounts, governance and government/ regulatory affairs. The Policy for appointment and removal of Directors and determining Directors' independence is available on the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

**Key Board Qualifications, Expertise and Attributes**

The Members of the Board are committed towards ensuring that the Board is in compliance with the highest standards of Corporate Governance. The Board of the Company consists of eminent individuals from diverse backgrounds with skills, experience, and expertise in various areas. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending the appointment of Directors to the Board.

**Directors' skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions for FY 2022-23**

Name of the Director	Area of Skills/ Expertise					
	Business Strategies	Client Relationship	Finance & Accounting Expertise	Governance, Risk & Compliance	Technology	Government/ Regulatory Affairs
Mr. Pallav K. Doshi	√	√	√	√	√	√
Ms. Kruti R. Doshi	√	√	√	√	√	√
Ms. Karishma Doshi	√	√	-	√	√	√
Mr. Pratik R. Kothari	√	NA	√	√	√	√
Mr. Kirit R. Vachhani	√	NA	√	√	-	√
Dr. Shital B. Badshah	√	NA	√	√	√	√

### **Familiarisation Programme for Directors (including Independent Directors)**

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the facility locations of the Company and interact with members of Senior Management as part of the induction programme. The Senior Management make presentations on an overview of strategy, operations, products, markets, group structure and subsidiaries of the Company. It also includes the Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values, culture and facilitates their active participation in overseeing the performance of the management.

The details of familiarisation programme imparted to the Independent Directors are available on the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

### **Board Evaluation**

The NRC has formulated a Policy and laid down the criteria for evaluation of the Board and its Committees and the same has been adopted by the Board.

The Company got listed on July 06, 2023 on Emerge platform of National Stock Exchange of India Limited ("NSE") and the performance evaluation of the Board and Committees for FY 2022-23 was carried out by Directors during July 2023 and the results of the same were shared with the NRC and the Board.

The performance of the Board and the Committees was evaluated after seeking inputs from all the directors on the basis of criteria such as the composition and meetings, role & responsibilities and overall effectiveness of the Board & Committees. The various steps involved in the evaluation process were as under:

- Circulation of evaluation forms to all Directors
- Sharing of responses in the questionnaire by the Directors with Chairperson of NRC
- Preparation of summary report by Chairperson of NRC
- Presentation of summary report to the Board for suggestion of appropriate actions

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board deliberated on the outcome and agreed to take necessary steps going forward.

### **Separate Meeting of Independent Directors**

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors met on March 04, 2023 without the presence of Non-Independent Directors and members of the management and have inter-alia assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Committees & its Meetings

During the year, the Board has 4 (four) Committees, namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

### Audit Committee

The primary objective of the Audit Committee is to monitor and provide strategic guidance to the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the Internal Auditors, the Statutory Auditors, the Cost Auditors, the Secretarial Auditors and notes the processes and safeguards deployed by each of them.

Terms of reference of Audit Committee includes the following:

- a) Oversight of financial reporting process.
- b) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- c) Evaluation of internal financial controls and risk management systems.
- d) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- e) Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- f) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- g) Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- h) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

As the Company was in the process of IPO of its Equity Shares, the Audit Committee was constituted in accordance with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act and Rules made thereunder in Board Meeting held on January 04, 2023. 1 (one) meeting of the Committee was held on February 16, 2023 during the period from January 04, 2023 to February 20, 2023.

### Composition of the Audit Committee and attendance details of the members for the period January 04, 2023 to February 20, 2023 as given below:

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Pratik R. Kothari (Chairperson)	Non-Executive - Independent Director	1	1
Mr. Kirit R. Vachhani	Non-Executive - Independent Director	1	1
Ms. Kruti R. Doshi	Non-Executive - Non Independent Director	1	1

Further, in accordance with provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act and Rules made thereunder, Board reconstituted Audit Committee w.e.f. February 21, 2023. No meetings were held during the period February 21, 2023 to March 31, 2023.

**Composition of the Audit Committee and attendance details of the members for the period February 21, 2023 to March 31, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Pratik R. Kothari (Chairperson)	Non-Executive - Independent Director	0	0
Mr. Kirit R. Vachhani	Non-Executive - Independent Director	0	0
Dr. Shital B. Badshah	Non-Executive - Independent Director	0	0

The Company Secretary and Compliance Officer of the Company acts as the secretary to the Audit Committee.

During the year under review, the Company considered, discussed and recommended to the Board the Restated Financial Statements along with Auditors Report for filing with NSE in draft offer document for IPO. Recommendation made by Audit Committee was accepted by the Board.

**Nomination and Remuneration Committee (“NRC”)**

The purpose of the NRC is to oversee nomination process including succession planning for the Senior Management Personnel & the Board of the Company and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors, Independent Directors, Key Management Personnel and Senior Management Personnel as per the criteria set by the Board in its Policy. The NRC and the Board periodically reviews the succession planning process of the Company and are satisfied that it has adequate process for orderly succession of the members of the Board, Key Management Personnel and Senior Management Personnel.

Terms of reference of NRC includes the following:

- a) Recommend to the Board the setup and composition of the Board and its committees.
- b) Recommend to the Board the Appointment/Re-appointment of Directors and Key Managerial Personnel.
- c) Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors.
- d) Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees
- e) Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning.

As the Company was in the process of IPO of its Equity Shares, the NRC was constituted in accordance with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Act and Rules made thereunder in Board Meeting held on January 04, 2023. 1 (one) meeting of the Committee was held on February 14, 2023 during the period from January 04, 2023 to February 20, 2023.

**Composition of the NRC and attendance details of the members for the period January 04, 2023 to February 20, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	1	1
Mr. Pratik R. Kothari	Non-Executive - Independent Director	1	1
Ms. Kruti R. Doshi	Non-Executive - Non Independent Director	1	1

Further, in accordance with provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Act and Rules made thereunder, Board reconstituted the NRC w.e.f. February 21, 2023. 1 (one) meeting of the Committee was held on March 04, 2023 during the period February 21, 2023 to March 31, 2023.

**Composition of the NRC and attendance details of the members for the period February 21, 2023 to March 31, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	1	1
Mr. Pratik R. Kothari	Non-Executive - Independent Director	1	1
Dr. Shital B. Badshah	Non-Executive - Independent Director	1	1

The Company Secretary and Compliance Officer of the Company acts as the secretary to the NRC.

During the year, the NRC considered and recommended to the Board Policy on Nomination, Remuneration & Evaluation (including Policy on appointment & removal of Directors/ Key Managerial Personnel ("KMPs"), Familiarisation Programme for Independent Directors, Succession Plan for Directors / KMPs, Board Diversity, Board Evaluation) and Code of Conduct for Board members / KMPs. Remuneration Policy is available at the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

The NRC recommended for appointment of various directors, redesignation of Directors and KMPs and also considered and recommended remuneration payable to the Executive Directors & KMPs.

**Stakeholders Relationship Committee ("SRC")**

The purpose of the Stakeholders Relationship Committee ('SRC') is to consider the grievances of shareholders and other security holders of the Company, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/ interests, issue of new/ duplicate certificates, general meetings and such other grievances as may be raised by the security holders from time to time.

Terms of reference of SRC includes the following

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

- d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
- e) Carrying out any other functions required to be carried out by the SRC as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

As the Company was in the process of IPO of its Equity Shares, the SRC was constituted in accordance with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act and Rules made thereunder in Board Meeting held on January 04, 2023. No meetings of the Committee were held during the period from January 04, 2023 to February 20, 2023.

**Composition of the SRC and attendance details of the members for the period January 04, 2023 to February 20, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	0	0
Mr. Pratik R. Kothari	Non-Executive - Independent Director	0	0
Ms. Kruti R. Doshi	Non-Executive - Non Independent Director	0	0

Further, in accordance with provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act and Rules made thereunder, Board reconstituted the SRC w.e.f. February 21, 2023. No meetings of the Committee were held during the period February 21, 2023 to March 31, 2023.

**Composition of the SRC and attendance details of the members for the period February 21, 2023 to March 31, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	0	0
Mr. Pratik R. Kothari	Non-Executive - Independent Director	0	0
Dr. Shital B. Badshah	Non-Executive - Independent Director	0	0

The Company Secretary and Compliance Officer of the Company acts as the secretary to the NRC.

No complaint was received from the Stakeholder throughout the year under review.

**Corporate Social Responsibility ("CSR") Committee**

The purpose of CSR Committee is to formulate and recommend to the Board, a CSR Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure that the Company should incur on CSR activities and to monitor from time to time the CSR activities and Policy of the Company.

Terms of Reference of CSR Committee includes the following:

- a) Formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- b) Recommending the amount of expenditure to be incurred on CSR activities.



- c) Monitoring the CSR Policy.
- d) Ensuring that the Company spends in every financial year, at least 2% of the average net profits of the Company made during the 3 (three) preceding financial years.

As per the provisions of Section 135 of the Act read with Rules made thereunder, the Board had constituted a CSR Committee on May 26, 2014.

Name of Members	Designation
Ms. Lakshmi Ramakrishnan (Chairperson)	Executive Director
Mr. Pallav K. Doshi	Executive Director
Ms. Kruti R. Doshi	Non-Executive Director

Ms. Lakshmi Ramakrishnan ceased as Director of the Company w.e.f. May 06, 2020 and CSR Committee was reconstituted by the Board w.e.f. May 06, 2020. During the period April 01, 2022 to January 04, 2023, the CSR Committee met 1 (one) time on September 05, 2022.

**Composition of the CSR Committee and attendance details of the members for the period April 01, 2022 to January 03, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Pallav K. Doshi (Chairperson)	Executive Director	1	1
Ms. Kruti R. Doshi	Non-Executive - Non Independent Director	1	1

Further, in accordance with provisions of Section 135 of the Act and Rules made thereunder, Board reconstituted the CSR Committee w.e.f. January 04, 2023. No meetings of the Committee were held during the period January 04, 2023 to February 20, 2023.

**Composition of the CSR Committee and attendance details of the members for the period January 04, 2023 to February 20, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	0	0
Mr. Pratik R. Kothari	Non-Executive - Independent Director	0	0
Ms. Kruti R. Doshi	Non-Executive - Non Independent Director	0	0

As the Company was in the process of IPO of its Equity shares, the CSR Committee was reconstituted pursuant to a resolution passed by the Board at its meeting held on February 21, 2023. 1 (one) meeting of the Committee was held on March 04, 2023 during the period February 21, 2023 to March 31, 2023.

**Composition of the CSR Committee and attendance details of the members for the period February 21, 2023 to March 31, 2023 as given below:**

Name of Members	Designation	No. of Meetings held during the period	No. of Meetings attended
Mr. Kirit R. Vachhani (Chairperson)	Non-Executive - Independent Director	1	1
Mr. Pratik R. Kothari	Non-Executive - Independent Director	1	1
Dr. Shital B. Badshah	Non-Executive - Independent Director	1	1

The Company Secretary and Compliance Officer of the Company acts as the secretary to the CSR Committee.

During the year, the Committee considered and recommended to the Board the CSR Policy, CSR activities, CSR Budget and expenditure for FY 2022-23. During the year, all the recommendations made by the Committee were accepted by the Board.

Corporate Social Responsibility Policy is available on the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

### Senior Management Personnel

As on March 31, 2023, Senior Management of the Company stands as follows:

1. Mr. Jayantilal T. Jhalavadia, Chief Financial Officer
2. Mr. Romit A. Shah, Company Secretary
3. Mr. Dharmendra Rathore, Head - Marketing
4. Mr. Rajeshkumar Singh, Sr. Manager - Production
5. Mr. Ganesh G. Parte, Sr. Manager - Quality and R&D
6. Mr. Pankaj R. Umraniya, Sr. Manager - Design & Engineering
7. Mr. Mangesh D. Dhurve, Manager - Environment Health & Safety

During the year under review, Mr. Jayantilal T. Jhalavadia was appointed as Chief Financial Officer w.e.f. October 01, 2022 and Mr. Romit A. Shah was appointed as Company Secretary w.e.f. July 05, 2022.

Further after close of FY 2022-23, Mr. Romit A. Shah resigned as Company Secretary w.e.f. July 15, 2023 and in place of him, Mr. Sunny D. Mamtara was appointed as Company Secretary w.e.f. July 16, 2023.

### Remuneration of directors

The Independent Directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings and commission as detailed hereunder:

- a) Sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board within the overall limits prescribed under the Companies Act, 2013.
- b) Commission of such sum as may be approved by the Board and Members on the recommendation of the Nomination and Remuneration Committee. The aggregate commission payable to all the Independent Directors and Non-Executive Directors put together shall not exceed 1% of the net profits of the Company during any financial year. The commission is payable on pro-rata basis to those Directors who occupy office for part of the year.
- c) Reimbursement of travel, stay and other expenses for participation in Board/Committee meetings.
- d) Independent Directors are not entitled to participate in the stock option schemes of the Company.

The remuneration policy is available on Company's website at <https://www.essenspeciality.com/investorszone.html>.

Details of remuneration paid to the Directors for the services rendered and stock options granted during the financial year 2022-23 are given below.

None of the Non-Executive Directors received remuneration exceeding 50% of the total annual remuneration paid to all Non-Executive Directors for the year ended March 31, 2023.

(Rs. in Lakhs)

	Mr. Pallav K. Doshi	Ms. Kruti R. Doshi	Ms. Karishma Doshi	Mr. Pratik R. Kothari	Mr. Kirit R. Vachhani	Dr. Shital B. Badshah
Salary <sup>1</sup>	50.45	36.30	3.00 <sup>2</sup>	NA	NA	NA
Commission/ Incentives/ Variable Pay	-	-	-	-	-	-
Pensions	-	-	-	NA	NA	NA
Sitting fees	NA	NA	NA	-	-	-
<b>Total</b>	<b>50.45</b>	<b>36.30</b>	<b>3.00</b>	-	-	-
Stock Options	-	-	-	-	-	-
Notice Period	1 Month	1 Month	1 Month	NA	NA	NA

**Notes:**

1. Salary includes Allowances and Bonus paid to Directors.
2. Ms. Karishma Doshi was appointed as Executive Director w.e.f. February 21, 2023, and the Salary disclosed is for the month of March, 2023.

**General Body Meetings**

**Location and time, where last three AGMs were held**

Financial Year Ended	Date	Time	Venue	Special Resolutions Passed
March 31, 2022	September 30, 2022	12:00 p.m.	Survey No. 192, Plot No. A, Industrial Area, Veraval (Shapar), Rajkot – 360024	-
March 31, 2021	September 30, 2021	12:00 p.m.	Survey No. 192, Plot No. A, Industrial Area, Veraval (Shapar), Rajkot – 360024	-
March 31, 2020	December 22, 2020	11:00 a.m.	Survey No. 192, Plot No. A, Industrial Area, Veraval (Shapar), Rajkot – 360024	-

No special resolutions were passed in last 3 AGMs through postal ballot or in FY 2022-23.

Further, no special resolution is proposed to be passed through postal ballot.

**Means of Communication**

The shares of the Company were listed on July 06, 2023 on NSE-Emerge platform consequent upon which all steps are being taken for communications with the shareholders/ investors.

The various sections of website of the Company keep the shareholders/ investors updated on the key and material development of the Company by providing timely information like Board / Committees, various policies, press releases, financial results, investor presentations and stock exchange filings etc.

## General Shareholders Information

### Annual General Meeting

Day & Date	Friday, September 29, 2023
Time	11:00 a.m.
Venue	Rajoo Avenue, Survey No. 210, Plot No.1, Industrial Area, Veraval (Shapar), Rajkot, Gujarat - 360024

**Financial Year :** 2022-23

**Dividend Payment Date :** Not Applicable

### Listing of Stock Exchange

The Equity Shares of the Company are listed on the Emerge platform of National Stock Exchange of India ("NSE Emerge") w.e.f. July 06, 2023. The annual listing fees for the FY 2023-24 have been paid to NSE Emerge.

### Name and Address of Stock Exchange

National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1,  
Block G, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400050

**Stock Code :** ESFL

**Market price data- high, low during each month in last financial year, performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.**

Not Applicable as the Company was not listed as on March 31, 2023.

**In case the securities are suspended from trading and reason there of**

Not Applicable

### Registrar to an issue and share transfer agents

M/s. Bigshare Services Pvt. Ltd.  
Office No S6-2, 6th Floor Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East), Mumbai - 400093  
Phone: 022-6263 8200  
E-mail: investor@bigshareonline.com  
Website: www.bigshareonline.com

### Share Transfer System/ Dematerialization of shares and liquidity

The Shares of the Company are traded on the Stock Exchange compulsorily in dematerialised mode. The entire paid-up share capital of the Company is held in dematerialised form as on March 31, 2023. The dematerialised shares are transferred directly to the beneficiaries by the depositories. Transfer of shares in physical form is not permitted as per provisions of the Companies Act, 2013 and rules made thereunder.

The Company has established connectivity with both the depositories, i.e. NSDL and CDSL. The International Securities Identification Number ("ISIN") allotted to the fully paid-up under the Depository System is INE0IT001014.

**Distribution of Shareholding**

Not Applicable as the Company was not listed as on March 31, 2023.

**Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity**

As on March 31, 2023, no GDRs/ADRs/Warrants or convertible instruments were outstanding.

**Commodity price risk or foreign exchange risk and hedging activities**

Not Applicable

**Plant Location**

Survey No. 192, Plot No. A, Industrial Area,  
Behind Orchev Pharma, Veraval (Shapar),  
Rajkot, Gujarat - 360024, India

**Address for communication**

Investors should address their correspondence to the Registrar & Share Transfer Agents at the address mentioned below:

**M/s. Bigshare Services Pvt. Ltd.**

A-802, Samudra Complex,  
Near Klassic Gold Hotel,  
Off C.G Road, Navrangpura,  
Ahmedabad – 380009  
Phone: 079-40024135  
E-mail: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

Investor may also contact Sunny Mamtora, Company Secretary and Compliance Officer at the Registered Office of the Company at [compliances@essenspeciality.com](mailto:compliances@essenspeciality.com) for any assistance and guidance in connection with investor matters. The correspondence address of the Company is:

Survey No. 192, Plot No. A, Industrial Area,  
Behind Orchev Pharma, Veraval (Shapar),  
Rajkot, Gujarat - 360024, India  
Contact: +91 9825312701

**List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad**

Not Applicable

## **Other Disclosures**

**Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

During the year ended March 31, 2023, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Note to Accounts. Policy on related party transactions is available on the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

**Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years**

During the last 3 (three) years, there were no strictures or penalties imposed on the Company by any statutory authorities. The capital market related compliances were not applicable as the Company was not listed during the last 3 (three) years.

**Details of establishment of Vigil Mechanism / Whistle-Blower Policy**

Pursuant to the provisions of Section 177 of the Act read with the Rules thereunder and Regulation 22 of SEBI Listing Regulations, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors, employees, vendors, customers and other stakeholders of the Company to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within the Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The said Policy is available on the website of the Company at <https://www.essenspeciality.com/investorszone.html>.

**Compliance with mandatory and adoption of the non-mandatory requirements**

All the requirements of Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Regulation 34(3) read together with para C, D & E of Schedule V of the SEBI Listing Regulations for the financial year ended March 31, 2023 have been complied with by the Company on discretionary basis as Company is listed on SME Exchange on NSE and such provisions not applicable to the Company.

All the mandatory requirements have been complied by the Company from time to time.

**Policy for determining Material Subsidiaries**

During the year ended March 31, 2023, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations.



**Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations**

During the year, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

**Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority**

The Company has received a certificate from CS Nirav D. Vekariya, Practising Company Secretary (CP No. 17709 and Peer Review No. 2442/2022) confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as Annexure-2.

**Acceptance of recommendations of Committees by the Board of Directors**

In terms of the Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

**Consolidated Fees paid to Statutory Auditors**

The total fee for all services paid by the Company, on a consolidated basis, to M/s Rushabh R. Shah & Co., Statutory Auditors and all the entities in the network firm/network entity, of which Statutory Auditors are a part, during the financial year 2022-23 is Rs. 11.49 lakhs.

**Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Sr. No.	Particulars	No. of Complaints
1	Number of complaints filed during the financial year 2022-23	NIL
2	Number of complaints disposed of during the financial year 2022-23	NIL
3	Number of complaints pending as on end of the financial year 2022-23	NIL

**Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'**

During the financial year 2022-23, the Company has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested.

**Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

The Company does not have material subsidiary companies as on reporting date. Hence, the said disclosure is not applicable.

**Disclosure of the extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been adopted**

Among discretionary requirements, as specified in Part E of Schedule II of Listing Regulations, the Company has adopted the following:

**Modified opinion(s) in audit report**

The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone financial statements for the year ended March 31, 2023.

**Reporting of internal auditor**

The Internal Auditor of the Company reports to the Audit Committee.

**Compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any**

The Company had complied with all the requirements under the SEBI Listing Regulations to the extent applicable on the Company.

**Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct**

A declaration signed by Chairman & Wholetime Director is attached to this report as **Annexure-1**.

**CEO and CFO Certification**

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Wholetime Director and the Chief Financial Officer have given appropriate certifications to the Board. The said Certificate is annexed to this report as **Annexure-3**.

**Compliance Certificate from either the Auditors or Practising Company Secretaries regarding compliance of conditions of corporate governance**

The Company has received a certificate from CS Nirav D. Vekariya, Practising Company Secretary (CP No. 17709 and Peer Review No. 2442/2022) regarding compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate from Practising Company Secretary is annexed herewith as **Annexure-4**.

**Disclosure with respect to demat suspense account/ unclaimed suspense account**

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable.

**Disclosure of certain types of agreements binding the Company**

As required under para G of Schedule V of the SEBI Listing Regulations, no agreements were entered by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, who purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**Annexure-1**

**Certificate on Compliance with Code of Conduct**

I, Pallav K. Doshi, Wholetime Director & Chairman of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members, Key Managerial Personnel and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct.

For, **Essen Speciality Films Limited**  
**(Formerly known as Essen Speciality Films Private Limited)**

**Pallav K. Doshi**  
**Chairman and Wholetime Director**  
**DIN: 02542047**

Date: September 01, 2023  
Place: Veraval (Shapar)

## Annexure-2

### Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

**Essen Speciality Films Limited.**

Survey No. 192, Plot No. A, Industrial Area,  
Behind Orchev Pharma, Veraval (Shapar), Lodhika,  
Rajkot - 360024 (Gujarat) India.

I have examined the relevant register, records, forms, returns and disclosures received from the Directors of M/s. ESSEN SPECIALITY FILMS LIMITED (CIN: U24224GJ2002PLC041119) having registered office at Survey No. 192, Plot No. A, Industrial Area, Behind Orchev Pharma, Veraval (Shapar), Lodhika, Rajkot - 360024 (Gujarat) India and other necessary record produced before me by the Management of the Company, for the purpose of issuing this certificate in accordance with regulation 34 (3) read with Schedule V, Para –C, Sub Clause 10 (i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) regulation 2015.

In my opinion and to the best of my information and according to the verification (Including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanation furnished to me by the Company & its officer, I hereby certify that, none of the Directors on the Board of the company as stated herein below for the Financial year ended on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Ministry of Corporate affairs or any such statutory authority.

Sr. No.	Director Identification Number (DIN)	Name of the Director	Date of Appointment	Date of Cessation
1	02542047	PALLAV KISHORBHAI DOSHI	05/11/2011	-
2	02632833	KRUTI RAJESHBHAI DOSHI	31/03/2009	-
3	03550736	PRATIK KOTHARI	01/01/2023	-
4	07113088	KIRIT RATANASHI VACHHANI	01/01/2023	-
5	08748863	KARISHMA DOSHI	21/02/2023	-
6	10039677	SHITAL BADSHAH	21/02/2023	-

Ensuing the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the company not of the efficiency or effectiveness with which management has conducted the affairs of the Company.

**Date : August 25, 2023**

**Place : Rajkot**

**CS Nirav D. Vekariya.**  
**Practicing Company Secretary**  
**FCS 11660, C.P. No. 17709**  
**UDIN: F011660E000860728**  
**Peer Review No: 2442/2022**

**Annexure-3**

**CEO/CFO Certificate**

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Board of Directors,  
**Essen Speciality Films Limited**

We, Pallav K. Doshi, Chairman and Wholetime Director and Jayantilal T. Jhalavadia, Chief Financial Officer of the Company, do hereby certify to Board that:

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - b. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Pallav K. Doshi**  
**Chairman and Wholetime Director**  
**DIN: 02542047**

**Jayantilal T. Jhalavadia**  
**Chief Financial Officer**

Date: September 01, 2023  
Place: Veraval (Shapar)

**Annexure-4**

**CERTIFICATE OF CORPORATE GOVERNANCE**

To,  
The Members,  
**Essen Speciality Films Limited.**  
Survey No. 192, Plot No. A, Industrial Area,  
Behind Orchev Pharma, Veraval (Shapar),  
Lodhika, Rajkot - 360024 (Gujarat) India.

I have examined all the relevant records of ESSEN SPECIALITY FILMS LIMITED (CIN: U24224GJ2002PLC041119) (the Company) for the purpose of certifying compliance of the conditions as stipulated in regulations 17 to 27 clause (b) to (i) and (t) of regulations 46(2) and para C, D and E of Schedule V of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended on March 31st, 2023. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The Compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in 17 to 27 clause (b) to (i) and (t) of regulations 46(2) and para C, D and E of Schedule V of the said regulations.

**Date : August 25, 2023**

**Place : Rajkot**

**CS Nirav D. Vekariya.**  
**Practicing Company Secretary**  
**FCS 11660, C.P. No. 17709**  
**UDIN: F011660E000860783**  
**Peer Review No: 2442/2022**



## INDEPENDENT AUDITOR'S REPORT

To the Members,

**ESSEN SPECIALITY FILMS LIMITED**  
**(Formerly Essen Speciality Films Private Limited)**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **ESSEN SPECIALITY FILMS LIMITED (Formerly Essen Speciality Films Private Limited)** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other

information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principle generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in: (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) To evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to be threat to our independence, and where applicable, related safe guards.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure –B". Our report expresses an unmodified opinion on the adequacy operating effectiveness of the company's internal financial controls over financial reporting.
- (g) Company has not declared any dividend during the year. So, compliance of section 123 of the Act is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, to the best of its knowledge:
    - a. no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
    - b. no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
    - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause iv(a) and iv(b) contain any material mis-statement.
- (i) The company is a public company and hence required to provide disclosure as required by Section 197(16) of the Act. In our Opinion, the managerial remuneration for the year ended march 31, 2023 has been paid /provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the act.

**For, Rushabh R Shah and Co.**

Chartered Accountants

FRN: 156419W

**Rushabh Shah**

Proprietor

M.NO.:607585

UDIN: 23607585BGWJWR5218

Date: 10 June,2023

Place: Rajkot

**Annexure “A” to the Independent Auditor’s Report  
Referred to in Paragraph 1 under the heading “Report on other Legal Regulatory Requirement “of our  
report of even date to the financial statement of the company for the year ended March 31,2023.**

- (i) In respect of the Company’s Property, Plant and Equipment:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As Explained to us, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme , certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- (ii) In respect of the Company’s Inventory :
- (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by Management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and found discrepancies in value of stock between books and statement submitted in banks and is described as follows

Particulars	As Per Books	As Per Stock Statement	Variance
Stock (April –June)	323,804,447	323,804,447	-
Stock (July – September)	306,406,160	306,406,160	-
Stock (October – December)	301,655,290	301,655,290	-
Stock (January – March)	301,070,761	289,270,860	11,799,901

(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments or provided guarantee or security granted any loans, or advances in the nature of secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year.

(A) Based on the audit procedures carried on by us, the Company has not granted loans or advances and guarantees or security to subsidiaries, associates and joint ventures and

(B) We are of the opinion that the terms and conditions of of all loans and advances in nature of loan given are, prima facie, not prejudicial to the interest of the Company.

(C) Further, the Company comply with the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(D) There is no overdue amount for more than ninety days in respect of loans given.

(E) There is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

(F) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public in terms of section 73 to 76 or any other relevant provisions of companies Act, 2013. Accordingly, reporting under clause 3(v) of the order is not applicable.

(vi) The Company has maintained cost records as per the provisions of Section 148 of the Act. We have broadly reviewed same however not made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, Income Tax sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues relating to Income Tax were outstanding, at the year end, for a period of more than six months from the date they become payable as per table below

Particulars	Amount in Dispute
Tax deducted at source	Rs. 1,12,330/-

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes except mentioned below



Name of the Statue	Nature of the Dues	Amount Rs.	Period to Which amount relate	Forum where Dispute
Income Tax Act, 1961	Income Tax	1,04,43,300/-	F.Y. 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,12,40,430/-	F.Y. 2014-15	Commissioner of Income Tax (Appeals)

The Above Stated Demands are raised in the name of Essen Speciality Films Private limited . Further, the company has paid following amounts against Income Tax disputed as under:

1. A.Y. 2014-15 Rs. 15,66,495
2. A.Y. 2015-16 Rs. 45,14,198

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) The Company has not obtained any term loans during the year . Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report no funds have been raised on short-term basis which has been utilized for long term purpose by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint venture associates or as defined under the Companies Act, 2013.

(f) We report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year . Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints have been raised during the year within the company.
- (xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii)(a), (b) and (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- (xiv) (a) According to information and explanations provided to us and on the basis of our information of the records of the company, internal audit system as specified under section 138 read with rule 13 of the companies (Accounts) Rules 2014 is not required.
- (c) Hence, reporting is not required under clause 3(xiv) of the Order.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable;
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.;
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable;
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable;

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

**For, Rushabh R Shah and Co.**

Chartered Accountants  
FRN: 156419W

**Rushabh Shah**

Proprietor  
M.NO.:607585  
UDIN: 23607585BGWJWR5218

Date: 10<sup>th</sup> June,2023  
Place: Rajkot

**“Annexure B” to the Independent Auditor’s Report  
Referred to in Paragraph 2 under the heading “ Report on the Internal Financial Controls under Clause  
(i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of Essen Speciality Films Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ( The “ ICAI”) These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Rushabh R Shah and Co.**

Chartered Accountants

FRN: 156419W

**Rushabh Shah**

Proprietor

M.NO.:607585

UDIN: 23607585BGWJWR5218

Date: 10<sup>th</sup> June, 2023

Place: Rajkot

**Balance Sheet as at 31 March 2023**
**(Rs in Lacs)**

Particulars	Note No.	As at 31/03/2023	As at 31/03/2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	3	1,600.00	1,600.00
(b) Reserves and Surplus	4	6,935.21	5,514.44
<b>Total</b>		<b>8,535.21</b>	<b>7,114.44</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term Borrowings	5	324.42	353.91
(b) Deferred Tax Liabilities (net)	6	218.41	495.01
<b>Total</b>		<b>542.83</b>	<b>848.92</b>
<b>(3) Current liabilities</b>			
(a) Short-term Borrowings	7	332.98	2,229.09
(b) Trade Payables	8		
- Due to Micro and Small Enterprises		129.24	58.92
- Due to Others		906.84	1,196.35
(c) Other Current Liabilities	9	250.42	209.74
(d) Short-term Provisions	10	273.30	205.21
<b>Total</b>		<b>1,892.78</b>	<b>3,899.31</b>
<b>Total Equity and Liabilities</b>		<b>10,970.82</b>	<b>11,862.67</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	11	4,345.31	4,437.94
(ii) Intangible Assets	11	0.87	0.87
(iii) Capital Work-in-progress	11	41.35	21.75
(b) Non-current Investments	12	2.93	2.93
(c) Long term Loans and Advances	13	114.82	115.02
(d) Other Non-current Assets	14	3.68	7.45
<b>Total</b>		<b>4,508.95</b>	<b>4,585.96</b>
<b>(2) Current assets</b>			
(a) Inventories	15	3,012.55	3,211.51
(b) Trade Receivables	16	1,690.15	1,440.44
(c) Cash and Cash Equivalents	17	535.25	405.60
(d) Short-term Loans and Advances	18	1,010.57	1,852.90
(e) Other Current Assets	19	213.35	366.26
<b>Total</b>		<b>6,461.87</b>	<b>7,276.71</b>
<b>Total Assets</b>		<b>10,970.82</b>	<b>11,862.67</b>

**See accompanying notes to the financial statements**

As per our report of even date  
**For Rushabh R Shah and Co**  
Chartered Accountants  
Firm's Registration No. 156419W

**Rushabh Shah**  
Proprietor  
Membership No. 607585  
UDIN: 23607585BGWJWR5218  
Place: Rajkot  
Date: 10th June 2023

**Karishma Doshi**  
Director  
DIN: 08748863

**Jayantilal Jhalavadia**  
Chief Financial Officer

**For and on behalf of the Board**

**Kruti Doshi**  
Director  
DIN: 02632833

**Romit Shah**  
Company Secretary  
M.No.: A65641  
  
Place: Shapar  
Date: 10th June, 2023



**Statement of Profit and loss for the year ended 31 March 2023**
**(Rs in Lacs)**

Particulars	Note No.	For year ended 31.03.2023	For year ended 31.03.2022
Revenue from Operations	20	11,861.18	11,741.47
Other Income	21	186.70	115.70
<b>Total Income</b>		<b>12,047.88</b>	<b>11,857.17</b>
<b>Expenses</b>			
Cost of Material Consumed	22	8,225.50	8,555.72
Purchases of Stock in Trade	23	-	0.23
Change in Inventories of work in progress and finished goods	24	-881.03	-593.93
Employee Benefit Expenses	25	1,279.23	1,289.96
Finance Costs	26	261.53	284.28
Depreciation and Amortization Expenses	27	374.32	394.69
Other Expenses	28	1,262.28	1,220.78
<b>Total expenses</b>		<b>10,521.83</b>	<b>11,151.73</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>1,526.05</b>	<b>705.44</b>
Exceptional Item		-	-
<b>Profit/(Loss) before Extraordinary Item and Tax</b>		<b>1,526.05</b>	<b>705.44</b>
Extraordinary Item		-	-
<b>Profit/(Loss) before Tax</b>		<b>1,526.05</b>	<b>705.44</b>
Tax Expenses	29		
- Current Tax		378.62	175.00
- Deferred Tax		-276.60	308.63
- Excess/Short Provision Written back/off		3.26	-4.13
<b>Profit/(Loss) after Tax</b>		<b>1,420.77</b>	<b>225.94</b>
Earnings Per Share (Face Value per Share Rs.10 each)			
- Basic	30	8.88	1.41
- Diluted	30	8.88	1.41

**See accompanying notes to the financial statements**
**For and on behalf of the Board**

As per our report of even date  
**For Rushabh R Shah and Co**  
 Chartered Accountants  
 Firm's Registration No. 156419W

**Karishma Doshi**  
 Director  
 DIN: 08748863

**Kruti Doshi**  
 Director  
 DIN: 02632833

**Rushabh Shah**  
 Proprietor  
 Membership No. 607585  
 UDIN: 23607585BGWJWR5218  
 Place: Rajkot  
 Date: 10th June 2023

**Jayantilal Jhalavadia**  
 Chief Financial Officer

**Romit Shah**  
 Company Secretary  
 M.No.: A65641

Place: Shapar  
 Date: 10th June,2023

**Cash Flow Statement for the year ended 31 March 2023**

(Rs in Lacs)

Particulars	Note	31 March 2023	31 March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after tax		1,420.77	225.94
Depreciation and Amortisation Expense		374.32	394.69
Provision for tax		105.30	479.50
Effect of Exchange Rate Change		-82.38	-66.02
Loss/(Gain) on Sale / Discard of Assets (Net)		-63.14	-7.11
Interest Income		-18.67	-19.62
Finance Costs		261.53	284.28
<b>Operating Profit before working capital changes</b>		<b>1,997.73</b>	<b>1,291.66</b>
Adjustment for:			
Inventories		198.96	-1,605.24
Trade Receivables		-135.61	-27.74
Other Current Assets		989.96	-212.40
Trade Payables		-251.01	79.95
Other Current Liabilities		40.77	-57.10
Short-term Provisions		12.10	-31.80
Cash generated from Operations		2,852.90	-562.66
Tax paid(Net)		325.90	225.94
<b>Net Cash from Operating Activities</b>		<b>2,527.00</b>	<b>-788.60</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		-349.32	-738.12
Sale of Property, Plant and Equipment		117.18	7.80
Loans and Advances given/(taken) [Net]		3.26	90.95
Investment in and Maturity of Term Deposits [Net]		-98.61	450.13
Interest received		18.67	19.62
<b>Net Cash (Used in) Investing Activities</b>		<b>-308.83</b>	<b>-169.62</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings		-29.49	353.91
Proceeds from and Repayment of Short Term Borrowings [Net]		-1,896.11	687.73
Interest Paid		-261.53	-284.28
<b>Net Cash (Used in) / Generated from Financing Activities</b>		<b>-2,187.13</b>	<b>757.37</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>31.04</b>	<b>-200.85</b>
Opening Balance of Cash and Cash Equivalents		19.19	220.05
Exchange difference of Foreign Currency Cash and Cash equivalents		-	-
<b>Closing Balance of Cash and Cash Equivalents</b>	17	<b>50.23</b>	<b>19.19</b>

**See accompanying notes to the financial statements**

As per our report of even date  
**For Rushabh R Shah and Co**  
Chartered Accountants  
Firm's Registration No. 156419W

**Rushabh Shah**  
Proprietor  
Membership No. 607585  
UDIN: 23607585BGWJWR5218  
Place: Rajkot  
Date: 10th June 2023

**Karishma Doshi**  
Director  
DIN: 08748863

**Jayantilal Jhalavadia**  
Chief Financial Officer

**For and on behalf of the Board**

**Kruti Doshi**  
Director  
DIN: 02632833

**Romit Shah**  
Company Secretary  
M.No.: A65641  
Place: Shapar  
Date: 10th June, 2023

## 1 COMPANY INFORMATION

Essen Speciality Films Limited (Formerly Essen Speciality Films Private Limited) is Engaged Mainly in the business of Manufacture and Sale of Plastic Sheets, Plastic Artificial Plants or Ports, Etc. having it registered office at PLOT NO. A, SURVEY NO. 192, VILL : VERAVAL (SHAPAR), RAJKOT, GUJARAT-360002

## 2 SIGNIFICANT ACCOUNTING POLICIES

### a Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

### b Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipments and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

### c Property, Plant and Equipment

Property, Plant and Equipments are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

### d Depreciation / amortisation

In respect of Property, Plant and Equipments (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write-off the cost of the assets over the useful lives.

Type of Assets	Period
Buildings	30 Years
Plant and Equipment	15 Years
Solar Power Plant	15 Years
Electric Installation and Equipments	10 Years
Furniture and Fixtures	10 Years
Laboratory Equipments	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years

**e Leases**

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

**f Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

**g Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

**h Revenue recognition**

"Revenue is recognized when there is a transfer of significant risk and rewards of ownership in goods to the buyer.

Interest income is recognized on time proportion basis taking into account amount outstanding and the applicable interest rates.

Service income is recognized on the basis of completion of service method."

Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**i Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### **j Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

#### **k Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

#### **l Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

#### **m Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Fixed deposits with maturity upto 12 months are also considered as part of cash and cash equivalents as they are held as highly liquid assets.

#### **n Retirement and other employee benefits**

##### **Short Term Employee Benefits**

Short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised undiscounted during the period employee renders service

##### **Post-Employment Benefits**

Company's contribution for the period paid/payable to defined contribution retirement benefit schemes are charged to summary statement of Profit and Loss. Company's liability towards defined benefit plan viz. gratuity is determined using the projected Unit Credit Method as per actuarial valuation carried out at the reporting date. The benefit is unfunded. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the summary statement of Profit and Loss.

**For and on behalf of the Board**

As per our report of even date  
**For Rushabh R Shah and Co**  
Chartered Accountants  
Firm's Registration No. 156419W

**Rushabh Shah**  
Proprietor  
Membership No. 607585  
UDIN: 23607585BGWJWR5218  
Place: Rajkot  
Date: 10th June 2023

**Karishma Doshi**  
Director  
DIN: 08748863

**Jayantilal Jhalavadia**  
Chief Financial Officer

**Kruti Doshi**  
Director  
DIN: 02632833

**Romit Shah**  
Company Secretary  
M.No.: A65641  
Place: Shapar  
Date: 10th June,2023



### 3 Share Capital

(Rs. In lacs)

Description	31 March 2023	31 March 2022
<b>Authorised Share Capital</b>		
Equity Shares, Rs. 10 par value, 25000000 (Previous Year -20000000) Equity Shares	2,500.00	2,000.00
<b>Issued, Subscribed and Fully Paid up Share Capital</b>		
Equity Shares, Rs. 10 par value 16000000 (Previous Year -16000000) Equity Shares	1,600.00	1,600.00
paid up		
<b>Total</b>	<b>1,600.00</b>	<b>1,600.00</b>

#### (i) Reconciliation of number of shares

Description	31 March 2023		31 March 2022	
	No. of shares	(Rs in lacs)	No. of shares	(Rs in lacs)
Opening Balance	16,000,000	1,600.00	1,000,000	100.00
Issued during the year	-	-	15,000,000	1,500.00
Deletion during the year	-	-	-	-
Closing balance	16,000,000	1,600.00	16,000,000	1,600.00

#### (ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (iii) Details of shares held by shareholders holding more than 5% of the aggregate in the company

Equity Shares	31 March 2023		31 March 2022	
	No. of shares	In %	No. of shares	In %
Devyani Chandrakant Doshi	1840000	11.50%	1840000	11.50%
Nitaben Kishorbhai Doshi	1680000	10.50%	1680000	10.50%
Ritaben Rajeshbhai Doshi	0	0.00%	800000	5.00%
Khushboo Chandrakant Doshi	2160000	13.50%	2160000	13.50%
Pallav Kishorbhai Doshi	1360000	8.50%	1360000	8.50%
Utsav Kishorbhai Doshi	2000000	12.50%	2000000	12.50%
Karishma Rajeshbhai Doshi	3280000	20.50%	3280000	20.50%
Kruti Rajeshbhai Doshi	960000	6.00%	960000	6.00%
Utkarsh Rajeshbhai Doshi	1920000	12.00%	1920000	12.00%
Rajesh Nanalal Doshi	800000	5.00%	0	0.00%

**(iv) Shares held by Promoters at the end of the year 31 March 2023**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Khushboo Chandrakant Doshi	Equity	2160000	13.50%	0.00%
Pallav Kishorbhai Doshi	Equity	1360000	8.50%	0.00%

**Shares held by Promoters at the end of the year 31 March 2022**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Khushboo Chandrakant Doshi	Equity	2160000	13.50%	0.00%
Pallav Kishorbhai Doshi	Equity	1360000	8.50%	0.00%

**(v) Equity shares movement during 5 years preceding 31 March 2023**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Equity shares:					
Equity Paid up pursuant to contracts without payment being in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of Bonus Shares	15,000,000	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

**4 Reserves and Surplus**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>General Reserve</b>		
Opening Balance	348.37	348.37
Closing Balance	348.37	348.37
<b>Statement of Profit and loss</b>		
Balance at the beginning of the year	5,166.07	6,440.13
Add: Profit during the year	1,420.77	225.94
Less: Appropriation		
Issue of Bonus Shares	-	1,500.00
<b>Balance at the end of the year</b>	<b>6,586.84</b>	<b>5,166.07</b>
<b>Total</b>	<b>6,935.21</b>	<b>5,514.44</b>

**5 Long term borrowings**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Secured Term loans from banks		
-Axis ECLGS	324.42	353.91
<b>Total</b>	<b>324.42</b>	<b>353.91</b>

**Particulars of Borrowings**

Name of Lender/ Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
Axis Bank ECLGS Loan	Extension of primary and secondary securities available with the CC of axis bank, the detailed security is provided in Note No. 7 below	Repo + 3.85%	Principal repayment of Rs. 983083	35

**6 Deferred tax liabilities Net**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Deferred Tax Liability	218.41	495.01
<b>Total</b>	<b>218.41</b>	<b>495.01</b>

**Significant components of Deferred Tax**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Deferred Tax Liability</b>		
Difference between book depreciation and tax depreciation	219.85	495.01
<b>Gross Deferred Tax Liability (A)</b>	<b>219.85</b>	<b>495.01</b>
<b>Deferred Tax Asset</b>		
Provision for Gratuity	0.78	-
Provision for Leave Enchisement	0.67	-
<b>Gross Deferred Tax Asset (B)</b>	<b>1.44</b>	<b>-</b>
<b>Net Deferred Tax Liability (A)-(B)</b>	<b>218.41</b>	<b>495.01</b>

**7 Short term borrowings**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Current maturities of long-term debt	29.49	-
<b>Secured Loans repayable on demand from banks</b>		
-Axis Bank CC	303.49	1,303.28
-ICICI Bank CC	-	283.10
-SCBIN BANK OD	-	642.71
<b>Total</b>	<b>332.98</b>	<b>2,229.09</b>

**Particulars of Borrowings**

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Axis Bank	Repo + 4%	Secured by personal guarantee of directors:Pallav Doshi and Kruti Doshi. Hypothecation of entire current assets of the company on pari passu basis and a cash margin of 10% for LC and BG. EM of Industrial Property located at Industrial Plot No. 1, 2 and 3, Revenue survey No. 192, Village: Veraval,Shapar,Rajkot,Gujarat - 360024 owned by Essen Speciality films.

**Particulars of Borrowings**

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
AXIS Bank ECLGS	Repo + 3.85%	Second charge on aforementioned security for Axis Bank CC except the personal guarantees. 100% guarantee from NCGTC
ICICI Bank	7.35%	Secured against FD of Rs. 4,71,04,255
SCBIN BANK (Standard Chartered)	4.24% + 3 months MIBOR	Secured by personal guarantee of directors:Pallav Doshi and Kruti Doshi. 1st charge for all working capital facilities sanctioned by SCB and Axis Bank and 2nd charge for term loan facility under ECL scheme given by Axis Bank. CMV will be shared on Pari Passu Basis with Axis Bank for working capital facilities for 1st charge and Nil CMV for 2nd charge. Industrial Plot No.1,2 and 3, Veraval Rev Sur No.192/P, Opp Galaxy Food Product, B/h Akshar Agro Product, Essen Garte, Off Shantidham Main Road, Village Veraval (Shapar), Taluka: Kotda Sangani, Rajkot - 360311 owned by Essen Speciality Films Private Limited. Combined CMV of Plot No.1,2,3 is INR 204.08 Mn, to be shared with Axis Bank as per exposure under MBA. Industrial Plot No. A, Veraval Rev Sur No.192/P, Opp Galaxy Food Product, B/h Akshar Agro Product, Essen Garte, Off Shantidham Main Road, Village Veraval (Shapar), Taluka: Kotda Sangani, Rajkot - 360311 owned by Essen Speciality Films Private Limited. CMV of INR 87.23 Mn, to be shared with Axis Bank as per exposure under MBA. Pari-Passu charge with Axis Bank on all its tangible movable assets including, in particular Hypothecation of stocks and book debts with charge on entire current assets and movable properties of any kind wheresoever situated and/or in transit wherever it is.

**8 Trade payables**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Due to Micro and Small Enterprises	129.24	58.92
Due to others	906.84	1,196.35
<b>Total</b>	<b>1,036.08</b>	<b>1,255.27</b>

**8.1 Trade Payable ageing schedule as at 31 March 2023**

(Rs. In lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	129.24	-	-	-	129.24
Others	882.18	24.66	-	-	906.84
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
		<b>Sub total</b>			<b>1,036.07</b>
MSME - Undue					
Others - Undue					
		<b>Total</b>			<b>1,036.07</b>

## 8.2 Trade Payable ageing schedule as at 31 March 2022

(Rs. In lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	58.93	-	-	-	58.93
Others	1,193.81	2.54	-	-	1,196.35
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
		<b>Sub total</b>			<b>1,255.28</b>
MSME - Undue					
Others - Undue					
		<b>Total</b>			<b>1,255.28</b>

## 9 Other current liabilities

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Income received in advance		
-Advance from customers	13.73	23.06
Employee Dues Payable	73.97	100.90
Payables for Capital Goods	131.08	44.18
Statutory Dues Payable-GST	1.86	1.71
Statutory Dues Payable-IT	12.81	21.20
Statutory Dues Payable-PF	16.71	17.83
Statutory dues payable-PT	0.26	0.86
<b>Total</b>	<b>250.42</b>	<b>209.74</b>

## 10 Short term provisions

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Provision for employee benefits</b>		
-Defined Benefit Obligation	13.31	-
-Leave Encashment	2.65	-
-Loyalty Provision	7.15	3.81
-Provision for Bonus	59.36	65.08
<b>Others</b>		
-Interest on Income Tax Payable	11.28	-
-Provision for Audit Fees	2.20	1.80
-Provision for CSR	-	6.73
-Provision for Expenses	103.57	110.00
-Provision for Income Tax	73.78	17.79
<b>Total</b>	<b>273.30</b>	<b>205.21</b>

**11 Property, Plant and Equipment and Intangible Assets**

(Rs. In lacs)

Particulars	Gross Block				Depreciation and Amortization				Net Block	Net Block
	As on 01-Apr-22	Addition	Deduction	As on 31-Mar-23	As on 01-Apr-22	for the year	Deduction	As on 31-Mar-23	As on 31-Mar-23	As on 31-Mar-22
<b>(i) Property, Plant and Equipment</b>										
Land				-				-	-	-
Land and land Development	1,075.28			1,075.28				-	1,075.28	1,075.28
Building				-				-	-	-
Factory Building	1,270.93	45.79		1,316.72	315.14	55.70		370.84	945.87	955.79
Plant & Machinery				-				-	-	-
Plant & Machinery	4,555.66	248.73	117.18	4,687.22	2,521.29	288.34	70.23	2,739.40	1,947.82	2,034.38
Laboratory Equipment	5.93	0.43		6.36	3.83	0.36		4.19	2.17	2.09
Electrification	202.34	0.23		202.57	116.16	10.13		126.30	76.28	86.18
Solar Power Plant	139.58			139.58	37.03	8.69		45.72	93.86	102.55
Furniture & Fixtures				-				-	-	-
Furniture & Fixtures	198.91	26.76		225.67	84.32	1.39		85.71	139.96	114.59
Vehicle				-				-	-	-
Car and Scooters	99.88			99.88	77.02	1.96		78.98	20.90	22.87
Office Equipment				-				-	-	-
Computer	110.56	3.05		113.61	82.97	6.75		89.72	23.89	27.59
Office Equipment	67.53	3.65		71.18	50.89	1.00		51.89	19.29	16.63
<b>Total</b>	<b>7,726.60</b>	<b>328.64</b>	<b>117.18</b>	<b>7,938.06</b>	<b>3,288.66</b>	<b>374.32</b>	<b>70.23</b>	<b>3,592.75</b>	<b>4,345.31</b>	<b>4,437.94</b>
<b>Previous Year</b>	<b>6,145.52</b>	<b>226.81</b>	<b>7.80</b>	<b>6,364.53</b>	<b>1,926.94</b>	<b>348.93</b>	<b>-</b>	<b>2,275.87</b>	<b>4,088.66</b>	<b>4,218.58</b>

**(ii) Intangible Assets**

(Rs. In lacs)

Website Development	3.44			3.44	2.57			2.57	0.87	0.87
<b>Total</b>	<b>3.44</b>	<b>-</b>	<b>-</b>	<b>3.44</b>	<b>2.57</b>	<b>-</b>	<b>-</b>	<b>2.57</b>	<b>0.87</b>	<b>0.87</b>
<b>Previous Year</b>	<b>3.44</b>	<b>-</b>	<b>-</b>	<b>3.44</b>	<b>2.57</b>	<b>-</b>	<b>-</b>	<b>2.57</b>	<b>0.87</b>	<b>0.87</b>

**(iii) Capital Work-in-Progress**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Opening Balance	21.75	-
Add: Addition during the year	19.60	21.75
Less: Capitalised during the year	-	-
<b>Closing Balance</b>	<b>41.35</b>	<b>21.75</b>

**(iv) Capital Work-in-Progress Ageing Schedule**
**(Rs. In lacs)**

Particulars	Amount in CWIP for a Period of				31 March 2023	Amount in CWIP for a period of				31 March 2022
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	19.60	21.75	-	-	41.35	21.75	-	-	-	21.75
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

**12 Non current investments**
**(Rs. In lacs)**

Particulars	31 March 2023	31 March 2022
Other non-current investments		
-Investment in Gold	2.93	2.93
<b>Total</b>	<b>2.93</b>	<b>2.93</b>

**12.1 Details of Investments**
**(Rs. In lacs)**

Particulars	31 March 2023	31 March 2022
Aggregate market value as at the end of the year	5.65	4.89
Market value of quoted investments		
Market value of Un-quoted investments	5.65	4.89
Provision for diminution in value of investments		

There is investment in gold which is disclosed at the cost due to unavailability of exact figures of market price of the gold held.

**13 Long term loans and advances**
**(Rs. In lacs)**

Particulars	31 March 2023	31 March 2022
Balances with Government Authorities		
-Income Tax Appeal Deposits	114.82	115.02
<b>Total</b>	<b>114.82</b>	<b>115.02</b>

**14 Other non current assets**
**(Rs. In lacs)**

Particulars	31 March 2023	31 March 2022
Security Deposits	3.18	3.23
Others		
-Defined Benefit Obligation	0.50	0.50
-Fair Value of Plan Asset	-	3.72
<b>Total</b>	<b>3.68</b>	<b>7.45</b>



**15 Inventories**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Raw materials	1,152.36	2,024.16
Work-in-progress	1,722.81	717.95
Finished goods	86.86	196.02
Packing Material	0.09	208.28
Stationery	1.84	-
Plastic waste	48.59	65.09
<b>Total</b>	<b>3,012.55</b>	<b>3,211.51</b>

**16 Trade receivables**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Unsecured considered good	1,690.15	1,440.44
<b>Total</b>	<b>1,690.15</b>	<b>1,440.44</b>

**16.1 Trade Receivables ageing schedule as at 31 March 2023**

(Rs. In lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade receivables-considered good	1,678.28	4.37	7.49	-	-	1,690.15
Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
		<b>Sub total</b>				<b>1,690.15</b>
Undue - considered good						-
		<b>Total</b>				<b>1,690.15</b>

**16.2 Trade Receivables ageing schedule as at 31 March 2022**

(Rs. In lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade receivables-considered good	1,411.06	22.32	7.06	-	-	1,440.44
Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
		<b>Sub total</b>				<b>1,440.44</b>
Undue - considered good						-
		<b>Total</b>				<b>1,440.44</b>

**17 Cash and Bank Balances**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Cash on hand	2.47	1.66
Balances with banks in current accounts	47.76	17.54
<b>Sub-Total</b>	<b>50.23</b>	<b>19.20</b>
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	485.02	386.40
<b>Total</b>	<b>535.25</b>	<b>405.60</b>

**18 Short term loans and advances**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Balances with Government Authorities</b>		
-GST Credit Ledgers	330.91	365.14
-GST Refund receivable	179.78	701.53
-VAT AND CST Receivable	-	5.72
<b>Other loans and advances (Unsecured, considered good)</b>		
-Advance to Capital Goods Suppliers	336.24	342.23
-Advance to Employee	10.03	13.83
-Advance to Suppliers	112.02	257.83
-Advances For Expenses	41.59	166.62
<b>Total</b>	<b>1,010.57</b>	<b>1,852.90</b>

**19 Other current assets**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Export Incentives Receivable	115.25	283.03
Prepaid Expenses	57.75	42.89
Recoverable Investment in Partnership Firm	40.35	40.34
<b>Total</b>	<b>213.35</b>	<b>366.26</b>

**20 Revenue from operations**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Sale of products</b>		
-Domestic	2,880.67	1,921.43
-Export	8,833.67	9,465.40
Sale of services	0.06	2.47
<b>Other operating revenues</b>		
-Export Incentives	141.82	347.85
-Sales Related Incomes	4.96	4.32
<b>Total</b>	<b>11,861.18</b>	<b>11,741.47</b>

**21 Other Income**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Interest Income</b>		
-Interest on Income Tax Refund	0.06	-
-Others	18.61	19.61
Net gain/loss on sale of investments		
-Profit on Sale of asset	63.14	7.11
Other non-operating income (net of expenses)	-	2.12
<b>Others</b>		
-Foreign Exchange Gain	82.38	66.02
-Income Tax Refund	0.20	-
-Rental Income	22.31	20.84
<b>Total</b>	<b>186.70</b>	<b>115.70</b>

**22 Cost of Material Consumed**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Raw Material Consumed</b>		
Opening stock	2,024.16	999.71
Purchases	5,793.00	8,703.50
Less: Closing stock	1,152.36	2,024.16
<b>Total</b>	<b>6,664.80</b>	<b>7,679.05</b>
<b>Packing Material Consumed</b>		
Opening stock	208.28	221.42
Purchases	1,352.51	863.53
Less: Closing stock	0.09	208.28
<b>Total</b>	<b>1,560.70</b>	<b>876.68</b>
<b>Total</b>	<b>8,225.50</b>	<b>8,555.72</b>

**23 Purchases of stock in trade**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Purchase- Packing Material (Guj)-7	-	0.23
<b>Total</b>	<b>-</b>	<b>0.23</b>

**24 Change in Inventories of work in progress and finished goods**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Opening Inventories</b>		
Finished Goods	196.02	333.66
Work-in-progress	717.95	-
Stationery	-	-
Plastic waste	65.09	51.48
<b>Less: Closing Inventories</b>		
Finished Goods	86.86	196.02
Work-in-progress	1,722.81	717.95
Stationery	1.84	-
Plastic waste	48.59	65.09
<b>Total</b>	<b>-881.03</b>	<b>-593.93</b>

**25 Employee benefit expenses**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Salaries and wages</b>		
-Bonus	59.36	63.35
-Director remuneration	81.97	84.37
-Employee Remuneration	969.83	992.03
-Leave Encashment	22.88	14.90
-Others	-	3.98
<b>Contribution to provident and other funds</b>		
-Gratuity Expenses	10.88	11.01
-Past Service Cost	7.13	-12.94
-Provident Fund Expense	71.70	78.39
Staff welfare expenses	55.48	54.87
<b>Total</b>	<b>1,279.23</b>	<b>1,289.96</b>

Employer Contribution to PF is net off the income derived from contribution reimbursed by government under ABRY Scheme

**Defined Benefit Plan**

**Changes in the present value of the defined benefit obligation in respect of Gratuity (funded) (Rs. In lacs)**

Particulars	31 March 2023	31 March 2022
Defined Benefit Obligation at beginning of the year	101.98	99.16
Current Service Cost	20.69	17.87
Interest Cost	7.40	6.94
Actuarial (Gain) / Loss	-10.55	-4.79
Benefits Paid	-13.31	-17.20
Past Service Cost	6.15	-
<b>Defined Benefit Obligation at year end</b>	<b>112.36</b>	<b>101.98</b>

**Changes in the fair value of plan assets**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Fair value of plan assets as at the beginning of the year	105.71	103.48
Expected return on plan assets	7.23	7.75
Contributions	11.68	
Benefits paid	-13.31	-17.20
Actuarial gain/ (loss) on plan assets	-0.57	1.27
<b>Fair value of plan assets as at the end of the year</b>	<b>99.06</b>	<b>106.98</b>

**Reconciliation of present value of defined benefit obligation and fair value of assets**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Present value obligation as at the end of the year	112.36	101.98
Fair value of plan assets as at the end of the year	99.06	105.70
Funded status/(deficit) or Unfunded net liability	13.31	3.72

**Expenses recognized in Profit and Loss Account**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Current service cost	20.69	17.87
Net Interest cost	7.40	6.94
Expected return on plan assets	-7.23	-7.75
Past Service Cost	6.15	-
Net actuarial loss/(gain) recognized during the year	-9.98	-6.06
<b>Total expense recognised in Profit and Loss</b>	<b>17.03</b>	<b>11.00</b>

**Investment details of the Plan Assets**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Insurer Managed Fund	99.06	105.70
<b>Total Fund Balance</b>	<b>99.06</b>	<b>105.70</b>

**Actuarial assumptions**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Discount Rate	6.84%	7.00%
Expected Rate of increase in Compensation Level	7.00%	-
Expected Rate of return on Plan assets	6.84%	7.49%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	
Retirement Rate	58 Years	
Average Attained Age	30.53	
Withdrawal Rate	For service 4 years and below 25.00% p.a. For service 5 years and above 7.00% p.a.	

### General Description of the Plan

The Entity operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Entity's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

The company has obtained gratuity valuation upto 31-03-2023 and thus the same has been provided upto that period. No gratuity effect is given for the interim period.

### 26 Finance costs (Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Interest expense</b>		
-Interest on Income Tax	13.00	13.26
-Others	190.34	228.51
<b>Other borrowing costs</b>		
-Bill Discounting	1.66	-
-Others	56.53	42.51
<b>Total</b>	<b>261.53</b>	<b>284.28</b>

### 27 Depreciation and amortization expenses (Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Depreciation Expense	374.32	394.69
<b>Total</b>	<b>374.32</b>	<b>394.69</b>

### 28 Other expenses (Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Auditors' Remuneration	2.45	2.00
Administrative expenses	24.56	7.90
Advertisement	-	0.02
Consultancy fees	44.98	83.37
Consumption of stores and spare parts	0.29	39.31
Conveyance expenses	0.32	-
Freight Inward	26.35	70.72
Freight outward	66.30	63.44
Insurance	64.64	32.64
<b>Manufacturing Expenses</b>		
-Import Related Expenses	5.61	17.25
-Jobwork Expense	87.69	0.42
-Others	0.84	1.87
-Testing Expense	56.34	36.14
<b>Total continued</b>	<b>380.37</b>	<b>355.08</b>

**Other expenses**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Total continued from previous page</b>	<b>380.37</b>	<b>355.08</b>
<b>Power and fuel</b>		
-Electric expense	259.26	247.97
-Fuel Expense	39.70	59.55
Rent	20.94	10.27
Repairs to buildings	17.83	112.36
Repairs to machinery	65.43	67.86
<b>Repairs others</b>		
-Computer Repairs	3.78	1.31
-Electric Repairs	1.72	14.96
-Furniture Repairs	0.26	2.27
-Other Equipments	7.64	6.63
-Vehicle Repairs	4.18	4.84
<b>Rates and taxes</b>		
-Factory Licence	11.60	-
-Import Taxes	23.88	33.00
-Land Revenue Taxes	-	0.71
-Other indirect tax	7.88	-
<b>Selling &amp; Distribution Expenses</b>		
-Clearing and Forwarding Expense	121.26	64.56
-Other Sales Related Expenses	20.98	25.99
-Sales Commision Expense	34.52	5.50
-Sales Promotion Expenses	54.23	43.48
<b>Other Business Administrative Expenses</b>		
-Courier charges	34.82	35.06
-Demat Share Expenses	0.45	-
-Membership Expenses	2.07	5.77
-Stationary Expense	6.74	10.71
-Vatav & Kasar Income	0.18	-
-Others	7.60	12.04
Telephone expenses	3.04	2.81
Travelling Expenses	38.56	36.31
Miscellaneous expenses	33.63	30.50
<b>Other Expenses</b>		
-Solar Plant Maintanance	2.51	-
-Vehicle Hire	25.34	-
Donation and CSR	29.48	22.55
IPO EXPENSE	11.95	-
Quality Claim Expense	-9.55	8.69
<b>Total</b>	<b>1,262.28</b>	<b>1,220.78</b>

Electricity expense is net off the income derived from solar power (Rs.1043805) in the current year



**29 Tax Expenses**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Current Tax	378.62	175.00
Deferred Tax	-276.60	308.63
Excess/Short Provision Written back/off	3.26	-4.13
<b>Total</b>	<b>105.28</b>	<b>479.50</b>

**Significant components of Deferred Tax charged during the year**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Difference between book depreciation and tax WDV	-278.04	308.63
Expenses provided but allowable in Income tax on Payment basis		-
Provision for Gratuity	0.78	-
Leave Encasement	0.67	-
<b>Total</b>	<b>-276.59</b>	<b>308.63</b>

**30 Earning per share**

Particulars	31 March 2023	31 March 2022
Profit attributable to equity shareholders (Rs. in lacs)	1,420.77	225.94
Weighted average number of equity shares	16,000,000	16,000,000
Earnings per share basic (Rs)	8.88	1.41
Earnings per share diluted (Rs)	8.88	1.41
Face value per equity share (Rs)	10	10

**31 Auditors' Remuneration**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
<b>Payments to auditor as</b>		
- Auditor	1.95	1.50
- for taxation matters	0.50	0.50
<b>Total</b>	<b>2.45</b>	<b>2.00</b>

**32 Contingent Liabilities and Commitments**

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Claims against the Company not acknowledged as debt		
- Income tax demands	216.84	216.84
<b>Total</b>	<b>216.84</b>	<b>216.84</b>

The Company is in Appeal from AY 2014-15 ordered on 23/12/2016 under section 143(3) of Income Tax Act Abide by Law Under CIT(A) of Rs. 1,04,43,300/-

The Company is in Appeal from AY 2015-16 ordered on 23/12/2017 under section 143(3) of Income Tax Act Abide by Law Under CIT(A) of Rs. 1,12,40,430/-

### 33 Micro and Small Enterprise

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
(a) Dues remaining unpaid to any supplier at the end of each accounting year -Principal -Interest on the above	129.24 -	58.92 -
(b)the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)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 the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The company has not accounted for interest provision as per msme act, 2006 as the company has made payments to msme vendors within contractual period which is exceeding the contractual time limit as per msmed act 2006 and the amount payable to them are agreed between the company and the vendors considering the contractual credit period and hence, no interest is payable.

### 34 Leases

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Future minimum rental payables under non-cancellable operating lease - Not later than one year	6.03	10.37

The Company has an operating lease arrangement to accommodate the staff and paid rent Rs. 3,20,000/- for the period and the same shall continue for non cancellable term.

The Company Has an operating lease Rental Income of Rs. 20,40,000/- From Essen Speciality Disposablle LLP and Rs. 70,800/- From Pro Shell Packaging.

The Lease Arrangement Includes Rs. 123124/- From Morbi Godwon Rent and Rs. 4,80,000/- From Madhav Cotton Godwon Rent.

### 35 Earnings in Foreign Currencies

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Export of Goods calculated on FOB basis (In USD)	60.64	56.07
<b>Total</b>	<b>60.64</b>	<b>56.07</b>

### 36 Expenditure made in Foreign Currencies

Particulars	31 March 2023	31 March 2022
Sales Promotion (in USD)	0.10	0.33
Laboratory Testing (in USD)	0.07	0.34
Other (in USD)	0.52	0.14
Laboratory Testing (in Euro & SEK)	0.31	0.01
<b>Total</b>	<b>0.99</b>	<b>0.81</b>

### 37 Value of Import on CIF basis

Particulars	31 March 2023	31 March 2022
Raw Materials (in USD)	7.38	35.35
<b>Total</b>	<b>7.38</b>	<b>35.35</b>

### 38 Related Party Disclosure

List of Related Parties	Relationship
Pallav Kishorbhai Doshi	Director
Kruti Rajeshbhai Doshi	Director
Nitaben Kishorbhai Doshi	Relative of Director
Ritaben Rajeshbhai Doshi.	Relative of Director
Karishma Rajeshbhai Doshi	Director
Utkarsh Doshi	Relative of Director
Essen Sales Corporation	Associate Concern
Rajoo Innovation Centre LLP	Associate Concern
Essen Speciality Disposable LLP	Associate Concern
Pro Shell Packaging	Associate Concern
Kunj Proplast	Associate Concern
Rajoo Engineers LTD	Associate Concern
Bison Enterprise	Associate Concern
Rajoo Bausano Extrusion Pvt Ltd.	Associate Concern
Essen Polyblend LLP	Associate Concern
Jayantilal Tapubhai Jhalavadia	KMP (CFO)
Romit Shah	KMP (CS)

**(ii) Related Party Transactions**
**(Rs. In lacs)**

Particulars	Relationship	31 March 2023	31 March 2022
Salary			
- Pallav Kishorbhai Doshi	Director	50.45	48.19
- Kruti Rajeshbhai Doshi	Director	36.30	36.19
- Utkarsh Doshi	Relative of Director	31.74	30.12
- Karishma Rajeshbhai Doshi	Director	33.50	30.16
- Romit Ajaykumar Shah	Comapany Secretary	1.30	-
Purchase of Goods			
- Rajoo Innovation Centre LLP	Associate Concern	51.78	613.50
- Rajoo Engineers LTD	Associate Concern	41.20	213.88
- Kunj Proplast	Associate Concern	215.36	319.80
- Essen Speciality Disposable LLP	Associate Concern	45.68	22.80
- Pro Shell Packaging	Associate Concern	80.17	178.22
- Bison Enterprise	Associate Concern	3.77	67.69
- Rajoo Bausano Extrusion Pvt Ltd.	Associate Concern	-	-
Sales of Goods			
- Rajoo Innovation Centre LLP	Associate Concern	102.71	0.24
- Rajoo Engineers LTD	Associate Concern	111.95	5.37
- Kunj Proplast	Associate Concern	242.10	-
- Essen Speciality Disposable LLP	Associate Concern	46.53	41.15
- Pro Shell Packaging	Associate Concern	0.03	51.85
- Bison Enterprise	Associate Concern	0.01	0.45
Job Work Exp			
- Kunj Proplast	Associate Concern	16.85	-
- Pro Shell Packaging	Associate Concern	1.56	-
- Bison Enterprise	Associate Concern	-	-
Rental Income			
- Essen Speciality Disposable LLP	Associate Concern	24.07	22.03
- Pro Shell Packaging	Associate Concern	0.71	-
Labour Welfare Exps			
- Rajoo Innovation Centre LLP	Associate Concern	-	-

**(iii) Related Party Balances**
**(Rs. In lacs)**

Particulars	Relationship	31 March 2023	31 March 2022
Payable			
- Rajoo Innovation Centre LLP	Associate Concern	107.08	-
- Pro Shell Packaging	Associate Concern	8.23	24.68
- Pallav Kishorbhai Doshi	Director	-	-
- Kruti Rajeshbhai Doshi	Director	-	-
- Utkarsh Doshi	Relative of Director	-	-
- Karishma Rajeshbhai Doshi	Director	-	-
- Kunj Proplast	Associate Concern	-	11.78
- Essen Speciality Disposable LLP	Associate Concern	-	0.68
Receivable			
- Kunj Proplast	Associate Concern	1.48	-
- Essen Speciality Disposable LLP	Associate Concern	-	10.93
- Bison Enterprise	Associate Concern	3.86	-
- Essen Sales Corporation	Associate Concern	33.34	33.34
- Essen Sales Corporation	Associate Concern	7.00	7.00
- Rajoo Innovation Centre LLP	Associate Concern	-	5.44
- Pro Shell Packaging	Associate Concern	-	15.00

**39 Ratio Analysis**
**(Rs. In lacs)**

Particulars	Numerator/Denominator	31 March 2023	31 March 2022	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	3.41	1.87	82.94%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.08	0.36	-78.79%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	6.43	1.79	258.41%
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	18.16%	3.56%	410.38%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	3.81	4.87	-21.81%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	7.58	8.33	-8.99%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	6.24	7.62	-18.17%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	2.60	3.48	-25.33%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	11.98%	1.92%	522.48%
(j) Return on Capital employed	$\frac{\text{Net Profit}}{\text{Capital Employed}}$	15.46%	2.33%	563.36%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	0.00%	0.00%	-

- (a) Current Ratio: The Ratio has Improved due to increase in receivables and decrease in company's Borrowings.
- (b) Debt-Equity Ratio: The Ratio has Improved due to increase in equity and decrease in company's Debt.
- (c) Debt Service Coverage Ratio: The Ratio has Improved due to drastic change in Earnings and change in finance cost.
- (d) Return on Equity Ratio: The Ratio has improved due to increase in profit after tax to the extent from last year.
- (e) Net capital turnover ratio: The Ratio has decrease due to change in working capital and company's aim to increase into turns.
- (f) Net profit ratio: The Ratio has increase as the company's Earnings has increase due to large extent.
- (g) Return on Capital employed: The Ratio has increased due to change in increase in profit with reference to increas in shareholder's Fund.

#### 40 CSR Expenditure

(Rs. In lacs)

Particulars	31 March 2023	31 March 2022
Amount required to be spent by the company during the year	20.39	22.55
Amount of expenditure incurred	20.39	15.82
Shortfall at the end of the year	-	6.73
Total of previous years shortfall	-	3.22
Movement in the provision	-	6.73

#### Reason for shortfall

No Proper Donation Avenues Found.

#### Nature of CSR activities

Nature of Corporate Social Responsibility Activities undertaken during the year ended March 31, 2023 and March 31, 2022 includes Education, Healthcare, Eradicating Hunger & Poverty, Maintenance of Old Age Homes & Day Care Centres for senior citizens and Animal Welfare.

#### 41 Other Statutory Disclosures

- Title Deeds of all Immovable Properties as mentioned in Financial Statements are held in the name of the Company.
- The Company has not revalued its Property, Plant and Equipments during the year.
- The Quarterly Returns of Inventories filed by the Company with Banks are not in agreement with books of accounts. The Variance is as Follows:-

Particulars	As per Books	As Per Stock Statement	Variance
Stock (April -June)	323,804,447	323,804,447	-
Stock (July - September)	306,406,160	306,406,160	-
Stock (October - December)	301,655,290	301,655,290	-
Stock (January - March)	301,070,761	289,270,860	11,799,901

- The Company has not granted any Loans or Advances in the nature of loans to promoters, Directors, KMPs or the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, repayable on demand or without specifying any terms or period of repayment.
- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

6. The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
7. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
8. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
9. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
10. There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
11. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
12. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
13. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
14. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
15. In accordance with the requirement of Accounting Standard 17 "Segment Reporting", the company has no Reportable Segment.
16. The Corresponding figures of the previous year's have been regrouped/rearranged, whenever required.
17. The Company does not have any Intangible Assets under development as at the Balance Sheet Date.

**For and on behalf of the Board**

**For Rushabh R Shah and Co**  
Chartered Accountants  
Firm's Registration No. 156419W

**Karishma Doshi**  
Director  
DIN: 08748863

**Kruti Doshi**  
Director  
DIN: 02632833

**Rushabh Shah**  
Proprietor  
Membership No. 607585  
UDIN: 23607585BGWJWR5218  
Place: Rajkot  
Date: 10th June 2023

**Jayantilal Jhalavadia**  
Chief Financial Officer

**Romit Shah**  
Company Secretary  
M.No.: A65641

Place: Shapar  
Date: 10th June, 2023



## NOTICE

**NOTICE** is hereby given that the **21<sup>st</sup> ANNUAL GENERAL MEETING (“AGM”)** of the Members of ESSEN SPECIALITY FILMS LIMITED will be held on Friday, September 29, 2023 at 11:00 A.M. at Rajoo Avenue, Survey No. 210, Plot No.1, Industrial Area, Veraval (Shapar), Rajkot, Gujarat - 360024 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2023 and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Kruti Rajeshbhai Doshi (DIN: 02632833), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

#### 3. To fix remuneration of Mr. Utkarsh R. Doshi, Related Party appointed in office or place of profit

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

**“RESOLVED THAT** in pursuance with the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 and any other applicable provisions, including any statutory modifications thereto for the time being in force, the consent of the members be and is hereby accorded to fix remuneration of not exceeding ₹ 3,00,000 p.m. of Mr. Utkarsh Rajesh Doshi (Brother of Ms. Kruti R. Doshi and Ms. Karishma Doshi, Directors of the Company), holding an office or place of profit, as Sr. Manager - Sales & Marketing of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalise and decide revisions in the remuneration payable to Mr. Utkarsh R. Doshi from time to time in accordance with the company's policy on performance measurement and appraisal and such other relevant policies;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, and things, as may be deemed necessary to give effect to the forgoing resolutions.”

For, **Essen Speciality Films Limited**  
(Formerly Essen Speciality Films Private Limited)

**Place :** Veraval (Shapar)  
**Date :** September 01, 2023

**Pallav K. Doshi**  
**Chairman & Wholetime Director**  
**DIN: 02542047**

**Registered Office:**  
Survey No. 192, Plot No. A,  
Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Rajkot, Gujarat - 360024  
CIN: U24224GJ2002PLC041119  
Contact: +91 9825312701  
E-mail : [compliances@essenspeciality.com](mailto:compliances@essenspeciality.com)  
Website : [www.essenspeciality.com](http://www.essenspeciality.com)

**NOTES:**

1. A statement pursuant to the provisions of Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto. Further, additional information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circulars issued thereunder are also annexed.
2. Details of Director retiring by rotation/ seeking re-appointment at this Meeting are annexed to the Notice.
3. A member entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote at the meeting on his/ her behalf and such proxy need not be a member of the company. The proxy form duly completed and signed should be lodged with the Company at its Registered Office at least 48 hours before the time of the meeting.
4. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as 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 shareholder.
5. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified true copy of the Board Resolution/ Authorisation Letter to the Company, authorizing them to attend and vote on their behalf at the AGM pursuant to Section 113 of the Companies Act, 2013.
6. Members, proxies and the Authorised Representative should bring the attendance slips duly filled in for attending the meeting.
7. The Proxies should carry their identity proof i.e. a Pan Card/ Aadhar card/ Passport/ Driving License.
8. Pursuant to the MCA General Circular No. 10/2022 dated December 28, 2022 and SEBI CIRCULAR No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Notice of the AGM along with the Annual Report 2022-23 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant(s). Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2022-23 are available on the website of the Company at [www.essenspeciality.com](http://www.essenspeciality.com), on the website of Stock Exchange i.e. National Stock Exchange of India Ltd. (NSE) at [www.nseindia.com](http://www.nseindia.com) and are also available on the website of Bigshare Services Pvt. Ltd. (agency providing the remote e-Voting facility) at <https://ivote.bigshareonline.com>. The hard copy of the Annual Report will be dispatched to those members who ask for the same.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs (as may be notified from time to time) the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, The Company has engaged Bigshare Services Pvt. Ltd ("BIGSHARE") for facilitating Remote e-Voting to enable the Members to cast their votes electronically in respect of all the resolution as set out in the AGM Notice.

10. Instructions for e-voting are as follows:

- i. The remote e-Voting period will begin on Tuesday, September 26, 2023 at 9.00 a.m. IST and will end on Thursday, September 28, 2023 at 5.00 p.m. IST. During this period, the shareholders of the Company as on the cut-off date i.e. September 22, 2023 may cast their vote electronically. The e-Voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023** (“**SEBI Circular dated July 11, 2023**”), under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of SEBI Circular dated July 11, 2023 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given as follows:**

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi/ Easiest, user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</li> </ol>

Type of Shareholders	Login Method
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Important note :** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **“LOGIN”** button under the **‘INVESTOR LOGIN’** section to Login on e-Voting Platform.
- Please enter your **‘USER ID’** (User id description is given below) and **‘PASSWORD’** which is shared separately on you register email id.
  - Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user id.
  - Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
- Note :** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).
- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**Note :** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘LOGIN’ under ‘INVESTOR LOGIN’ tab and then Click on ‘Forgot your password?’
- Enter “User ID” and “Registered email ID” Click on I AM NOT A ROBOT (CAPTCHA) option and click on ‘RESET’. (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address)

**Voting method for shareholders on i-Vote e-Voting portal:**

- After successful login, Bigshare e-Voting system page will appear.
- Click on **“VIEW EVENT DETAILS (CURRENT)”** under **‘EVENTS’** option on investor portal.
- Select event for which you desire to vote under the dropdown option.
- Click on **“VOTE NOW”** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **“IN FAVOUR”**, **“NOT IN FAVOUR”** or **“ABSTAIN”** and click on **“SUBMIT VOTE”**. A confirmation box will be displayed. Click **“OK”** to confirm, else **“CANCEL”** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.

- Shareholder can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on investor portal.

#### Custodian registration process for e-Voting on i-Vote Portal

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
  - Click on **“REGISTER”** under **“CUSTODIAN LOGIN”**, to register yourself on Bigshare i-Vote e-Voting Platform.
  - Enter all required details and submit.
  - After Successful registration, message will be displayed with “User id and password will be sent via email on your registered email id”.
- NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on **‘LOGIN’** under **‘CUSTODIAN LOGIN’** tab and further Click on ‘Forgot your password?’
  - Enter **“User ID”** and **“Registered email ID”** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **‘RESET.** (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

#### Voting method for Custodian on i-Vote portal for e-Voting :

- After successful login, **Bigshare e-Voting system** page will appear.

#### Investor Mapping:

- First you need to map the investor with your user ID under **“DOCUMENTS”** option on custodian portal.
  - Click on **“DOCUMENT TYPE”** dropdown option and select document type power of attorney (POA).
  - Click on upload document **“CHOOSE FILE”** and upload power of attorney (POA) or board resolution for respective investor and click on **“UPLOAD”**.

**Note:** The power of attorney (POA) or board resolution has to be named as the **“InvestorID.pdf”** (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

#### Investor vote File Upload:

- To cast your vote select **“VOTE FILE UPLOAD”** option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on **“UPLOAD”**. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on custodian portal.

#### Helpdesk for queries regarding e-Voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares.	In case shareholders/ investor have any queries regarding e-Voting, you may refer the Frequently Asked Questions (FAQs) and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22.



11. CS Nirav D. Vekariya, Practicing Company Secretary (Membership No. F11660, CP No. 17709) and having his address at 116, Star Chambers, Near Panchnath Temple, Harihar Chowk, Sadar, Rajkot - 360001, Gujarat, has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

12. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM. Thereafter, he shall unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than two (2) days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.

13. The Results shall be declared after the receipt of the Scrutiniser's Report from conclusion of the AGM of the Company. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website at [www.essenspeciality.com](http://www.essenspeciality.com) and on the website of BIGSHARE at <https://vote.bigshareonline.com/>. The results shall also be forwarded to the Stock Exchange within two working days of conclusion of AGM.

14. Route Map to reach to the venue of the Meeting is given at the end of this Notice.

For, **Essen Speciality Films Limited**  
(Formerly Essen Speciality Films Private Limited)

**Place :** Veraval (Shapar)  
**Date :** September 01, 2023

**Pallav K. Doshi**  
**Chairman & Wholetime Director**  
**DIN: 02542047**

**Registered Office:**  
Survey No. 192, Plot No. A,  
Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Rajkot, Gujarat - 360024  
CIN: U24224GJ2002PLC041119  
Contact: +91 9825312701  
E-mail : [compliances@essenspeciality.com](mailto:compliances@essenspeciality.com)  
Website : [www.essenspeciality.com](http://www.essenspeciality.com)



**Explanatory Statement pursuant to section 102(2) of the Companies Act, 2013 and additional information as required under the Listing Regulations and Circulars issued thereunder**

**Item No. 3**

In accordance with the provisions of Section 188(1)(f) of the Companies Act, 2013, which govern the related party transactions, it is required for a company to obtain prior approval of the Board of Directors and Shareholders for fixing remuneration payable to related party appointed to any office or place of profit.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, at their meeting held on September 01, 2023, had approved the maximum remuneration payable to Mr. Utkarsh Rajesh Doshi (Brother of Ms. Kruti R. Doshi and Ms. Karishma Doshi, Directors of the Company) appointed as Sr. Manager - Sales & Marketing of the Company, subject to approval of the shareholders by way of an Ordinary Resolution.

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are set forth below:

Sr. No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of Related Party - Mr. Utkarsh Rajesh Doshi Relationship - Relative of Directors
2.	Name of Director(s) or Key Managerial Personnel who is related, if any	Ms. Kruti R. Doshi and Ms. Karishma Doshi
3.	Type, value, material terms and particulars	Mr. Utkarsh R. Doshi had been appointed as Sr. Manager, Sales & Marketing of the Company, his remuneration shall not exceed Rs. 3,00,000 p.m. Maximum Remuneration is approved by Board of Directors on recommendation of Nomination and Remuneration Committee of the Board subject to approval of shareholders of the Company.
4.	Tenure of the transaction	More than 1 year
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Value of transaction for FY 2023-24 represents 0.30% of annual turnover of the Company for FY 2022-23.
6.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i. details of the source of funds in connection with the proposed transaction; ii. where any financial indebtedness is incurred to make or give loans, interoperate deposits,	Not Applicable

Sr. No.	Particulars	Details
	advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	
7.	Justification as to why the RPT is in the interest of the listed entity	Mr. Utkarsh R. Doshi is an integral part of the Essen Group who is also a Designated Partner in Essen Speciality Disposables LLP, a group entity. He is part of Senior Management Personnel who looks after Sales and Marketing department of the Company.
8.	Any valuation or other external party report relied upon by the listed entity in relation to the transactions	Not Applicable
9.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	Not Applicable
10.	Any other information that may be relevant	All relevant information forms part of this Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013

Ms. Kruti R. Doshi and Ms. Karishma Doshi, Directors of the Company, who are relatives of Mr. Utkarsh R. Doshi; and relatives of these directors, to the extent of their shareholding, if any, may be deemed to be concerned or interested, in the said transaction.

Save and except the above, none of the Directors or KMP or their relatives, are in any way concerned with or interested financially or otherwise in the resolution at item no. 3 of the accompanying notice.

The Board of Directors recommend the forgoing ordinary resolution for approval by the members.

For, **Essen Speciality Films Limited**  
(Formerly Essen Speciality Films Private Limited)

**Place :** Veraval (Shapar)  
**Date :** September 01, 2023

**Registered Office:**  
Survey No. 192, Plot No. A,  
Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Rajkot, Gujarat - 360024  
CIN: U24224GJ2002PLC041119  
Contact: +91 9825312701  
E-mail : [compliances@essenspeciality.com](mailto:compliances@essenspeciality.com)  
Website : [www.essenspeciality.com](http://www.essenspeciality.com)

**Pallav K. Doshi**  
**Chairman & Wholetime Director**  
**DIN: 02542047**

**Brief Profile of the Directors seeking Re-Appointment at the Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015]

<b>Name of Director</b>	Kruti Rajeshbhai Doshi
<b>Designation</b>	Executive Director
<b>DIN</b>	02632833
<b>Age</b>	34 Years
<b>Date of first appointment on the</b>	31/03/2009
<b>Board A Brief Resume of the Director &amp; Nature of her Expertise in Specific Functional Areas;</b>	Ms. Kruti Rajeshbhai Doshi is an Executive Director of the Company. She holds bachelor's degree in arts (interior design) from Saurashtra University. She has experience of more than a decade in the home improvement and home furnishing industry and heads the Quality Division of the Company.
<b>Disclosure of Relationships Between Directors Inter-Se, Manager &amp; KMP</b>	Ms. Karishma Doshi, Executive Director is sister of Ms. Kruti Rajeshbhai Doshi
<b>Names of Bodies Corporates in which the person also holds the Directorship and the Membership / Chairmanship of Committees of the Board</b>	None
<b>Names of the listed entities from which Director has resigned in the past three years</b>	None
<b>Shareholding of Non-Executive Director in the Company, including shareholding as a Beneficial Owner</b>	Not Applicable

For, **Essen Speciality Films Limited**  
(Formerly Essen Speciality Films Private Limited)

**Place :** Veraval (Shapar)  
**Date :** September 01, 2023

**Pallav K. Doshi**  
**Chairman & Wholetime Director**  
**DIN: 02542047**

**Registered Office:**  
Survey No. 192, Plot No. A,  
Industrial Area, Behind Orchev Pharma,  
Veraval (Shapar), Rajkot, Gujarat - 360024  
CIN: U24224GJ2002PLC041119  
Contact: +91 9825312701  
E-mail : [compliances@essenspeciality.com](mailto:compliances@essenspeciality.com)  
Website : [www.essenspeciality.com](http://www.essenspeciality.com)

**ATTENDANCE SLIP**  
**21st ANNUAL GENERAL MEETING - 29/09/2023 AT 11:00 A.M.**

NAME (IN BLOCK LETTERS)	
ADDRESS	
REGISTERED FOLIO NO./ DP ID & CLIENT ID	
SHAREHOLDER / PROXY	

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company being held on Friday, September 29, 2023 at 11:00 A.M. at Rajoo Avenue, Survey No. 210, Plot No. 1, Industrial Area, Veraval (Shapar), Rajkot, Gujarat - 360024

Signature of Shareholder / Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

**Form No. MGT-11**

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U24224GJ2002PLC041119  
 Name of the Company : ESSEN SPECIALITY FILMS LIMITED  
 Registered Office : Survey No. 192, Plot No. A, Industrial Area, Behind Orchev Pharma,  
 Veraval (Shapar), Rajkot, Gujarat - 360024

Name of the Member (s)	
Registered Address	
E-mail Id	
Folio No./ Client Id	
DP Id	

I/We, being the member (s) of ..... shares of Essen Speciality Films Limited, hereby appoint

1. Name : .....  
 Address : .....  
 .....  
 .....  
 E-mail Id : .....  
 Signature : ..... or failing him

2. Name : .....  
 Address : .....  
 .....  
 .....  
 E-mail Id : .....  
 Signature : ..... or failing him

3. Name : .....  
 Address : .....  
 .....  
 .....  
 E-mail Id : .....  
 Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Friday, September 29, 2023 at 11:00 A.M. at Rajoo Avenue, Survey No. 210, Plot No.1, Industrial Area, Veraval (Shapar), Rajkot, Gujarat - 360024 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against	Abstain
<b>Ordinary Business</b>				
1	Adoption of financial statements for the year ended March 31, 2023.			
2	Appointment of a director in place of Ms. Kruti Rajeshbhai Doshi (DIN: 02632833), who retires by rotation and being eligible, offers herself for re-appointment.			
<b>Special Business</b>				
3	To fix remuneration of Mr. Utkarsh R. Doshi, Related Party appointed in office or place of profit			

Signed this ..... day of ..... 2023.

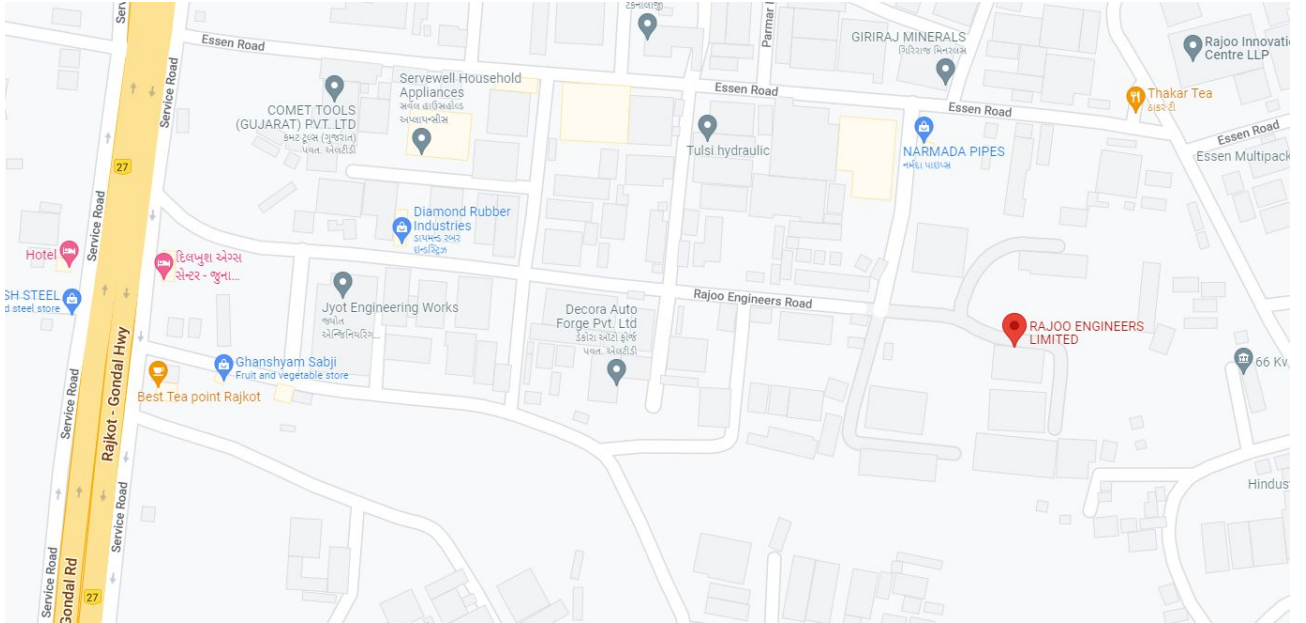
Signature of Shareholder : .....

Signature of Proxy holder(s) : .....



**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**Route Map to the Venue of 21st Annual General Meeting:**



Rajoo Avenue, Survey No. 210, Plot No.1, Industrial Area, Veraval (Shapar), Rajkot, Gujarat - 360024

**Land Mark: Next to Narmada Pipes Gate**



