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**29<sup>TH</sup> ANNUAL REPORT 2016-2017**

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CIN:L21019GJ1988PLC040325

**BOARD OF DIRECTORS**

SHRI JAIKISHAN B.GUPTA - Chairman  
SHRI NAVEEN J.GUPTA - Managing Director  
SMT.SUDHA GUPTA - Director  
SHRI RAMESH CHAND - Director  
SHRI SHIVRATAN SHARMA - Director upto 01/04/2016  
SHRI RAM BILAS - Director w.e.f.30/05/2016

**AUDIT COMMITTEE**

SHRI RAMESH CHAND  
SHRI SHIVRATAN SHARMA - upto 01/04/2016  
SMT.SUDHA GUPTA  
SHRI RAM BILAS - w.e.f.30/05/2016

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

SHRI JAIKISHAN GUPTA  
SHRI NAVEEN GUPTA  
SHRI SHIVRATAN SHARMA - upto 01/04/2016  
SHRI RAMESH CHAND

**NOMINATION & REMUNERATION COMMITTEE**

SHRI RAMESH CHAND  
SMT. SUDHA GUPTA  
SHRISHIVRATAN SHARMA - upto 01/04/2016  
SHRI RAM BILAS - w.e.f.30/05/2016

**STATUTORY AUDITOR**

V. D.AGGARWAL & CO.  
Chartered Accountants, Delhi

**REGISTRARS & SHARES TRANSFER AGENTS**

LINK INTIME INDIA PVT.LTD.  
**HEAD OFFICE :**  
C-101, 247 Park , LBS Marg, Vikhroli (West), Mumbai-400083.  
Tel.: 91-22-49186270. Fax: 91-22 - 4918 6060  
E-mail : [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

**BRANCH OFFICE :**  
5<sup>th</sup> Floor, 506 to 508, Amarnath Business Center-1 (ABC-1),  
Beside Gala Business Center, Nr. St. Xavier's College Corner, Off  
C.G. Road, Ellisbridge, Ahmedabad-380006.  
Tel.: 079-26465179. E-mail : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**E -VOTING AGENCY**

CENTRAL DEPOSITORY SERVICES (INDIA)LIMITED  
E-mail : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**SCRUTINIZER**

CS ASHOK P.PATHAK  
Practising Company Secretary  
E-mail : [csashokppathak@gmail.com](mailto:csashokppathak@gmail.com)

**REGISTERED OFFICE**

701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054  
Tel.: 079 2685 8510 / 11. Fax: 079 30171202.  
E-mail : [contact@kalptaru.co.in](mailto:contact@kalptaru.co.in) Website : [www.kalptaru.co.in](http://www.kalptaru.co.in)

**HEAD OFFICE**

C 8/10, Model Town, Delhi-110009

**WORKS**

Khatraj Chokdi, Village Karoli, Kalol, Dist. Gandhinagar, Gujarat.

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## NOTICE

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of M/S. Kalptaru Papers Limited will be held on Wednesday, 27<sup>th</sup> day of September, 2017 at 11:30 a.m. at the Registered Office of the Company situated at 701, Avdesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad - 380054 to transact the followings:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the Financial Year ended on 31<sup>st</sup> March 2017 and the Reports of the Board of Directors and Auditorsthereon.
2. To appoint a Director in place of Shri Naveen Gupta(having DIN 00148096),who retires by rotation and being eligible,offers himself for re-appointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion ofnext Annual General Meeting and fix their remuneration and in this regard to consider and, if thought fit, to pass,with or without modification, the following resolution as an OrdinaryResolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Board of Directors, M/s. Manoj Garg & Associates, Chartered Accountants, Delhi (Firm Registration Number 09684N) with the Institute of Chartered Accountants of India), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and rule 4 of the rules, be and are hereby appointed as Statutory Auditor of the Company from the conclusion of this forthcoming Annual General Meeting of the Company until the conclusion of the sixth Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors, exclusive of traveling and other out of pocket expenses."

### Regd.Office:

701,Avdesh House,  
Opp. Gurudwara,  
NearThaltej Chokdi,  
Ahmedabad -380054 Gujarat

**Date: 9<sup>th</sup> August, 2017**

**By Order of theBoard**  
**For, Kalptaru PapersLimited**

**Jaikishan B.Gupta**  
**Chairman**  
DIN:00148067

### NOTES:

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OFHIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

1. A person can act as proxy on behalf of members not exceeding fifty(50) and holding in the aggregate not more than ten percent of the total share capital of the Company.Proxies In Order To Be Effective Must Be Received By The Company Not Less Than 48 Hours Before The Meeting.
2. The relevant details as stipulated under Regulation 36 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 in respect to Directors seeking appointments / re-appointments as directors under Item No. 2 are also annexed hereto.
3. The Registrar of members and share transfer books of the Company will remain closed from Thursday, the 21<sup>st</sup> day of September, 2017 to Wednesday, the 27<sup>th</sup> day of September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
4. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, except Sundays, between 11:00 a.m. and 1:00 p.m. up to the date of themeeting.
5. The Equity Shares of the Company are available for Dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) and The Central Depository Services Limited (CDSL). Those Shareholders who wish to hold the Company's Share in electronic form may approach their Depository participants.
6. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent M/s. Link Intime India Pvt. Ltd., C-101, 247 Park , LBS Marg, Vikhroli (West), Mumbai-400083.Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the company or Company's Registrar and Share Transfer Agent. As per Circular No.MRD/ Dop/ Cir-05/2009 dated 20th May 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer of shares in physical form.Therefore,the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agent of the Company.
7. Members / Proxies should fill in the Attendance Slip for attending the meeting and they are requested to bring their Attendance Slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those who hold shares in physical form are requested to write their Folio No in AttendanceSlip for attending the meeting.
8. Members may also note that the Notice of the 29<sup>th</sup> Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [www.kalptaru.co.in](http://www.kalptaru.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id :[contact@kalptaru.co.in](mailto:contact@kalptaru.co.in)

9. Members are requested to intimate to the company, queries, if any, on the accounts at least ten days before the meeting to enable the Management to keep the required information available at the meeting.
10. Voting through electronic means:  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through the e-Voting services provided by CDSL-Central Depository Services(India) Limited.
11. General Instructions for e-voting:
  - i. The e-voting period commences on Sunday, September 24, 2017 (9.00 a.m. IST) and ends on Tuesday, September 26, 2017 (5.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Wednesday, September 20, 2017 (being the cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast, the shareholder shall not be allowed to change it subsequently.
  - ii. The e-voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Wednesday, September 20, 2017.
  - iii. Shri Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS 9939 and COP No. 2662) of Ashok P. Pathak & Co., Company Secretaries, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot form received from the shareholders) in a fair and transparent manner.
  - iv. The scrutinizer shall count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make within forty eight hours of the conclusion of the meeting, a consolidated scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairperson or a person authorized by him in writing who shall countersign the same.
  - v. The results of the e-voting of the 29<sup>th</sup> AGM of the Company held on Wednesday, September 27, 2017 along with the scrutinizer's report shall be immediately placed on the Company's website [www.kalptaru.co.in](http://www.kalptaru.co.in) and on the website of CDSL [www.evoting.cdsi.com](http://www.evoting.cdsi.com) and simultaneously communicated to Bombay Stock Exchange Limited, where the shares of the Company are listed.

**Procedure / Instructions for e-voting are as under:**

**A . For shareholders who receive notice of annual general meeting through e-mail:**

- i. The voting period begins on Sunday, September 24, 2017 at 9:00 AM and ends on Tuesday, September 26, 2017 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 20, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. If you are holding shares in Demat form and had logged on to <https://www.evotingindia.co.in> and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- iii. Log on to the e-voting website <https://www.evotingindia.com>.
- iv. Click on "Shareholders" tab to cast your vote.
- v. If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)
	Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB*	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

\*Please enter DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). Kindly note that this password is to be also used by the

demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. Click on the relevant EVSN (170824068) on which you choose to vote.
- ix. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- xi. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page

xiv Note for Non – Individual Shareholders and Custodians:

a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to HYPERLINK "<http://www.evotingindia.com>" [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

f. Further they are requested to send the scanned copy of the Authority letter to the email id of Scrutinizer ([csashokppathak@gmail.com](mailto:csashokppathak@gmail.com)), RTA ([ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)) and Company ([contact@kalptaru.co.in](mailto:contact@kalptaru.co.in)).

ii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

iii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution/Authority letter in PDF format in the system for the scrutinizer to verify the same.

Further, they are requested to send the scanned copy of the Board Resolution/ Authority letter to the email id of Scrutinizer ([csashokppathak@gmail.com](mailto:csashokppathak@gmail.com)), RTA ([ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)) and Company ([contact@kalptaru.co.in](mailto:contact@kalptaru.co.in)).

## **B. VOTING AT AGM :**

i. The members who have not casted their votes either electronically or through Ballot form, can exercise their voting rights at the AGM.

ii. A member who are present at AGM and have not cast their vote by availing the remote e-voting facility can vote at AGM by use of ballot or polling papers.

### **Regd. Office:**

701, Avdresh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad - 380054. Gujarat

**Date: 9<sup>th</sup> August, 2017**

**By Order of the Board**  
**For, Kalptaru Papers Limited**

**Jaikishan B. Gupta**  
**Chairman**

DIN: 00148067

## ANNEXURE TO THE NOTICE

Notes on Directors seeking appointment / re-appointment at the annual general meeting as required under the Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

### Profile of Directors being appointed / re-appointed:

#### Item No 2

Name	Shri Naveen Gupta
Qualification	Graduate in Commerce
Experience	He has experience of more than two decades in marketing and manufacturing papers and its allied products, products metals or non ferrous metals. He is associated with the Company since incorporation. Under his able guidance and direction, the Company has achieved phenomenal growth and prosperity.
Directorship held in Listed Companies	None
Other Directorship	Kalptaru Alloys Pvt. Ltd. Kalptaru Fincap Limited Kalptaru Infosoft Pvt. Ltd.
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	3,11,820 Equity Shares of Rs.10/- each
Disclosure of the relationships	Shri Naveen Gupta, Managing Director of the Company is son of Shri Jai Kishan Gupta- Chairman of the Company.

#### Regd. Office:

701, Avdhesh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad -380054. Gujarat

**Date: 9<sup>th</sup> August, 2017**

**By Order of the Board**  
**For, Kalptaru Papers Limited**

**Jaikishan B. Gupta**  
**Chairman**  
DIN:00148067

## DIRECTORS' REPORT

To,  
The Members,  
Kalptaru Papers Limited,  
Ahmedabad.

Your directors are presenting herewith their 29<sup>th</sup> Annual Report together with the Audited Statements of Accounts for the period ended on 31<sup>st</sup> March, 2017.

### PERFORMANCE HIGHLIGHTS:

(Rs. in Lac)

Particulars	Current year Ended on 31/03/2017	Previous year Ended on 31/03/2016
Revenue from Operations	NIL	NIL
Other Income	31.74	12.10
Profit/Loss before exceptional & extraordinary items & tax	(380.40)	(740.56)
Exceptional Items	(646.05)	—
Extraordinary Items	(9.16)	—
Profit /Loss before Tax	(1035.61)	(740.56)
Current Tax	—	—
Deferred Tax	—	(480.31)
P/L from the period from continuing Operations	(1035.61)	(260.25)
P/L from the period from discontinuing Operations	—	—
P/L for the period	(1035.61)	(260.25)

### DIVIDEND:

Due to loss incurred during the year under review, your directors do not recommend any dividend for the financial year ended on 31<sup>st</sup> March, 2017.

### RESERVES

Due to loss incurred during the year under review, your directors do not transfer any amount to Reserves for the financial year ended on 31<sup>st</sup> March, 2017.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, there is no unclaimed or unpaid Dividend is due for remittance to the Investor Education and Protection Fund established by the Central Government.

### BUSINESS PERFORMANCE & PROSPECTS

During the year under review, the company has NIL turnover, which is same as previous year and the operation for the year under review has resulted into net loss of Rs. 1035.61. Lac in compared to previous year's loss of Rs. 260.25 Lac.

### PUBLIC DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review. The Company will repay earlier accepted deposits according to the terms of Deposits.

### BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

The company is operating in only one segment i.e. paper. However, there was not any production during the year under consideration. As the Company was closed, the main activity was to try for arranging the funds and restart the Company as far as possible.

### DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions. The Company has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis. The Company maintains a system of internal controls designed to provide assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations as applicable in the various jurisdictions in which the Company operates.



## **CORPORATE GOVERNANCE CERTIFICATE**

The compliance with the Corporate Governance provisions as specified in the Regulations 17 to 27 and clauses (b) to (i) of sub regulation(2) of Regulation 46 and Paras C,D and E of Schedule V of SEBI (Listing Regulations), 2015, are not applicable to the companies having Paid up Share Capital not exceeding Rs.10 Crores and Net Worth not exceeding Rs.25 Crore, as on the last day of previous year. According to these regulations your company is not mandatorily required to comply with the provisions of these regulations, for the time being as the Paid up Share Capital of the company is not exceeding Rs.10 Crores and the Net Worth is not exceeding Rs.25 Crores, as on the last day of the previous year, however, the company has made all possible efforts to comply with the provisions of these regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013, during the year under review. In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, a certificate from Auditors of the Company on compliance of conditions of Corporate Governance is annexed to the Annual Report. A report on Corporate Governance as provided in Regulation 34 of SEBI (LODR) Regulations, 2015 is included in the Annual Report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :**

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

## **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :**

The following material changes and commitment occurred during the year under review affecting the financial position of the Company.

The company was exclusively listed on Delhi Stock Exchange Limited (DSE), de-recognized and non-operational Stock Exchange, which has now moved to the Dissemination Board (DB) vide Bombay Stock Exchange Limited (BSE) Notice dated 09<sup>th</sup> July, 2015. The Equity Shares of the company was admitted to Trade Category on the BSE bearing Script Name: KALPAPER and having Script Code No.590036. BSE vide its Notice No.20150106-34 dated 06/01/2015 have discontinued the trading on account of derecognition of Regional Stock Exchange i.e. DSE vide SEBI Order dated 19/11/2014.

The company has made an application on 27.03.2017 to BSE Limited of ELC, seeking removal of name from Dissemination Board of BSE due to Nil or Negative Valuation in the company as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016. The company has made an application on 27.03.2017 to BSE Limited of ELC, seeking removal of name from Dissemination Board of BSE due to Nil or Negative Valuation in the company as per SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016.

All IOB loan Account are NPA Account and IOB had sold all NPA loan account to M/s. Invent Assets Securitisation and Reconstruction Pvt. Ltd. on 31.03.2017 vide letter dtd. 19.05.2017.

The Company has also defaulted in repayment of loans amounting Rs.2,92,02,267/- as per Ledger balance of Axis Bank. Bank has also issued notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 vide letter dated 01.09.2016.

The Company has defaulted in the payment of principal outstanding of Rs.3,23,79,525.00 of Religare Finvest limited vide letter dated 07.04.2017. Religare Finvest Limited has also issued notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 vide letter dated 15.02.2017.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) :**

(Criteria prescribed under section 135 is not attracted)

Every Company is required to constitute / formulate CSR Committee if it gets attracted in one of the criteria prescribed in Section 135.

According to Section 135 of the Companies Act, 2013, Every Company having Net Worth of Rs.500 Crore or More, or Turnover of Rs.100 Crore or more, or Net Profit of Rs.5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee and should undertake Corporate Social Responsibility as prescribed in Schedule VII.

None of the above criteria was applicable to the company for the financial year 2016-2017 and hence the company was not required to constitute CSR Committee.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure-A" and is attached to this report.

## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Pursuant to section 134(3)(n) of the Companies Act, the company has framed Risk Management Policy. The detailed policy as adopted is available on the website of the company. The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. At present the company has not identified any element of risk which may threaten the existence of the company.

## **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not



applicable.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

**AUDITORS REPORT:**

The explanation on qualification (s) / observation(s) in the Auditors' Report:

Point 1. Note No. 33(3) to the Auditor's Report: Depreciation on fixed assets has been provided on straight-line basis at useful life assumed by management.

Explanation 1

Explanation to Note No. 33(3) to the Auditor's Report : Majority of Machineries are old and obsolete and hence it were not feasible to identified the useful life under Schedule II (Part C) of the Companies Act, 2013 & hence Management has assumed the useful life accordingly.

**Secretarial Auditor :**

The Board has considered the recommendation of Audit Committee regarding appointment and necessity of Secretarial Audit Report as mandate for every listed company in Section 204 of the Act, and has appointed M/s.Ashok P. Pathak & Co., Company Secretaries, Ahmedabad as Secretarial Auditor for the financial year 2017 -2018.

**Secretarial Audit Report :**

The Secretarial Audit Report for the financial year 2016-2017 is annexed herein and forming part of the Board Report "ANNEXURE-B". The explanation on comments / observation(s) in the Secretarial Audit Report :

Point 1. The company have not appointed a Company Secretary as part of Key Managerial Personnel (KMP) according to the requirements of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the period from 01.04.2016 to 14.10.2016 and 18.01.2017 to 31.03.2017.

Explanation 1. :

The company has a small capital base medium size company. The company is running in a loss during the year on account of closure of its unit, and hence it was difficult for the company to find qualified company secretary in full time willing to work. However the company has appointed full time company secretary w.e.f. 15.06.2017.

Point 2. The functional website of the company has not been timely updated.

Explanation 2 :

The Board of Directors hereby ensure to keep the functional website of the company being timely updated according to the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Point 3. As at 31.03.2017 the company has shown an advance against materials and finished goods from two parties for a period exceeding three hundred and sixty five days from the date of acceptance of such advances, and an advance received in connection with consideration for immovable property and such advance is not adjusted against such property in accordance with the terms of agreement or arrangement.

Explanation 3 :

Due to financial crisis consequent to closure of the factory unit the company is unable to repay the advances received against material, finished goods and immovable property. The Board assure to repay this advances at the earliest.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished below:

• **Appointment criteria and qualifications for Directors**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment..
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the

approval of shareholders by passing as special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

• **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

a) Fixedpay

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the payscale and quantum perquisites including employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/ Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

• **Remuneration to Non- Executive / Independent Director:**

a) Remuneration /Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the articles of association of the Company and the Act.

b) Sitting Fees:

The Non Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

**ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "ANNEXURE- C" and is attached to this Report.

**NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had 7 (Seven) Board meetings during the financial year under review. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement that:-

- In the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- The directors had 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 and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;and
- the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Note: Internal financial control means the policies and procedures adopted by the Company 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.

- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively..

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

### **PARTICULARS OF EMPLOYEES**

The ratio of remuneration of each director to the median employee's remuneration are not feasible as the unit / manufacturing operation of the company is closed since 2013. None of the Director other than Managing Director draw the remuneration during the year under review.

There was no employee drawing salary in excess of limits described under Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

### **DIRECTORS**

Mr. Naveen Gupta, Director retire at this Annual General Meeting and being eligible offer himself for re - election. The Board of Directors recommended his re- appointment at the forthcoming Annual General Meeting.

### **DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

### **FORMAL ANNUAL BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI(LODR) Regulations,2015,the Board has carried out an evaluation of its own performance and the Directors individually. A process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

A familiarization programme was conducted for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters and the said was updated on website of the Company [www.kalptaru.co.in](http://www.kalptaru.co.in)

### **STATUTORY AUDITORS**

M/s. V D Aggarwal & Co., Chartered Accountants (ICAI Registration No. 008332N), Delhi were appointed as Statutory Auditors for a period of 1 (one) year in the Annual General Meeting held on 28/09/2016.

The board of Directors in their meeting dated 29/05/2016, have recommended the appointment of M/s ManojGarg and Associates as the auditors of the company, from the conclusion of ensuing Annual General Meeting to the conclusion of sixth annual general meeting to be held after his appointment subject to the ratification in each annual general meeting.

The company has received the written consent of the auditors for its appointment, certificate under Section 139(1) read with Section 141 of the Companies Act, 2013 to the effect that their appointment, if made will be in accordance to the specified limit.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members:

- a) Shri Shivratan Jivaram Sharma- Chairman (upto 01.04.2016)
- b) Shri Ramesh Chand -Member
- c) Smt. Sudha Gupta- Member
- d) Shri Ram Bilas- Member

The company has reconstituted the Audit Committee in its meeting held on 30.05.2016 by way of inducting Shri Ram Bilas, Independent Director as member of the committee in place of Shri Shivratan Jivaram Sharma, Independent Director resigned w.e.f. 01.04.2016. Shri Ramesh Chand is the Chairman of the Audit committee w.e.f.30.05.2016.

The above composition of the Audit Committee consists of all independent Directors.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of Company's employees and the Company.

### **RE-CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE (NRC) :**

The Board of Directors of the company at its meeting held on 30<sup>th</sup> May, 2016 has re-constituted an Nomination and Remuneration Committee comprising three Independent Non-Executive Directors viz. Mr. Ramesh Chand - Chairman, Mr. Ram Bilas and Mrs. Sudha Gupta as Mr. Shivratan Sharma has resigned from the post of Director w.e.f. 01/04/2016 and Mr. Ram Bilas appointed as Additional Independent Director w.e.f. 30/05/2016. Committee welcomes Mr. Ram Bilas as a member and appreciated the services rendered by Mr. Shivratan Sharma.

### **RE-CONSTITUTION OF STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board of Directors of the company at its meeting held on 30<sup>th</sup>May, 2016 has re-constituted an Stakeholders' Relationship Committee comprising three Directors viz. Mr.Ramesh Chand-Chairman,Mr.JaiKishan Gupta and Mr. Naveen Gupta as Mr. Shivratan Sharma has resigned from the post of Director w.e.f. 01/04/2016 and Mr. Ramesh Chand were subsequently appointed as Chairman of the Committee.

### **DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The company has constituted Internal Complaints Committee (ICC) vide its Board Meetingheld on 11<sup>th</sup>February,2015 under the chairmanship of Shri Naveen Gupta, Managing Director to redress complaints received regarding sexual harassment. Shri Jai Kishan Gupta and Smt. Sudha Gupta are the other members of the committee. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year.

## **29<sup>TH</sup> ANNUAL REPORT**

**2016-17**

- No. of complaints received. -NIL
- No. of complaints disposed off - Not Applicable.

### **GENERAL**

The Hon'ble Debt Recovery Tribunal (DRT)-1, Ahmedabad vide its Order dtd.12.01.2017 has appointed the court commissioner for carrying out inventory of mortgage property.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

#### **Regd.Office:**

701,Avdhesh House,  
Opp. Gurudwara,  
Near ThaltejChokdi  
Ahmedabad -380054. Gujarat

**Date: 9<sup>TH</sup>August, 2017**

**By Order of theBoard  
For, Kalptaru Papers Limited**

**Jaikishan B.Gupta  
Chairman  
DIN:00148067**

**ANNEXURE FORMING PART OF DIRECTOR' REPORT**  
**ANNEXURE A - TO THE DIRECTORS' REPORT**

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

**A. CONSERVATION OF ENERGY:**

- (i) Steps taken for conservation of energy  
The Company has adopted several energy conservation measures besides what had been carried out earlier. Periodical testing is being taken for each unit of power supply to verify that the energy consumed is minimized.
- (ii) Steps taken by the Company for utilizing alternate sources of energy :NIL
- (iii) The Capital investment on energy conservation equipments  
No Capital Investment made on energy conservation equipments by the company.

**B. TECHNOLOGY ABSORPTION:**

- (i) Efforts towards technology absorption : Continues Efforts
- (ii) The benefits derived like product improvement, cost reduction, product development or import Substitution :NIL
- (iii) Information regarding imported technology (Imported during last three years) :NIL
- (iv) Expenditure incurred on Research and Development :NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	Current Year Rs.	Previous Year Rs.
Foreign exchanges earned :	NIL	NIL
Foreign Exchange used	NIL	NIL

**ANNEXURE B - TO THE DIRECTORS' REPORT**  
**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended On 31<sup>ST</sup> March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,  
Kalptaru Papers Limited  
701, Avdhesh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad.380 054

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kalptaru Papers Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Kalptaru Papers Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering **the financial year ended on 31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kalptaru Papers Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) The following are other laws specifically applicable to the company :

- Forest (Conservation) Act, 1980
- Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996
- Indian Boiler Act, 1923

We have been informed that as the manufacturing operations of the company were closed since September -2013, the compliances pertaining to this Acts are not applicable during the year.

We have also examined compliance with the applicable clauses / regulations of the following :

- Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013 and made effective from 1<sup>st</sup> July, 2015.
- The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited effective upto 30<sup>th</sup> November, 2015; (The Equity Shares of the company was permitted / admitted to the Trade Category upto 06.01.2015 on the Bombay Stock Exchange Limited, which has now moved to the Dissemination Board (DB) vide Bombay Stock Exchange Limited (BSE) Notice dated 09<sup>th</sup> July, 2015)
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1<sup>st</sup> December, 2015. (The Equity Shares of the company was permitted / admitted to the Trade Category upto 06.01.2015 on the Bombay Stock Exchange Limited, which has now moved to the Dissemination Board (DB) vide Bombay Stock Exchange Limited (BSE) Notice dated 09<sup>th</sup> July, 2015)

We hereby report that during the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation(s) :

- The company have not appointed a Company Secretary as part of Key Managerial Personnel (KMP) according to the requirements of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the period from 01.04.2016 to 14.10.2016 and 18.01.2017 to 31.03.2017.
- The functional website of the company has not been timely updated.
- As at 31.03.2017 the company has shown an advance against materials and finished goods from two parties for a period exceeding three hundred and sixty five days from the date of acceptance of such advances, and an advance received in connection with consideration for immovable property and such advance is not adjusted against such property in accordance with the terms of agreement or arrangement.

**We further report that**

- The company has defaulted in payment of dues to the Indian Overseas Bank (IOB) so all accounts in the said bank have been converted to Non Performing Assets (NPA) during the financial year 2013-2014.
- The company was exclusively listed on Delhi Stock Exchange Limited (DSE), de-recognized and non-operational Stock Exchange, which has now moved to the Dissemination Board (DB) vide Bombay Stock Exchange Limited (BSE) Notice dated 09<sup>th</sup> July, 2015. The Equity Shares of the company was admitted to Trade Category on the BSE bearing Script Name : KALPAPER and having Script Code No. 590036. BSE vide its Notice No. 20150106-34 dated 06/01/2015 have discontinued the trading on account of de-recognition of Regional Stock Exchange i.e. DSE vide SEBI Order dated 19/11/2014. As per the SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/ 2016/110 dtd. October 10, 2016 being the exclusively listed company, the company had made application on 27.03.2017 for removal of name of the company from Dissemination Board of BSE. The Nil Valuation Report issued by the SEBI approved Independent Valuer has been submitted to BSE.
- The company has received Order for unit closure / to close manufacturing process /operations and stoppage of the supply of electricity services from the Gujarat Pollution Control Board on 11/09/2013 under Section 33A of The Water Pollution (Prevention and Control) Act, 1974 on account of Water Pollution and non-use of water purification/ treatment plant according to proportion prescribed by the Board.
- The company has applied for surrendering Factory Licence to the Department of Safety and Health vide its letter dated 18.10.2014 due to pollution and financial problems resulting into stoppage of manufacturing operations.



## 29<sup>TH</sup> ANNUAL REPORT 2016-17

### We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent at least seven days in advance, and a system exists for directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting member's views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period :

- (a) Indian Overseas Bank has assigned its total debt due from the company to Invent Assets Securitisation and Reconstruction Private Limited, the Asset Reconstruction Company vide an Assignment Agreement dated 31.03.2017.
- (b) The Axis Bank Limited has issued notice to the company on 01/09/2016 under section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, on account of failure to meet liability in respect of the credit facility then outstanding aggregating to Rs.3,03,70,769.50/- and to invoke the relevant provisions of the said Act. The company have committed defaults in repayment of dues to the Axis Bank Limited and the said credit facility have been reclassified as Non - Performing Asset (NPA) w.e.f. 22.04.2016 in accordance with directions/ guidelines issued by RBI. The Hon'ble DRT-1, Ahmedabad vide its Order dtd.12.01.2017 has appointed the court commissioner for carrying out inventory of mortgage property.
- (c) The Religare Finvest Limited has issued notice to the company on 15/02/2017 under section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. On account of failure to meet liability in respect of the credit facility then outstanding aggregating to Rs.1,22,88,789.56/- and to invoke the relevant provisions of the said Act. The company have committed defaults in repayment of dues to the Axis Bank Limited and the said credit facility have been reclassified as Non-Performing Asset (NPA) w.e.f. 31.01.2017 in accordance with directions/ guidelines issued by RBI.

Place : Ahmedabad  
Date : 08/08/2017

For, Ashok P. Pathak & Co.  
Company Secretaries  
Ashok P. Pathak  
ACS No. 9939  
C P No.: 2662

**Note:** This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

### ANNEXURE- I TO SECRETARIAL AUDIT REPORT

To,  
The Members  
Kalptaru Papers Limited  
701, Avdesh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad.380 054

Our report of 08<sup>th</sup> August, 2017 is to be read along with this letter

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Ahmedabad  
Date : 08/08/2017

For, Ashok P. Pathak & Co.  
Company Secretaries  
Ashok P. Pathak  
ACS No. 9939  
C P No. 2662



**ANNEXURE-C TO BOARD REPORT**  
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31<sup>st</sup> March, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN :L21019GJ1988PLC040325
- ii) Registration Date :28/11/1988
- iii) Name of the Company: **KALPTARU PAPERS LIMITED**
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details:  
701, AVDHESH HOUSE, OPP. GURUDWARA, NEAR THALTEJ CHOKDI, AHMEDABAD - 380054, GUJARAT.  
Phone : 079 26858510 / 11. Fax :079 30171202. E-mail : [contact@kalptaru.co.in](mailto:contact@kalptaru.co.in) Website : [www.kalptaru.co.in](http://www.kalptaru.co.in)
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent:  
**Link Intime India Pvt. Ltd.**, C-101, 247 Park , LBS Marg, Vikhroli (West), Mumbai-400083.  
Tel. No.91-22-49186270. Fax No.91-22 - 4918 6060. Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Kraft Paper	48042900	0

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
--N.A.--					

**SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
a) Individuals/ HUF	1438281	Nil	1438281	32.19	1438281	Nil	1438281	32.19	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
d) Bodies Corporate	1297350	Nil	1297350	29.04	1297350	Nil	1297350	29.04	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
f) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
<b>Sub Total (A)(1)</b>	<b>2735631</b>	<b>Nil</b>	<b>2735631</b>	<b>61.23</b>	<b>2735631</b>	<b>Nil</b>	<b>2735631</b>	<b>61.23</b>	<b>Nil</b>
<b>2. Foreign</b>									
a) NRI - Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total(A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>2735631</b>	<b>Nil</b>	<b>2735631</b>	<b>61.23</b>	<b>2735631</b>	<b>Nil</b>	<b>2735631</b>	<b>61.23</b>	<b>Nil</b>

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<b>B. Public Shareholding</b>									
a) Mutual Fund/Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Venture Capital Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Insurance Cos.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Others(specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub Total (B)(1)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>B2 Non-Institutions</b>									
a) Bodies Corporate	119634	900	120534	2.70	113520	900	114420	2.56	-1.36
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	749654	130600	880254	19.70	771726	130600	902326	20.19	0.49
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	579355	14300	593655	13.29	579355	14300	593655	13.29	Nil
c) Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c-i) Clearing Member	19619	Nil	19619	0.44	3661	Nil	3661	0.08	-0.3572
c-ii) NRI (Repat)	39451	Nil	39451	0.88	39451	Nil	39451	0.88	0.00
c-iii) NRI (Non Repat)	2104	Nil	2104	0.047	2104	Nil	2104	0.047	0.00
c-iv) HUF	76872	Nil	76872	1.72	76872	Nil	76872	1.72	0.00
<b>Sub-Total (B)(2)</b>	<b>1586689</b>	<b>145800</b>	<b>1732489</b>	<b>38.77</b>	<b>1586689</b>	<b>145800</b>	<b>1732489</b>	<b>38.77</b>	<b>0.00</b>
<b>(B) Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1586689</b>	<b>145800</b>	<b>1732489</b>	<b>38.77</b>	<b>1586689</b>	<b>145800</b>	<b>1732489</b>	<b>38.77</b>	<b>0.00</b>
<b>TOTAL (A)+(B)</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100.00</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100.00</b>	<b>0.00</b>
(C) Shares held by Custodians and against which Depository Receipts have been issued									
1) Promoter and Promoter Group	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2) Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (C)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100.00</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	N. N. INTRATRADE PVT LTD LIMITED	750700	16.8012	Nil	750700	16.8012	Nil	0.00
2.	KALPTARU FINCAP LIMITED	546650	12.2345	Nil	546650	12.2345	Nil	0.00
3.	JAI KISHAN GUPTA	420670	9.4149	Nil	420670	9.4149	Nil	0.00
4.	NAVEEN JAI KISHAN GUPTA	311820	6.9788	Nil	311820	6.9788	Nil	0.00
5.	USHA GUPTA	209920	4.6982	Nil	209920	4.6982	Nil	0.00
6.	SAVITA GUPTA	138264	3.0945	Nil	138264	3.0945	Nil	0.00
7.	RUBY RAJENDRA PATAWARI	89707	2.0077	Nil	89707	2.0077	Nil	0.00
8.	JAI KISHAN GUPTA ARPIT GUPTA HUF	77050	1.7244	Nil	77050	1.7244	Nil	0.00
9.	JAI KISHAN GUPTA NAVEEN GUPTA HUF	44850	1.0038	Nil	44850	1.0038	Nil	0.00
10.	ARPIT GUPTA	29134	0.6520	Nil	29134	0.6520	Nil	0.00
11.	NIMIT NAVEEN GUPTA	36130	0.8086	Nil	<b>36130</b>	<b>0.8086</b>	Nil	0.00
12.	JAIKISHAN & SONS HUF	15600	0.3491	Nil	15600	0.3491	Nil	0.00
13.	NAVEEN GUPTA - HUF	12550	0.2809	Nil	12550	0.2809	Nil	0.00
14.	RAJENDRA VIJAYKUMAR PATAWARI	12050	0.2697	Nil	12050	0.2697	Nil	0.00
15.	ASHKA A. GUPTA	22580	0.5054	Nil	<b>22580</b>	<b>0.5054</b>	Nil	0.00
16.	PREETY AGGARWAL	350	0.0078	Nil	350	0.0078	Nil	0.00
17.	SANJAY AGGARWAL	826	0.0185	Nil	<b>826</b>	<b>0.0185</b>	Nil	0.00
18.	NIRDESH NAVEEN GUPTA	16780	0.3755	Nil	<b>16780</b>	<b>0.3755</b>	Nil	0.00
	<b>Total</b>	<b>2735631</b>	<b>61.2255</b>	<b>Nil</b>	<b>2735631</b>	<b>61.2255</b>	<b>Nil</b>	<b>0.00</b>

**(ii) Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year (As on 01-04-2016)		Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
	No. of Shares	% of total shares of the	No. of Shares	% of total shares of the company
At the beginning of the year	2735631	61.2255		
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NA	NA	NA	NA
At the End of the year			2735631	61.2255

**(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

1.	HEMANG OMPRAKASH MEHTA	58000	1.30	NIL	NIL	NIL	58000	1.30
2.	RANI SINGHAL	56242	1.26	NIL	NIL	NIL	56242	1.26
3.	PAWAN GUPTA	46000	1.03	NIL	NIL	NIL	46000	1.03

4.	HEMENDRA MEHTA	39189	0.88		NIL	NIL	39189	0.88
5.	AASHKA K. SHAH	38163	0.85	NIL	NIL	NIL	38163	0.85
6.	MAHESHKUMAR MANGERAM AGARWAL	37834	0.85	NIL	NIL	NIL	37834	0.85
7.	ISHAAN SHAH	33070	0.74	NIL	NIL	NIL	33070	0.74
8.	SHIKHAR KUCHHAL	30000	0.67	NIL	NIL	NIL	30000	0.67
9.	G. M. LAMINATES PVT LTD	28500	0.64	-	-	-	28500	0.64
10.	MANISH PINAKIN PATEL	27100	0.60	NIL	NIL	NIL	27100	0.60

**(iv) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	JAI KISHAN GUPTA	420670	9.41	-	-	-	420670	9.41
2	NAVEEN JAI KISHAN GUPTA	311820	6.98	-	-	-	311820	6.98
3	SAVITA GUPTA	138264	3.09	-	-	-	138264	3.09
4	RAMESH CHAND	500	0.01	-	-	-	500	0.01
5	SUDHA GUPTA	0	0	-	-	-	0	0
6	RAM BILAS	0	0	-	-	-	0	0

**IV. INDEBTNESS (Rs. In Lacs)**

Indebtness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year				
i) Principal Amount	299266527	126875396	0	426141923
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>299266527</b>	<b>126875396</b>	<b>0</b>	<b>426141923</b>
Change in Indebtness during the financial year				
Addition	333245856	8649597	0	341895453
Reduction	-260251004	-5,00,000	0	-260751004
Net Change Indebtness	72994852	8149597	0	8144449
At the end of the financial year				
i) Principal Amount	372261379	135024993	0	507286372
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>372261379</b>	<b>135024993</b>	<b>0</b>	<b>50728632</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Rs. InLacs)**

Sr.No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NAVEEN JAI KISHAN GUPTA	600000
2	Commission	0.00	0.00
	<b>Total</b>	<b>600000</b>	<b>600000</b>

**B. Remuneration to other Directors (Amount inRs.)**

S.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		JAI KISHAN GUPTA	SUDHA GUPTA	RAM BILAS	RAMESH CHAND	
1	Sitting Fees	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**C. Remuneration to KMP other than MD/MANAGER/WTD (Rs. InLacs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary	Mr. Arpit Gupta - CFO	
1	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**VI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding / fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**A. FINANCIAL HIGHLIGHTS: Turnover:**

There were no Sales during the year under consideration, as the Company is closed. Hence, the turnover of the company is Zero.

**Other Income:**

Other income mainly consists of Interest income, profit on sales of assets, foreign exchange fluctuations and creditors written off. Other income for the year amounted to 31.74 Lacs as against 12.11 Lacs during the previous year.

**Material Costs :**

Purchase costs is 0.00 (Zero) for the year under consideration as there was no production during the year. There is no change in the Inventory of Raw Materials as compared to previous year.

**Manufacturing Expenses :**

Purchase Cost also includes Manufacturing Expenses mainly comprises Power & Fuel is 0.00, which is same as the previous year.

**Employee Emoluments:**

Employee's emoluments (other than managerial remuneration) have increased to 8.09 Lacs during the year against 4.95 Lacs during the previous year.

**Administrative, Selling and Other Expenses:**

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Major components of administrative, selling and other expenses include managerial remuneration, rent, postage, stationary, audit fees, traveling, commission on sales etc. Administrative, selling and other expenses for the year amounted to 52.57Lacs as against 56.61 Lacs during the previous year.

### Interest and Finance Charges:

Interest and finance charges during the year come to 55.53Lacs as against 387.52Lacs during the previous year.

### Depreciation:

Depreciation charge for the current year came to 295.95 Lacs as against 303.59 Lacs during the previous year.

### Provision for Tax :

Provision made during the year towards current tax as Nil against Nil Lacs during the previous year. The deferred tax for current year was Nil.

### Profit after Tax :

Net profit during the year was (1035.61) Lacs as against (260.25) Lacs during the previous year.

### Financial Condition: Secured loans:

Secured loans stood at 3722.61Lacs as at 31<sup>st</sup> March, 2017 as against 2992.66 Lacs as at 31<sup>st</sup> March, 2016.

### Unsecured Loans :

Unsecured loans as on 31<sup>st</sup> March, 2017 were at 1350.24 Lacs as against 1268.75Lacs as on 31<sup>st</sup> March, 2016.

### Inventories :

Major items of inventories as of 31<sup>st</sup> March, 2017 are as under :

(Rs. in Lac)		
Particulars	2	2
Raw Materials	3	3
Work in process	—	—
Finished goods	3	3

### Debtors :

Debtors as on 31<sup>st</sup> March, 2017 amounted to 120.56Lacs as against 121.28Lacs during the previous year.

### Fixed Assets :

Net block of the fixed assets at the end of the year increased to 3207.92Lacs compared to previous year's figure of 3504.37Lacs.

## B. SEGMENT WISE PERFORMANCE:

The company is operating in only one segment i.e. paper. However, there was not any production during the year under consideration.

## C. AN INDUSTRY OVERVIEW:

The paper industry in India is having shortage of raw materials, as we do not have enough forests to meet the industry requirement of pulpable wood, hence the dependence on waste paper is on higher scale. The central pulp and papers research institute and many other organizations are actively involve to find out ways to increase collection of waste papers to reduce dependence on imports.

The scenario of the paper industry and economy in general is buoyant even after the industry is exposed to global competition with globalization policy of the government. The industry is facing problems for availability of raw materials and high cost of power and steam.

## D. SWOT ANALYSIS OF THE COMPANY: Strength:

- Management depth and ability to manage clientrelationships.
- R & D capabilities to develop efficient and cost effective process at short notice having a State of the Art dedicated R & D Center.
- Multi-purpose and multi-production facilities having Quality Certifications.
- Enhanced presence in the market through clientelebasis.

### Opportunities:

The paper industry in subject to tough competition amongst various segments of manufactures within and outside the country. The threat of competition is comparatively less in the product which your company is manufacturing viz. Absorbent paper and newsprint. Your company is exclusively manufacturing Absorbent paper which is being supplied to almost all the decorative and Industrial Laminate manufactures, and the products have been well approved by them. The company is market leader in absorbent paper. The increase in demand from this sector will provide opportunity to your company to increase its sale and capture more market share. Moreover, Indian paper industry witnessing changes in business dynamics.

### Threats:

- Competition from other Indian companies operating in similar segments.

## E. RISKS AND CONCERNS:

Your company is mainly focusing on R&D and manpower and the intelligence. Apart from the risk on account of interest and

regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions.

**F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business.

To further strengthen the Internal Audit system, including internal control systems and MIS, your company has appointed an experienced firm of Chartered Accountants as Internal Auditors.

**G. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT:**

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. Unfortunately due to close down of manufacturing activity of the Company, the company as at year end has NIL employees on its role.

**Cautionary Statement:**

Statement made in the Management Discussion & Analysis describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

**CORPORATE GOVERNANCE REPORT**

**1. Company's philosophy on Code of Governance:**

The compliance with the Corporate Governance provisions as specified in the Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and or paras C, D and E of Schedule V of SEBI (Listing Regulations), 2015, are not applicable to the companies having Paid up Share Capital not exceeding Rs.10 Crores and Net Worth not exceeding Rs.25 Crore, as on the last day of previous year. According to these regulations your company is not mandatorily required to comply with the provisions of these regulations, for the time being as the Paid up Share Capital of the company is not exceeding Rs.10 Crores and the Net Worth is not exceeding Rs.25 Crores, as on the last day of the previous year, however, the company has made all possible efforts to comply with the provisions of these regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013, during the year under review.

The company is committed to ensure high standard so transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The company follows all the principles of corporate governance in its true spirit and at all times.

**2. Board of Directors:**

**(a) Composition:**

The Board of Directors of the Company (hereinafter referred as 'Board') comprises of a combination of executive and non-executive Directors. The Chairman of the Board is an Executive Director and more than half of the Board Members (excluding Alternate Director) are Independent. The composition of the Board of Directors is as per Regulation 17 of SEBI (LODR) Regulations, 2015.

The present Board of Directors consists of 3(three) non-executive / independent directors. As of date, the Board comprises of 1 (one) promoter and whole time executive director and 1(one) promoter and executive directors and 3(three) independent / Non-Executive directors. The number of non-executive/independent directors is 60% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013.

**(b) Information on Board of Directors**

None of the directors on the board is a Member of more than ten (10) committees or Chairman of more than five (5) committees across all the companies in which he is a director. None of the Independent Directors serve as an independent director in more than seven listed entities provided that any Independent Director who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Necessary disclosures regarding their Directorship/ Membership in other companies have been made by all directors. For the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered. Names and Categories of the Directors

on the Board, their Attendance in the Board Meeting and in last Annual General Meeting, Number of other directorship & chairmanship/membership held by them in other companies during the year 2016-2017 is given below :



Name of Director	Category	India Listed Companies*	No. of Directorship in all Companies around the world@	No. of Chairmanship / Membership in other Companies#	
				Chairmanships	Memberships
Jai Kishan Gupta DIN : 00148067	Executive (Promoter)	—	5	NIL	NIL
Naveen Gupta DIN : 00148096	MD-Executive (Promoter)	-	4	NIL	NIL
Shivratan Sharma^ DIN : 05125991	Independent	-	-	NIL	NIL
Ramesh Chand DIN : 03592668	Independent	-	1	NIL	NIL
Sudha Gupta DIN : 07173823	Independent	-	1	NIL	NIL
Ram Bilas### DIN : 07530292	Independent	NA	1	NA	NA

\* Excludes Directorships in private/foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 and excluding Directorship in KalptaruPapersLimited

@ Directorship in Companies around the world (listed, unlisted and private limited companies), including KPL.

^ Shivratan Sharma Resigned as Independent Director w.e.f. 01/04/2016.

# As required by Regulation 26 of SEBI(LODR)Regulations,2015,the disclosure includes chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee in Indian public companies(listed and unlisted)

### Ram Bilas Appointed as Additional Independent Director w.e.f. 30.05.2016.

- MD - Managing Director, WTD - Whole Time Director, NE - NonExecutive.

Minimum four Board meetings are held in each year. Apart from the four prescheduled Board meetings, the meetings are also convened by giving appropriate notice to address the specific needs of the Company.

**(a) Board Membership Criteria**

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristic, skills and experience required for the Board as a whole and for individual members. Board Members are expected to possess the expertise, skills, and experience to manage and guide a high growth.

**(c) Number of meetings of the board of directors held and dates on which held**

During the Financial Year ended on 31<sup>st</sup> March, 2017, 7 (Seven) meetings of the Board of Directors were held on the following dates: 30/05/2016, 10/08/2016, 14/10/2016, 9/11/2016, 18/01/2017, 08/02/2017, 23/03/2017.

As per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015, the Board meets at least four times in every quarter and the maximum time gap between any two meetings was not more than one hundred and twenty days. The information as required under Regulation 17 (7) of SEBI (LODR) Regulations, 2015 is made available to the Board.

The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda. As required under Regulation 17 (7) of SEBI (LODR) Regulations, 2015, the Board periodically reviews compliances of various laws applicable to the Company.

Name of Director	No. of meetings of Board of Directors held & attended during 2016-2017							Total Attended	% of Attendance	Whether attended Last AGM held on 28 <sup>th</sup> September, 2016
	30.05.16 (1)	10.08.16 (2)	14.10.16 (3)	09.11.16 (4)	18.01.17 (6)	08.02.17 (5)	23.03.17 (7)			
Jai Kishan Gupta DIN : 00148067	✓	✓	✓	✓	✓	✓	✓	7	100	Yes
Naveen Gupta DIN : 00148096	✓	✓	✓	✓	✓	✓	✓	7	100	Yes
Shivratan Sharma#### DIN : 05125991	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ramesh Chand DIN : 03592668	✓	✓	✓	✓	✓	✓	✓	7	100	Yes
Sudha Gupta DIN : 07173823	✓	✓	✓	✓	✓	✓	✓	7	100	Yes
Ram Bilas### DIN : 07530292	✓	✓	✓	✓	✓	✓	✓	7	100	Yes

✓ - Attended in person      {- Absent      LOA - Leave of Absence.

### Ram Bilas Appointed as Additional Independent Director w.e.f. 30.05.2016.

#### Shivratan Sharma resigned w.e.f. 01.04.2016.

**(d) Disclosure of relationships between Directors inter-se:**

Name of Directors	Relationship with other Director
Shri Jaikishan B. Gupta	Father of Shri Naveen Gupta, Managing Director of the Company.
Shri Naveen J. Gupta	Son of Shri Jai Kishan Gupta, Chairman of the Company.
Shri Ramesh Chand	Not, in any way, concern / interested / related with any of the other directors of the company.
Smt. Sudha Gupta	Not, in any way, concern / interested / related with any of the other directors of the company.
Shri Ram Bilas	Not, in any way, concern / interested / related with any of the other directors of the company.

**(e) Shareholding of Non-Executive Directors**

Details of shareholding of Directors as on 31<sup>ST</sup> March 2017

Following are the details of shareholding of Directors as on 31<sup>ST</sup> March, 2017 :

Sr. No.	Name of Non-Executive Director	No. of shares held
1	Mr. Ramesh Chand	500
3	Smt. Sudha Gupta	0
4	Mr. Ram Bilas	0

**(f) Code of Conduct**

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015. The said Code of Conduct has been posted on the Company's website [www.kalptaru.co.in](http://www.kalptaru.co.in). A declaration to this effect duly signed by Chairman & Managing Director of the Company is attached herewith and forms part of Corporate Governance Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013..

**(g) Disclosures regarding appointment/re-appointment of Directors**

Mr. Naveen Gupta, Director retired at this Annual General Meeting and being eligible offers himself for re-election. The Board of Directors recommended his re-appointment at the forthcoming Annual General Meeting.

### 3. Audit Committee

The Audit Committee serves as the link between the Statutory and internal auditors and the Board of Directors. The primary Objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting

#### (a) Terms of reference and Powers

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013. The Committee is authorized by the Board in the manner as envisaged under Regulation 18(2) (c) of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013. The Committee has been assigned task as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (A). The Committee reviews the information as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (B) as well as under Section 177 of the Companies Act, 2013

#### (a) Composition

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time to comply with statutory requirement. Presently, the Audit Committee comprises qualified and independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The present composition of the Audit committee and Meetings attended by them during the financial year 2016-2017 is as follow:

Sr. No.	Name	Designation	Number of audit committee meetings attended
1	Mr. Shivratn Sharma*	Chairman	Non-Executive and Independent Director
2	Mr. Ramesh Chand	Member	Non-Executive and Independent Director
3	Mrs. Sudha Gupta	Member	Non-Executive and Independent Director
4	Mr. Ram Bilas	Member	Non-Executive and Independent Director

\*Resigned w.e.f 01.04.2016.

#### RECONSTITUTION OF AUDIT COMMITTEE:

The Board of Directors of the company at its meeting held on 30<sup>TH</sup> May, 2016 has re-constituted an Nomination and Remuneration Committee comprising three Independent Non-Executive Directors viz. Mr. Ramesh Chand - Chairman, Mr. Ram Bilas and Mrs. Sudha Gupta as Mr. Shivratn Sharma has resigned from the post of Director w.e.f. 01/04/2016 and Mr. Ram Bilas appointed as Additional Independent Director w.e.f. 30/05/2016. Committee welcomes Mr. Ram Bilas as a member and appreciated the services rendered by Mr. Shivratn Sharma.

#### (b) Audit Committee Meetings

Four [4] Audit Committee Meetings were held during the year 2016-2017. The dates on which the Audit Committee Meetings were held is:

30<sup>th</sup> May, 2016, 10<sup>th</sup> August 2016, 9<sup>th</sup> November, 2016 and 8<sup>th</sup> February, 2017. The maximum time gap between two meetings was not more than four months.

The Statutory Auditors and Internal Auditors of the Company are invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

The attendance and composition of audit committee is as follow for the year ended 31<sup>st</sup> March

2017:

Name of Member	No. of Audit Committee Meetings held & attended during 2016-2017				Total attended	% of attendance
	30.5.16 (1)	10.8.16 (2)	09.11.16 (3)	08.02.2017 (4)		
Mr. Shivratn Sharma	NA	NA	NA	NA	NA	NA
Mr. Ramesh Chand	✓	✓	✓	✓	4	100
Mrs. Sudha Gupta	✓	✓	✓	✓	4	100
Mr. Ram Bilas	✓	✓	{	✓	3	75

✓ - Attended in person

{ - Absent

LOA - Leave of Absence

#### 4. Nomination and Remuneration Committee(NRC)

##### (a) Composition

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, this Committee has constituted by the Board of Directors and has been reconstituted from time to time. Presently the "Nomination and Remuneration Committee" comprises following qualified and independent Directors being a member of the Committee..

Sr. No.	Name of Director	Designation	Category
1	Mr. Shivratana Sharma*	Chairman	Non-Executive and Independent Director
2	Mr. Ramesh Chand	Member	Non-Executive and Independent Director
3	Mrs. Sudha Gupta	Member	Non-Executive and Independent Director
4	Mr. Ram Bilas	Member	Non-Executive and Independent Director

\*Resigned w.e.f. 01.04.2016.

##### RECONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the company at its meeting held on 30<sup>th</sup> May, 2016 has re-constituted an Nomination and Remuneration Committee comprising three Independent Non-Executive Directors viz. Mr. Ramesh Chand - Chairman, Mr. Ram Bilas and Mrs. Sudha Gupta as Mr. Shivratana Sharma\* has resigned from the post of Director w.e.f. 01/04/2016 and Mr. Ram Bilas appointed as Additional Independent Director w.e.f. 30/05/2016. Committee welcomes Mr. Ram Bilas as a member and appreciated the services rendered by Mr. Shivratana Sharma.

##### (b) Nomination and Remuneration Committee Meeting

Four [4] Nomination and Remuneration Committee were held during the year 2016-2017. The dates on which the Nomination and Remuneration Committee were held are:

30<sup>th</sup> May, 2016, 14<sup>th</sup> October, 2016 and 9<sup>th</sup> November, 2016.

The attendance and composition of Nomination and Remuneration Committee is as follow for the year ended 31st March 2017:

Name of Member	No. of Nomination and Remuneration Committee Meeting held & attended			Total attended	% of attendance
	30.5.16 (1)	14.10.16 (2)	09.11.16 (3)		
Mr. Shivratana Sharma*	NA	NA	NA	NA	NA
Mr. Ramesh Chand	✓	✓	✓	✓	100
Mrs. Sudha Gupta	✓	✓	✓	✓	100
Mr. Ram Bilas	✓	✓	{	2	67

\* resigned w.e.f. 01/04/2016

✓ - Attended in person

{ - Absent

LOA - Leave of Absence

##### (c) Terms of reference and Powers of the committee inter alia, includes the following :

- appointment of the directors, and key managerial personnel of the Company; and
- fixation of the remuneration of the directors, key managerial personnel and other employees of the Company.

##### (d) CRITERIA FOR MAKING PAYMENTS TO NON- EXECUTIVE DIRECTORS:

The Company has laid down the criteria for making payments to the Non- Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the website of the Company [www.kalptaru.co.in](http://www.kalptaru.co.in)

##### (e) REMUNERATION POLICY:

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- motivate such personnel to align their individual interests with the interests of the Company, and further the interests of

its stakeholders;

- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

**DETAILS PERTAINING TO EMPLOYEES AS  
REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013**

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013  
READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL)  
RULES, 2014.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for FY 2016-17 (Rs. in Lacs)	% increase in Remuneration in the FY 2016-17 Rule 5(1)(ii)	Ratio of remuneration of each Director / to median remuneration of employees Rule 5(1)(i)
1	Mr. Naveen Gupta, Managing Director	6.00	0.00	NIL
2	Mr. Jai Kishan Gupta, Executive Director	0.00	0.00	0.00
3	Mr. Ramesh Chand, Independent Director	0.00	0.00	0.00
4	Mrs. Sudha Gupta, Independent Director	0.00	0.00	0.00
5.	Mr. Shivratna Sharma, Independent Director	0.00	0.00	0.00

1. Rule 5(1)(iii): The median remuneration of employees of the Company during the financial year was NIL.
2. Rule 5(1)(iv): There were NIL permanent employees on the rolls of Company as on March 31, 2017;
3. Rule 5(1) (xii): It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees

**5. Remuneration of Directors**

**(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity**

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large

**(b) disclosures with respect to remuneration:**

- (i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc

**Executive & Whole-Time Directors**

The Nomination and Remuneration Committee of the Directors is authorized to decide the remuneration of the Whole-time Directors, subject to the approval of Members and Central Government, if required. The remuneration structure of the Company comprises salary/remuneration, perquisites & Allowances etc.

The details of remuneration paid to Managing and Whole-time Directors during the year 2016-2017 are as follows :

(Amount in Rs.)

Name of Director	Salary	Perquisites & Allowances	Total
Shri Jai Kishan Gupta	NIL	NIL	NIL
Shri Naveen Gupta (Managing Director)	600000	NIL	600000

**Non-Executive & Independent Directors**

The Non Executive Directors do not draw any remuneration from the Company including the Sitting Fees.

**(c) Terms of Appointment of Directors**

As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/reappointment are given in Notice of the 29<sup>th</sup> Annual General Meeting.

**6. Stakeholders Relationship Committee**

**(a) Composition**

The Committee has constituted by the Board of Directors and has been reconstituted from time to time to comply with statutory requirement. The Committee specifically looks into issues relating to investors including share related matters and redressal of grievances of Security holders. The Committee comprises three [3] directors and committee functions under the Chairmanship of an independent director. The present composition of the Stakeholders Relationship Committee and meetings attended by them during the financial year 2016-2017, is as follow:

Name	Designation	Category
Mr. Ramesh Chand	Chairman	Non-Executive and Independent Director
Mr. Jai Kishan Gupta	Member	Promoter and Executive Director
Mr. Naveen Gupta	Member	Promoter and Executive Director

#### RECONSTITUTION OF STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the company at its meeting held on 30<sup>th</sup> May, 2016 has re-constituted an Stakeholders' Relationship Committee comprising three Directors viz. Mr. Ramesh Chand-Chairman, Mr. Jai Kishan Gupta and Mr. Naveen Gupta as Mr. Shivratn Sharma has resigned from the post of Director w.e.f. 01/04/2016 and Mr. Ramesh Chand were subsequently appointed as Chairman of the Committee.

#### (b) Committee Meetings:

Four [4] meetings were held during the year 2016-2017. The dates on which the Stakeholders' Relationship Committee Meetings were held are:

30<sup>th</sup> May, 2016, 10<sup>th</sup> August 2016, , 9<sup>th</sup> November, 2016 and 8<sup>th</sup> February, 2017.

Name of Member	No. of Stakeholders' Relationship Meeting held & attended during 2016-2017				Total attended	% of attendance
	30.5.16 (1)	10.8.16 (2)	09.11.16 (3)	08.02.2017 (4)		
Mr. Shivratn Sharma	NA	NA	NA	NA	NA	NA
Mr. Jai Kishan Gupta	✓	✓	✓	✓	4	100
Mr. Naveen Gupta	✓	✓	✓	✓	4	100
Mr. Ramesh Chand	✓	✓	{	✓	3	75

✓ - Attended in person

{ - Absent

LOA - Leave of Absence

#### (c) OTHER INFORMATION

To expedite the process of share transfer, transmission, split, consolidation, rematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company's RTA namely Link Intime India Pvt. Ltd., Mumbai under the supervision and control of the Company Secretary/Compliance Officer of the Company, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has approved the Code of Conduct for Prevention of Insider Trading for complying with the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the requirements under the SEBI (LODR) Regulations, 2015.

Name, Designation and address of the Compliance Officer

CS Neel Sukhani\*,

Compliance Officer

701, Avdesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054. Tel.: 079 30171200/201. Fax : 079 30171202. E-mail: [contact@kalptaru.co.in](mailto:contact@kalptaru.co.in) Website : [www.kalptaru.co.in](http://www.kalptaru.co.in)

The Company has designated the email Id ([contact@kalptaru.co.in](mailto:contact@kalptaru.co.in)) for grievances redressal and registering complaints by investor.

#### 1. Quarter-wise Summary of Investors Complaints received and resolved during the Financial Year 2016-2017

Quarter-wise Summary of Investors' Complaints received and resolved					
Quarter Period		Opening	Received	Resolved	Pending
From	To				
01/04/2016	30/06/2016	NIL	NIL	NIL	NIL
01/07/2016	30/09/2016	NIL	NIL	NIL	NIL
01/10/2016	31/12/2016	NIL	NIL	NIL	NIL
01/01/2017	31/03/2017	NIL	NIL	NIL	NIL

#### (d) Non-receipt/Unclaimed dividends or Securities

There is no unclaimed or unpaid Dividend is due for remittance to the Investor Education and Protection Fund established by the Central Government.

#### (e) Amount Transferred to IEPF Account

As per the provision of Section 125 of the Companies Act, 2013, there is no unclaimed or unpaid Dividend is due for remittance to the Investor Education and Protection Fund established by the Central Government.

- (f) **Due Date for transfer of Unclaimed and Unpaid Dividend to the IEPF**  
None

- (g) **Details of Unclaimed Shares**  
None

**7. General body meetings:**

**(a) Annual General Meeting**

Details of Venue, Date and Time of the Last Three Annual General Meetings are as follows:

Year	Venue	Date	Time
2013-2014	701, Avdhesh House, Opp : Gurudwara, Nr. ThaltejChokdi, Ahmedabad - 380054	30/09/2014	10:00 a.m.
2014-2015	701, Avdhesh House, Opp : Gurudwara, Nr. ThaltejChokdi, Ahmedabad - 380054	23/09/2015	10:00 a.m.
2015-2016	701, Avdhesh House, Opp : Gurudwara, Nr. ThaltejChokdi, Ahmedabad - 380054	28/09/2016	10:00 a.m.

**(b) Special Resolution (without postal ballot) passed at the Last Three AGM**

Year	Date of AGM	No. of Resolutions Passed	Particulars
2013-2014	30/09/2014	3	1. Borrowing Limits of the Company under Section 180(1)(c) of the Companies Act, 2013 2. Investment Limits of the Company under Section 186 of the Companies Act, 2013 3. Adoption of new Articles of Association of the Company
2014-2015	23/09/2015	NIL	—
2015-2016	28/09/2016	NIL	—

**(c) Whether any resolution are proposed to be conducted through postal ballot**

No Special resolution requiring a Postal Ballot is being proposed at the ensuing Annual General Meeting of the Company.

**8. MEANS OF COMMUNICATION**

**(a) Financial Results:**

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board.

**(b) Newspapers wherein results normally published**

Results are normally published in "Western Times" in English daily and in its Gujarati edition. These are not sent individually to the shareholders..

**(c) Website, News Releases, Presentation etc :**

The Company's results, annual reports and official news releases are displayed on the Company's web-site [www.kalptaru.co.in](http://www.kalptaru.co.in). The said Company's website also containing basic information about the Company includes information about the Company's business, financial information, shareholding pattern, compliance with corporate governance, Company's director, registrar & transfer agent, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

**BSE Listing Center**

Bombay Stock Exchange Limited (BSE) has also launched a web based system for corporates to make their periodic submission of compliances online. Your company is also filing the Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures through the BSE Listing Center

**Processing of investor complaints in SEBI Complaints Redress System (SCORES)**

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status..

**Price Sensitive Information**

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders.

**9. Other Disclosures:**

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large**

There were no materially significant related party transactions that may have potential conflict with the interests of the Company.

**(b) Details of non-compliance by the Company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**



None

**(c) Meeting Of Independent Directors:**

The Independent Directors of the Company had met during the year on 08/02/2017 to review the performance of non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality , quantity and timeliness of flow of information between the company management and the Board.

**(d) Familiarisation programmes for Board Members**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors held during the year. The details of such familiarization programmes for Independent Directors are posted on the website of the Company [www.kalptaru.co.in](http://www.kalptaru.co.in)

**(e) Whistle blower Policy**

The Company has adopted the Whistleblower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior, actual or suspect fraud or violation of Code of Conduct. It also provides adequate safeguard against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of Audit Committee. The said policy is uploaded on the Company's website [www.kalptaru.co.in](http://www.kalptaru.co.in)

**(f) Material Subsidiary**

The Company does not have any subsidiary, hence company has not adopted such policy.

**(g) Reporting of Internal Auditor**

The Internal Auditor of the Company is regularly invited to the Audit Committee meeting and regularly attends the meeting. The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee..

**(h) Compliance with the Corporate Governance Code**

The Company has complied with all the mandatory Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (LODR) Regulations, 2015. The nonmandatory requirements complied which has been disclosed at the relevant places under the appropriate head.

**(i) Disclosure of accounting treatment in preparation of Financial Statements**

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statement.

**(j) MDA**

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

**(k) CEO/CFO Certificate**

The Managing Director and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2017 in compliance with as per the Regulation 17 of SEBI (LODR) Regulations, 2015

**(l) Risk Management Policy**

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management frame work of the Company, the key risks associated with the business and measures and steps in place to minimize the same

**(k) Related Party Disclosures**

There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2016 - 2017. Related party transactions have been disclosed in the Notes to the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2017.

**10. General shareholder information**

**(a) Company Registration Details**

The Company is registered under The Companies Act, 1956 with the Office of Registrar of Companies, Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is: L21019GJ1988PLC040325.

**(b) 29<sup>th</sup> Annual General Meeting**

**Date & Time**

29<sup>th</sup> day of September, 2017

**Venue**

701, Avdhesh House, Opp : Gurudwara, Near Thaltej Chokdi, at 11.30 a.m. Ahmedabad – 380054 Gujarat

**(c) Financial Year**

Financial year is commencing from 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

**Financial Results ended**

30<sup>th</sup> June, 2017

30<sup>th</sup> September, 2017

31<sup>st</sup> December, 2017

Audited Results for the year ended on 31<sup>st</sup> March, 2018

**Timeline**

- 45 days from end of Quarter 30<sup>th</sup> June, 2017

- 45 days from end of Quarter 30<sup>th</sup> September, 2017

- 45 days from end of Quarter 31<sup>st</sup> December 2016

- 60 days from end of Financial Year (i.e. on or before 30<sup>th</sup> May, 2018)

**(d) Date of Book Closure:**

From Thursday, the 21<sup>st</sup> day of September, 2017 to Wednesday, the 27<sup>th</sup> day of September, 2017 (both days inclusive), for the Annual General Meeting scheduled to be held on 27<sup>th</sup> September, 2017.

**(e) Dividend Payment Date**

Not Applicable

**(f) Listing on Stock Exchange**

The company is delisted from BSE on account of derecognition of regional stock exchange i.e. Delhi Stock Exchange Limited and the Equity Shares of the Company are moved to Dissemination Board. The Company has made an application to BSE for regular Listing.

**(g) Stock Code**

Bombay Stock Exchange Limited : **590036**  
Demat ISIN Number in NSDL & CDSL for Equity Shares : **INE783C01019**

**(h) Distribution of Shareholding Pattern as on 31<sup>st</sup> March, 2017**

No. of equity shares held	No. of holders	%	No. of Shares	% of Total
1 - 500	1718	79.5002	249098	5.5750
501 - 1000	184	8.5146	154301	3.4534
1001 - 2000	102	4.7200	162210	3.6304
2001 - 3000	51	2.3600	125902	2.8178
3001 - 4000	11	0.5090	39299	0.8795
4001 - 5000	21	0.9718	96266	2.1545
5001 - 10000	25	1.1569	184007	4.1182
10001 and Above	49	2.2675	3457037	77.3712
<b>Total</b>	<b>2161</b>	<b>100.00</b>	<b>4468120</b>	<b>100.00</b>

**(i) Shareholding pattern as on March 31, 2017**

No.	Category	As on March 31, 2017		As on March 31, 2016	
		Nos. of Shares held	Voting Strength %	Nos. of Shares held	Voting Strength %
1	Promoters	2735631	61.23	2735631	61.23
2	Mutual Fund & UTI	0	0.00	0	0.00
3	Bank, Financial Institutions (FI's), Insurance Companies	0	0.00	0	0.00
4	Foreign Institutional Investors (FII's)	0	0.00	0	0.00
5	Private Bodies Corporate	114420	2.56	120534	2.70
6	Indian Public	1495981	33.48	1473909	32.98
7	Any other (i) Non Resident Indian	41555	0.93	41555	0.93
	(ii) Clearing Member	3661	0.08	19619	0.44
	(iii) HUF	76872	1.72	76872	1.72
	<b>Total</b>	<b>4468120</b>	<b>100.00</b>	<b>4468120</b>	<b>100.00</b>

**(j) Dematerialization of Shares & Liquidity**

The Company's Shares are in compulsory De-mat segment and as on 31<sup>st</sup> March, 2017, Equity Shares of the Company forming 96.74% of the company's paid - up Equity share capital is in dematerialized form.

The Table herein below gives the breakup of shares in physical and demat form as on 31<sup>st</sup> March, 2017:

No. of Shares in Physical Segment	145800	3.26%
No. of Shares in Demat Segment	4322320	96.74%
<b>Total</b>	<b>4468120</b>	<b>100.00%</b>

**(a) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity**

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible Instruments as on 31<sup>st</sup> March, 2017.

**(b) Share Transfer System**

All the shares related work is being undertaken by our RTA, Link Intime India Pvt. Ltd., Mumbai (Formerly known as Intime Spectrum Registry Limited). To expedite the process of share transfer, transmission, split, consolidation, rematerialisation and dematerialisation etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's RTA under the supervision and control of the Company Secretary, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the Stakeholders Relationship

Committee.

Shares lodged for transfer at the RTA address in physical form are normally processed and approved within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The investors/ shareholders grievances are also taken-up by our RTA.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 40(9) of SEBI (LODR) Regulations, 2015.

**(c) Reconciliation of Share Capital Audit Report**

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR- 16/2002 dated December 31, 2002, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up capital of the Company were placed before the Stakeholders Relationship Committee and Meeting of Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

**(d) Registrar and Share Transfer Agent  
(RTA) LINK INTIME INDIA PVT.LTD.**

HEAD OFFICE

C-101, 247 Park , LBS Marg

Vikhroli (West), Mumbai-400083.

Tel.: 91-22-49186270. Fax: 91-22-4918 6060

[E-mail :mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

BRANCH OFFICE

5<sup>th</sup> Floor, 506 to 508

Amarnath Business Center-1 (ABC-1),

Beside SAP Business Center,

Nr. St. Xavier's College Corner,

Off C. Road, Elliesebidge

Ahmedabad-380009.

Tel.: 079-26465179.

[E-mail :ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**(e) Plant Location:**

Khatraj Chokdi, Village Karoli, Kalol, Dist. Gandhinagar, Gujarat

**(f) Address for correspondence:**

a) Investor correspondence for transfer / dematerialization of shares, payment of dividend on shares and any other query relating to the shares of the company.	Link Intime India Pvt. Ltd. C-101, 247 Park , LBS Marg, Vikhroli (West), Mumbai-400083, Tel.: 91-22-49186270 ; Fax: 91-22 -4918 6060 E-mail : <a href="mailto:mumbai@linkintime.com">mumbai@linkintime.com</a>
b) Any query on Payment of Dividend on shares and Annual Report	701, Avdhesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad – 380054 Tel.: 079 26858510/511, 40230202. Fax : 079 30171202 e-mail : <a href="mailto:contact@kalptaru.co.in">contact@kalptaru.co.in</a>

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT**

**Schedule V(D) of Regulation 34(3) of SEBI (LODR) Regulations, 2015**

This is to certify that the Company has laid down the rules for Code of Conduct for the members of the Board and senior management, as per the Regulation 17 of SEBI (LODR) Regulations, 2015.

I hereby further certify that the Company has received affirmation on compliance with rules of Code of Conduct, from the Board Members and senior management personnel for the financial year ended on March 31, 2017, as per the requirement of Regulation 26(3) of SEBI (LODR) Regulations, 2015.

For, Kalptaru Papers Limited

**Naveen Gupta**

Managing Director

DIN -00148096

Place: Ahmedabad

Date: 09/08/2017

**Certificate on Corporate Governance**

To,  
The Members  
Kalptaru Papers Limited

We have examined the compliance of condition of corporate governance by Kalptaru Papers Limited ('the Company') for the year ended 31<sup>st</sup> March, 2017 as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017.

The compliance of condition of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the corporate governance as stipulated in the Regulation 34 of Listing Regulations. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

**V. D. AGGARWAL & CO.**  
CHARTERED ACCOUNTANTS

**CA ABHIJAI AGGARWAL**  
PARTNER

Membership No.517463  
FRN No.008332N

Place: Ahmedabad  
Date: 09/08/2017

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF  
KALPTARU PAPERS LIMITED.**

### Report on the Financial Statements

We have audited the accompanying financial statements of KALPTARU PAPERS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.

2. 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 appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches which is also audited by us).
- c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.[and the returns received from the branches which are prepared by us]

- d) In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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"; and
- g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements.
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **V. D. AGGARWAL AND CO.**  
Chartered Accountants

**CA ABHIJAI AGGARWAL**

Place: AHMEDABAD

Date: 29/05/2017

BM1, Dilkhush Industrial Area,  
GT Karnal Road, Azadpur, Delhi-110033

#### ANNEXURE-A TO THE AUDITORS' REPORT

**The Annexure referred to in our report to the members of KALPTARU PAPERS LIMITED for the year ended 31st March, 2017.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

- As informed to us, The company is in process of updating of proper records showing full particulars including quantitative details and situation of its fixed assets.
  - As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
  - The title deeds of immovable properties are held in the name of the company.
- As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
  - In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Thus sub clauses (a) & (b) are not applicable to the company.
- In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- In our opinion and according to the information and explanations given to us company hasn't accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act
- As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause(d) of sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were following outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.

Sr.No.	Name of Statute	Nature of Due	Amount (Rs.)
1	Bonus Act, 1965	Bonus Payable	6,07,075.00

According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

(b) Sr.No.	Name of Statute	Nature of Due	Amount (Rs.)
1	Gujarat VAT Act	FY 2012-13	9,612.00
2	Gujarat VAT Act	FY 2011-12	663,363.00

8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues to a Indian Overseas Bank so all accounts of company in Indian Overseas Bank has been converted to Non-Performing Assets during financial year FY 2013-14 and all NPA loan accounts were sold by IOB to M/s Invent Assets Securitisation & Reconstruction private limited on 31.03.2017 vide letter dated 19.05.2017. The Company has defaulted in repayment of loans amounting Rs. 2,92,02,267/- as per Ledger balance of Axis Bank. Bank has also issued notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 vide letter dated 01.09.2016. The Company has defaulted in the payment of principal outstanding of Rs.3,23,79,525.00 of Religare Finvest limited vide letter dated 07.04.2017. ReligareFinvest limited has also issued notice under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 vide letter dated 15.02.2017.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans in financial year 2016-2017. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **V. D. AGGARWAL AND CO.**  
Chartered Accountants

**CA ABHIJAI AGGARWAL**

Place: AHMEDABAD  
Date: 29/05/2017

BM1, Dilkush Industrial Area,  
GT Karnal Road, Azadpur, Delhi-110033.

## **ANNEXURE - B TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of KALPTARU PAPERS LIMITED. ("The Company") as of 31<sup>st</sup> March 2017 in conjunction with our audit of the 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 ('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.

#### **Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal



Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 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 31 March 2017, 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 **V. D. AGGARWAL AND CO.**

Chartered Accountants

**CA ABHIJAI AGGARWAL**

BM1, Dilkhush Industrial Area,  
GT Karnal Road, Azadpur, Delhi-110033

Place: Ahmedabad  
Date: 29/05/2017

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017**

(Amt.in Rs.)

Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	44,681,200.00	44,681,200.00
(b) Reserves and Surplus	2	(227207828.82)	(123646459.30)
(c) Money received against share warrants		-	-
<b><u>(2) Share Application money pending allotment</u></b>		-	-
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings	3	138,518,092.00	155,260,139.00
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities	4	7,844,688.00	7,719,688.00
(d) Long Term Provisions	5	1,497,031.00	1,483,589.00
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings	6	29,202,267.17	83,800,004.50
(b) Trade Payables	7	32,887,247.72	37,008,587.66
(c) Other Current Liabilities	8	347,897,302.60	195,573,206.57
(d) Short-Term Provisions	9	2,071,612.32	72,207,986.56
<b>Total Equity &amp; Liabilities</b>		<b>377,391,611.99</b>	<b>474,087,942.07</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
<b><u>(a) Fixed Assets</u></b>			
1) Tangible Assets	10	225,316,590.06	254,951,396.87
2) Intangible Assets		9,865.03	19,730.07
3) Capital Work-in-progress		95,465,684.38	95,465,684.39
4) Intangible Assets under Development		-	-
(b) Non-current investments	11	46,000.00	46,000.00
(c) Deferred tax assets (net)	12	-	64,605,919.72
(d) Long term loans and advances	13	1,185,140.00	2,147,640.00
(e) Other non-current assets		-	-
<b><u>(2) Current Assets</u></b>			
(a) Current investments		-	-
(b) Inventories	14	19,200,370.54	19,200,370.54
(c) Trade receivables	15	12,056,694.07	12,128,201.97
(d) Cash and cash equivalents	16	3,260,734.50	4,607,556.80
(e) Short-term loans and advances		-	-
(f) Other current assets	17	20,850,533.41	20,915,441.71
<b>Total Assets</b>		<b>377,391,611.99</b>	<b>474,087,942.07</b>
Notes to Accounts	1-33		
The notes form an integral part of these Financial Statements.			

**For and on behalf of the Board**

**Naveen Gupta**  
Managing Director  
DIN 00148096

**Jaikishan Gupta**  
Director  
DIN 00148067

**Arpit Gupta**  
Chief Financial Officer  
PAN AISPG4740M

**Auditor's Report**  
**As per our report of even date attached**

**For V. D. Aggarwal and Co.**  
Chartered Accountants

(Partner)

Place : Ahmedabad  
Date : 29/05/2017

M.N:517463  
FRN No. 008332N

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> March, 2017**

(Amt.in Rs.)

Sr. No	Particulars	Note No.	As on 31.03.2017	As on 31.03.2016
I	Revenue from operations	18	-	-
II	Other Income	19	3,174,723.71	1,210,559.58
III	<b>III. Total Revenue (I + II)</b>		3,174,723.71	1,210,559.58
IV	Expenses:			
	Cost of materials consumed	20	-	-
	Purchase of Stock-in-Trade	21	-	-
	Manufacturing & Operating Cost	22	-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	-	-
	Employee Benefit Expense	24	1,409,632.00	1,095,232.00
	Financial Costs	25	5,553,404.08	38,752,010.36
	Depreciation and Amortization Expense	26	29,594,153.41	30,358,826.17
	Other Administrative Expenses	27	4,657,163.68	5,060,690.66
	Total Expenses (IV)		41,214,353.17	75,266,759.19
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(38,039,629.46)	(74,056,199.61)
VI	Exceptional Items		-	-
	Deferred Tax Assets written off	12	(64,605,919.73)	-
VII	Profit before extraordinary items and tax (V - VI)		(102,645,549.19)	(74,056,199.61)
VIII	Prior period Items	28	(915,820.40)	-
IX	Profit before tax (VII - VIII)		(103,561,369.59)	(74,056,199.61)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	(48,031,248.05)
XI	Profit(Loss) from the period from continuing operations	(IX-X)	(103,561,369.59)	(26,024,951.56)
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		(103,561,369.59)	(26,024,951.56)
XVI	Earning per equity share:			
	(1) Basic		(23.18)	(5.82)
	(2) Diluted		(23.18)	(5.82)
Notes to Accounts		1-33		
The notes form an integral part of these Financial Statements.				

**For and on behalf of the Board**

**Naveen Gupta**  
Managing Director  
DIN 00148096

**Jaikishan Gupta**  
Director  
DIN 00148067

**Arpit Gupta**  
Chief Financial Officer  
PAN AISPG4740M

**Auditor's Report**  
**As per our report of even date attached**

**For V. D. Aggarwal and Co.**  
Chartered Accountants

**CA Abhijai Aggarwal**  
(Partner)

Place : Ahmedabad  
Date : 29/05/2017

M.N:517463  
FRN No. 008332N

**Notes to Financial Statements**

**Note : 1 Share Capital**

(Amt.in Rs.)

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
	<b><u>Authorized Shares:-</u></b> 10000000 Equity Shares of Rs. 10/- each.	<u>100,000,000.00</u>	<u>100,000,000.00</u>
	<b><u>Issued, Subscribed &amp; Paid up:-</u></b> <b>To the Subscribers of the Memorandum</b> 4468120 Equity Shares of Rs. 10/- each, Fully Paid Up	44,681,200.00	44,681,200.00
	<b>Total</b>	<b>44,681,200.00</b>	<b>44,681,200.00</b>

**Note : 1A**

The company has only one class of Equity Shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of shareholder, 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 of their shareholding.

**Note : 1B**

**Reconciliation of Shares Held by Shareholders at the beginning of the year and at the end of the year:-**

Particulars	Equity Shares		Preference Shares	
	Number	Rs.	Number	Rs.
Shares at the Beginning of the year	4,468,120.00	44,681,200.00	-	-
Shares Issued During the Year	-	-	-	-
Shares Bought Back During the Year	-	-	-	-
Shares at the end of the year	<b>4,468,120.00</b>	<b>44,681,200.00</b>	-	-

**Note : 1C**

**Details of shares held by shareholders holding more than 5% of the aggregate shares in the company:-**

Name of the Shareholder	As at 31st March,2017		As at 31st March,2016	
	No. of shares held	% of Holding	No. of shares held	% of Holding
N.N. Intratrade Services Pvt. Ltd.	750700	16.80	750700	16.80
KalptaruFincap Limited	546650	12.23	546650	12.23
Jai Kishan Gupta	420670	9.41	420670	9.41
Naveen Jai Kishan Gupta	311820	6.98	311820	6.98

**Notes to Financial Statements**

**Note : 2 Reserve & Surplus**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<b>Capital Reserve*</b>	2,227,481.25	2,227,481.25
2	<b>Capital Redemption Reserve</b>	-	-
3	<b>Securities Premium Reserve</b>	-	-
4	<b>Debenture Redemption Reserve</b>	-	-
5	<b>Revaluation Reserve</b>	-	-
6	<b>Share option outstanding Account</b>	-	-
7	<b>Other Reserves</b>		
	General Reserve	6,988,201.00	6,988,201.00
8	<b>Surplus (Profit &amp; Loss Account)</b>		
	Opening Balance	(132,862,141.57)	(106,837,189.99)
	Less: Tax on Regular Assessment Paid	-	-
	Add/(Less): Profit/(Loss) for the period	(103,561,369.50)	(26,024,951.56)
	Transfer from/(to) General Reserve	-	-
	Proposed Dividend	-	-
	Tax on Proposed Dividend	-	-
	Closing Balance	(236,423,511.07)	(132,862,141.57)
	<b>Total</b>	<b>(227,207,828.82)</b>	<b>(123,646,459.30)</b>

\*Capital Reserve Includes G.S.F.C. Subsidy Received for Rs.609000

**Note : 3 Long Term Borrowings**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Bonds / Debentures	-	-
2	<u>Term Loan (Secured)</u>		
	- From Bank (after 12 months)	-	-
	- From Other Parties (after 12 mts)	3,493,099.00	28,384,743.00
3	Deferred Payment Liabilities	-	-
4	Deposit	-	-
5	Loans & Advances From Related Parties	30,524,993.00	22,700,026.00
6	Long Term Maturities of Finance lease obligation	-	-
7	Loans From Directors & Shareholders	92,700,000.00	91,875,370.00
8	Other Loans & Advances	11,800,000.00	12,300,000.00
	<b>Total</b>	<b>138,518,092.00</b>	<b>155,260,139.00</b>

**Notes to Financial Statements**

**Nature of Security and Terms of Repayment for Long Term secured borrowings:**

	<b><u>Nature of Security</u></b>	<b><u>Terms of Repayment</u></b>
II)	<u>Term Loans from IOB (Refer Sub-Notes-1, 2 &amp; 3):-</u> a) (P.Y. 31/03/2016 Amounting to Rs.89,00,000.00) b) (P.Y.31/03/16 Amounting to Rs.49,91,248.00) c) (P.Y.31/03/16 Amounting to Rs. 80,00,000.00) d) (P.Y.31/03/16 Amounting to Rs.3,77,65,169.00)	All IOB Loan account are NPA account and IOB had sold all NPA loan account to M/s Invent assets Securitisation and Reconstruction Private Limited on 31.03.2017
III)	<u>WCTL from IOB (Refer Sub-Notes-1, 2 &amp; 3):-</u> a) (P.Y. 31/03/2016 Amounting to Rs. 2,10,99,984.00) b) (P.Y. 31/03/2016 Amounting to Rs. 8,01,08,860.00)	All IOB Loan account are NPA account and IOB had sold all NPA loan account to M/s Invent assets Securitisation and Reconstruction Private Limited on 31.03.2017
v)	Term Loan from Religare Finevest Ltd.amounting to Rs.2,10,28,011.00 (P.Y.31/03/16: Rs.2,33,12,768.00) is secured by specific and exclusive charge on Residential property in the name of Directors of the company and personal guarantee of the directors of the company.	Loan from Religareinvest limited has become NPA in fin. Year 2016-17 due to non payment of continue 6 installments loan was repayable in 117 monthly installments commencing from October 2010. Last installment due in June 2020.
vi)	Term Loan from Religare Finevest Ltd.amounting to Rs.1,19,16,072.00 (P.Y.31/03/16: Rs. 84,15,909.0) is secured by specific and exclusive charge on Residential property in the name of Directors of the company and personal guarantee of the directors of the company.	Loan from ReligareFinvest Limited has become NPA in fin. year 2016-17 due to non payment of continue 4 installments.Loan was Repayable in 135 monthly installments commencing from September 2011. Last installment due in November 2022.
viii)	Others Loans:- Amounting Rs. 47,43,42,288.74.00 (P.Y.31/03/16 Rs 12,68,75,396.00)	The terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand.

**Sub-Notes:-**

- Term Loans taken from IOB are primarily secured against Equitable mortgage of factory Land & Building and hypothecation of plant & machinaries/misc.fixed assets of the company situated at survey No.116/P and 117/P of MoujeKaroli, KalolDistt, Gandhinagar.
- All type of Loans from IOB are collateraly secured by:-
  - Residual value of exisiting fixed assets of the company valued by approved valuation officer.
  - Equitable mortgage of residential flats at B-4/101 & B-4/103, Goyal intercity, Drive-in-Road, Ahmedabad in the name of company and residential value of Factory & Building situated at KalolDistt, Gandhinagar
  - Personal guarantee of Directors and corporate guarantee of M/s Kalptaru Alloys Pvt.Ltd., KalptaruFincap Ltd., Kalptaru Insurance Brokers Ltd. And N.N.Papers Pvt. Ltd.
  - All types of Loans from IOB become NPA during Financial Year 2013-14.
  - All Religare Loan has become NPA during financial year 2016-17.
- Installments falling due in respect of all the above Loans upto 31.03.2017 have been grouped under "Current maturities of Long Term debt".(Refer to Note No-9).

**Notes to Financial Statements**

**Note : 4 Other Long Term Liabilities**

Sr. No.	Particulars	As on 31.03.2017	As on 31.03.2016
1	Advance from Spl.Land Acquisition Authority *	44,688.00	44,688.00
2	Trade Deposits	300,000.00	175,000.00
3	Advance against sale of Plant & Machinery	7,500,000.00	7,500,000.00
	<b>Total</b>	<b>7,844,688.00</b>	<b>7,719,688.00</b>

\*Advance from Spl.Land Acquisition Authority of Rs.44688 is claim received by company against Compulsory acquisition of a part of land situated in Ahmedabad.This amount is not a final compensation. Proceedings are still going with authority against this compulsory acquisition.

**Note : 5 Long Term Provisions**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<u>Provision For Employees Benefit</u> Gratuity Payable	1,497,031.00	1,483,589.00
	<b>TOTAL</b>	<b>1,497,031.00</b>	<b>1,483,589.00</b>

**Note : 6 Short Term Borrowings**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<u>Loan Repayable on Demand</u>		
	- From Bank	-	-
	- From Other Parties	-	-
2	Loans & Advances From Related Parties	-	-
3	Deposits	-	-
4	Others loans & Advances	29,202,267.17	83,800,004.50
	<b>Total</b>	<b>29,202,267.17</b>	<b>83,800,004.50</b>

- i) Working Capital Loan from Axis Bank Limited is collaterally secured by residential property in the name of directors of the company and the personal guarantee of the directors of the company.  
ii) Cash Credit facility from IOB is primarily secured against hypothecation of paid up stock upto 90 days and entire current assets of the company.  
iii) Limit for letter of credits from IOB primarily Secured against documents of title to goods/underlying stocks/ accepted hundies  
iv) Limit for letter of guarantee from IOB primarily secured against counter guarantee of the company.  
v) All type of borrowings from IOB are collaterally secured by:-

- a) Residual value of exisiting fixed assets of the company valued by approved valuation officer.  
b) Equitable mortgage of residential flats at B-4/101 & B-4/103, Goyal intercity, Drive-in-Road, Ahmedabad in the name of company and residential value of Factory & Building situated at Kalol Distt, Gandhinagar  
c) Personal guarantee of Directors and corporate guarantee of M/s Kalptaru Alloys Pvt.Ltd., Kalptaru Fincap Ltd.,Kalptaru Insurance Brokers Ltd. And N.N.Papers Pvt.Ltd.  
vi) Working Capital Loan from Axis Bank has become NPA in Fin Year 2016-17



**Notes to Financial Statements**

**Note : 7 Trade Payable**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Payable against Materiel/Supplies	32,887,247.72	37,008,587.66
	<b>Total</b>	<b>32,887,247.72</b>	<b>37,008,587.66</b>

**Note :8 Other Current Liabilities**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Current Maturities of Long Term Debt	-	-
	- From Bank (within 12 months)	-	180,761,623.00
	- From Other Parties (within 12 mts)	339,566,012.57	6,320,156.00
2	Interest accrued but not due on borrowings	-	-
3	Interest accrued and due on borrowings	-	-
4	Statutory Dues	27,330.00	263,170.33
5	Unclaimed Dividend	-	-
6	Other Payables	-	-
	Creditors against Expenses	7,141,864.51	7,061,542.00
	Creditors against Capital goods	1,162,095.52	1,166,715.24
	Advance from Customers	-	-
	<b>Total</b>	<b>347,897,302.60</b>	<b>195,573,206.57</b>

i) Loan Outstanding with Indian Overseas Bank amounting Rs. 30,66,21,929.57 has been taken over by M/s Invent Assets Securitisation and Reconstruction Limited under SARFAESI Reconstructions Private Act 2002, vide letter dated 28/04/2017 with effect from 31/03/2007.

**Notes to Financial Statements**

**Note 9 :Short Term Provisions**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<b><u>Provision For Employees Benefit</u></b>		
	Providend Fund Payable	-	-
	Bonus Payable (10-11)	52,238.00	52,238.00
	Bonus Payable (11-12)	41,460.00	41,460.00
	Bonus Payable (12-13)	109,511.00	109,511.00
	Bonus Payable (13-14)	401,443.00	403,866.00
	Earn Leave Payable	858,112.00	858,112.00
2	<b><u>Others</u></b>		
	Interest Expenses Payable (IOB)	-	-
	Provision for Expenses	599,648.32	554,920.32
	Provision of Internal Audit Fee	-	-
	Provision for Expenses (others)	-	70,121,668.24
	Labour Charges (Contractor) Payable	-	-
	Legal & Professional Fee Payable	-	-
	Income Tax Provision	-	-
	Provision of Expense	9,200.00	66,211.00
		-	-
	<b>Total</b>	<b>2,071,612.32</b>	<b>72,207,986.56</b>

( Note 10) DEPRECIATION CHART AS PER COMPANIES ACT FOR THE PERIOD 01/04/2016 TO 31/03/2017

Sr · N o	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addit ion durin g the year	Deduction during the year	Value at the end	Value at the beginning	Sales/ Adjustment	Depreciation for the year	Total Depreciation	WDV as on 31.03.2017	WDV as on 31.03.2016
	<b>Tangible Assets</b>										
1	Land	10,57,469.00	-	-	10,57,469.00	-	-	-	-	10,57,469.00	10,57,469.00
2	Building	8,50,96,045.00	-	-	8,50,96,045.00	2,78,36,245.77	-	29,18,078.33	3,07,54,324.10	5,43,41,720.90	5,72,59,799.23
3	Plant and Machinery	37,23,07,218.51	-	-	37,23,07,218.51	19,59,18,341.82	-	2,24,11,527.07	21,83,29,868.89	15,39,77,349.62	17,63,88,876.69
4	Electrical Installation	4,42,17,494.12	-	1,84,484.00	4,40,33,010.12	2,59,66,409.91	1,63,853.26	37,05,817.32	2,95,08,373.97	1,45,24,636.15	1,82,51,084.21
5	Furnitures & Fixtures	25,29,974.80	-	-	25,29,974.80	23,75,072.15	-	8,326.27	23,83,398.42	1,46,576.38	1,54,902.65
6	Office Equipment	67,35,031.00	-	47,04,965.00	20,30,066.00	65,24,746.20	46,80,070.27	73,375.96	19,18,051.89	1,12,014.11	2,10,284.80
7	Vehicles	1,03,73,091.40	-	4,14,598.00	99,58,493.40	87,44,110.85	4,09,602.20	4,67,160.84	88,01,669.50	11,56,823.90	16,28,980.55
	<b>SUB TOTAL (A)</b>	<b>52,23,16,323.83</b>	<b>-</b>	<b>53,04,047.00</b>	<b>51,70,12,276.83</b>	<b>26,73,64,926.70</b>	<b>52,53,525.73</b>	<b>2,95,84,285.80</b>	<b>29,16,95,686.77</b>	<b>22,53,16,590.06</b>	<b>25,49,51,397.13</b>
II	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
1	Software	2,79,000.00	-	-	2,79,000.00	2,59,269.93	-	9,865.03	2,69,134.97	9,865.03	19,730.07
	<b>SUB TOTAL (B)</b>	<b>2,79,000.00</b>	<b>-</b>	<b>-</b>	<b>2,79,000.00</b>	<b>2,59,269.93</b>	<b>-</b>	<b>9,865.03</b>	<b>2,69,134.97</b>	<b>9,865.03</b>	<b>19,730.07</b>

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Sr · N o	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addit ion durin g the year	Deduction during the year	Value at the end	Value at the beginning	Sales/ Adjustment	Depreciation for the year	Total Depreciation	WDV as on 31.03.2017	WDV as on 31.03.2016
III	<u>Capital Work-in-progress</u>										
1	Capital Work-in-progress	9,54,65,684.38	-	-	9,54,65,684.38	-	-	-	-	9,54,65,684.38	9,54,65,684.38
	<b>SUB TOTAL (C)</b>	<b>9,54,65,684.38</b>	<b>-</b>	<b>-</b>	<b>9,54,65,684.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,54,65,684.38</b>	<b>9,54,65,684.38</b>
IV	<u>Intangible Assets Under Development</u>	-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Total [A + B + C + D] (Current Year)</b>	<b>61,80,61,008.21</b>	<b>-</b>	<b>53,04,047.00</b>	<b>61,27,56,961.21</b>	<b>26,76,24,196.63</b>	<b>52,53,525.73</b>	<b>2,95,94,150.83</b>	<b>29,19,64,821.74</b>	<b>32,07,92,139.47</b>	<b>35,04,36,811.58</b>

**Notes to Financial Statements**

**Note : 11 Non Current Investment**

( Amt.in Rs.)

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Investment in Property	-	-
2	Investment in Equity Instrument( G.S.F.C. shares-Quoted)	46,000.00	46,000.00
3	Investment in Preference shares	-	-
4	Investment in Government or Trust Securities	-	-
5	Investment in Debentures & Bonds	-	-
6	Investment in Mutual Fund	-	-
	- In Reliance Energy Fund	-	-
7	Investment in Partnership Firm	-	-
8	Other	-	-
<b>Total</b>		<b>46,000.00</b>	<b>46,000.00</b>

**Investment in Equity Shares:-**

(Quoted, Non-Trade)

4600 shares of Rs.10 face value of Gujrat State Financial Corporation Limited (G.S.F.C.) having market value of Rs. 3.00 per share as on 31/03/2016.

**Note : 12 Deferred Tax Assets (Net)**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<b><u>Deferred Tax Liability on account of:-</u></b> Derpeciation	-	(3,425,641.73)
		-	(3,425,641.73)
2	<b><u>Deferred Tax Assets on account of:-</u></b> (i) Gratuity (ii) Earn Leave (iii) Bonus Payable (iv) Loss c/f	- - - -	458,429.05 289,301.87 187,586.18 60,244,960.90
		-	61,180,277.99
	<b>Total</b>	<b>-</b>	<b>64,605,919.72</b>

i) Deferred tax is recognised only on timing difference between the accounting income and taxable income, which are capable of reversal in subsequent periods.

ii) Deferred assets on carried forward business loss and unabsorbed depreciation is recognised only if management.

iii) Value of deferred tax is assessed on each balance Sheet date and any change in value is recognised in the profit & loss appropriation account.

**Notes to Financial Statements**

**Note : 13 Long Term Loans and Advances**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
I)	<b><u>Capital Advances</u></b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	677,810.00	1,640,310.00
	c) Doubtful	-	-
	<b><u>Security Deposit</u></b>		
	a) Secured, Considered Good :	507,330.00	507,330.00
	b) Unsecured, Considered Good :		
	c) Doubtful	-	-
	<b>Total</b>	<b>1,185,140.00</b>	<b>2,147,640.00</b>

**Note : 14 Inventories**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Finished Goods	366,209.00	366,209.00
2	Goods in Transit	-	-
3	Raw Material	3,261,991.00	3,261,991.00
4	Stores & Spare Parts	15,572,170.54	15,572,170.54
5	Work in Progress	-	-
6	Packing Material	-	-
	<b>Total</b>	<b>19,200,370.54</b>	<b>19,200,370.54</b>

**i) Mode of Valuation of Inventories:-**

- Raw Material, stores & spares are valued at cost on FIFO basis.
- Work in Progress at estimated cost.
- Stock in transit are valued at cost.
- Finished goods are valued at cost or net realizable value whichever is lower on FIFO basis.
- Packing Material is valued at cost.

ii)	Detail of Raw Material:-		
	Ahmedabad		
	a) Kraft Waste		2,707,670.00
	b) News Waste		490,624.00
	c) Mix Tissue paper		33,800.00
	Satpuda		
	a) Bagasse		29,897.00
	Total		3,261,991.00
iii)	Detail of Finished Goods:-		
	Ahmedabad		
	a) Kraft Waste		258,555.00
	b) News Print		26,400.00
	c) Sundry Board		26,294.00
	d) MG Poster		54,960.00
	Total		366,209.00

**Notes to Financial Statements**

**Note : 15 Trade Recievables**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Outstanding for more than six months		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	12,056,694.07	12,128,201.97
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	<b>Total</b>	<b>12,056,694.07</b>	<b>12,128,201.97</b>

**Note : 16 Cash & Cash Equivalent**

Sr No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<b><u>Cash &amp; Bank Balances</u></b>		
	a) Cash in Hand	458,712.50	955,483.50
	b) Balance with Banks	132,869.01	22,024.30
2	<b><u>Other Bank Balances</u></b>		
	a) Unclaimed Dividend Account	-	-
3	Cheques on Hand (C)	-	-
4	<b><u>Others</u></b>		
	Margin Money with Bank	2,669,153.00	3,630,049.00
	<b>Total [ 1 + 2 + 3 ]</b>	<b>3,260,734.50</b>	<b>4,607,556.80</b>

**Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December 2016 as provided in the Table below:-**

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08-11-2016	NIL	409,402.00	409,402.00
(+) Permitted receipts	NIL	183000	183000
(-) Permitted payments	NIL	94960	94960
(-) Amount deposited in Banks	NIL	NIL	NIL
Closing cash in hand as on 30-12-2016	NIL	497442	497442

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8<sup>th</sup> November, 2016.



**Notes to Financial Statements**

**Note :17 Other Current Assets**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Advance Recoverable in cash or in kind	3,703,194.63	3,953,649.58
2	Advance to Staff	119,584.00	112,004.00
3	Advance to Suppliers	12,827,917.00	12,845,447.00
4	Indirect Taxes/Claims recoverables	3,927,605.78	3,860,273.61
5	Advance against Expenses	272,232.00	144,067.52
	<b>Total</b>	<b>20,850,533.41</b>	<b>20,915,441.71</b>

**Note : 18 Revenue from Operations**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Sales (Net of Return)	-	-
	Less:- Excise Duty	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note : 19 Other Income**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<u>Interest Income</u>		
	(i) Interest Received	235,027.00	301,353.00
	(ii) Interest on I.Tax Refund	-	-
2	<u>Dividend Income</u>	-	-
3	<u>Net Gain on Sale of Investments</u>	-	-
2	<u>Other non-operating income</u>		
	(i) Insurance Claim Received	-	-
	(ii) Miscellaneous Income	-	652,087.47
	(iii) Profit on Sale of Fixed Assets	15,978.71	257,119.11
	(iv) Foreign Exchange Fluctuation	83,173.00	-
	(v) Creditor written off	2,840,545.00	-
	<b>Total</b>	<b>3,174,723.71</b>	<b>1,210,559.58</b>

**Notes to Financial Statements**

**Note : 20 Cost of Material Consumed**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
	<b><u>RAW MATERIALS</u></b>		
	Opening Stock	3,232,094.00	3,232,094.00
	Purchases (including Direct cost)	-	-
	Less:-Closing Stock	(3,232,094.00)	(3,232,094.00)
	<b>Total</b>	-	-

**Import & Indigenous Raw Material Consumed:-**

	Previous Year	
	Value	Percentage
Imported	-	-
Indigenous	-	100.00
	-	100.00

**Note : 21 Purchase of Stock-in-Trade**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Purchase Account Trading	-	-
	<b>Total</b>	-	-

**Note : 22 Manufacturing & Operating Cost**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
	Building Repair & Maintenance	-	-
	Commission on Purchase	-	-
	Machinery Repairs & Maintenance	-	-
	Electric Repairs & Maintenance	-	-
	Power, Electricity & Water Charges	-	-
	Manufacturing Expenses (Others)	-	-
	Stores Consumed	-	-
	Packing Material Consumed	-	-
	<b>Total</b>	-	-

**Notes to Financial Statements**

**Import & Indigenous Stores & Spares parts Consumend:-**

	Previous Year	
	Value	Percentage
Imported	-	-
Indigenous	-	100.00

**Note : 23 Change in Inventories**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	<b>Opening Stock</b>		
	(i) Finished Goods	366,209.00	366,209.00
	(ii) Work in Progress	-	-
		366,209.00	366,209.00
2	<b>Closing Stock</b>		
	(i) Finished Goods	366,209.00	366,209.00
	(ii) Work in Progress	-	-
		366,209.00	366,209.00
	<b>Total</b>	-	-

**Note : 24 Employment Benefit Expenses**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Bonus Expense	-	2,661.00
2	Earn Leave Expense	-	-
3	Gratuity Expense	28,846.00	57,692.00
4	Providend Fund Contribution	-	-
5	Recruitment Expense	-	-
6	Salary ( Staff )	780,671.00	430,409.00
7	Salary ( Worker )	-	-
8	Director Remuneration	600,000.00	600,000.00
9	Staff Walfare& Medical Exp.	115.00	4,470.00
	<b>Total</b>	<b>1,409,632.00</b>	<b>1,095,232.00</b>

**Note :25 Financial Cost**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Bank Charges & Commission	5,539,462.08	38,713,457.16
2	Interest on Car Loan	-	4,070.20
3	Other Interest	-	-
	On TDS	7,990.00	29,199.00
	Other	2,262.00	5,284.00
4	Loan Processing Charges	3,690.00	
	<b>Total</b>	<b>5,553,404.08</b>	<b>38,752,010.36</b>

**Notes to Financial Statements**

**Note : 26 Depreciation & Amortised Cost**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Depreciation	29,594,153.68	30,358,826.17
	<b>Total</b>	<b>29,594,153.68</b>	<b>30,358,826.17</b>

**Note : 27 Other Expenses**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Advertisement Expenses	33,390.00	72,050.00
2	Audit Fees	100,000.00	100,000.00
3	Rebate & Discount	1.00	360,096.00
4	Electric Power ( Office )	198,651.00	193,721.00
5	Foreign Exchange Fluctuation	-	398,136.27
6	Insurance Expenses	1,810,045.10	1,440,219.90
7	Internal Audit Fee	240,000.00	240,000.00
8	Legal & Professional Fee	892,142.70	728,688.00
9	Debtors Written off	488,832.45	-
10	Miscellaneous Expenses	65,376.00	102,353.00
11	Postage & Telegram Expenses	3,552.00	29,438.00
12	Printing & Stationary	65,461.51	86,445.00
13	Rent	210,000.00	480,000.00
14	Repair & Maintenance Exp.	209,722.04	309,469.00
15	Subscription & Membership Fee	38,795.00	16,011.00
16	Travelling Expense ( Other Than Director)	25,279.00	38,068.00
17	Travelling Expense (Director)	10,550.00	15,220.00
18	Telephone Expense	157,841.85	183,395.51
19	Service Tax	6,178.03	134,560.00
20	Appeal Fees	1,000.00	-
21	MCD Tax	75,346.00	132,820.00
22	Penalty	25,000.00	-
	<b>Total</b>	<b>4,657,163.68</b>	<b>5,060,690.68</b>

	Year ended 2017
Audit Fees	44,000.00
Income Tax matter	56,000.00
	<b>100,000.00</b>

**Notes to Financial Statements**

**Note : 28 Prior Period Items :**

Sr. No	Particulars	As on 31.03.2017	As on 31.03.2016
1	Prior Period Expenses	956,231.73	-
2	Prior Period Incomes	(40,411.33)	-
	<b>Total</b>	<b>915,820.40</b>	-

**Note : 29 Expenditure in Foreign Currency:**

Particulars	Current Year	Previous Year
(a) Travelling (Director)	Rs.Nil	Rs.Nil

**Note : 30 Earnings in Foreign Currency:**

Particulars	Current Year	Previous Year
	Rs.Nil	Rs.Nil

**Notes to Financial Statements**

**Note : 31 Related Party disclosures-**

**1 Relationships:-**

**(A) Key Management Personnel**

Sh. J.K. Gupta	(Director Cum Chairman)
Sh. Naveen Gupta	(Managing Director)
Sh. Ram Vilas Chowdhary	(Independent Director)
Sh. Ramesh Chand	(Independent Director)
Sh. Arpit Gupta	(Chief Financial Officer)
Sudha Gupta	(Independent Director)

**(B) Associate Concerns**

N. N. Intratrade Services Private Limited (Earlier known as N.N Papers (P) Ltd.)  
Jai Kishan & Sons (HUF)  
Naveen Gupta (HUF)  
Kalptaru Alloys Pvt. Ltd.

S.No.	Nature of Transaction	Current year			Previous year		
		Key Management Personnel	Associate Concerns	Outatanding Balance	Key Management personnel	Associate Concern	Outstanding Balance
1	a) Director's Remuneration	600,000.00	Nil		600,000.00	Nil	
	b) Comp Cont to E.P.F	-	Nil		-	Nil	
2	Rent Paid	-	210,000.00	Nil		480,000.00	Nil
4	Loans accepted	1,950,000.00	13,171,724.00	123,225,353.00	15,799,108.00	21,794,266.12	114,575,396.00
5	Loans repaid	1,125,370.00	5,346,757.00	123,225,353.00	16,537,179.00	3,214,515.12	114,575,396.00

**Note : 32** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification or disclosure.

**Note : 33 Significant accounting policies and practices adopted by the company:-**

**Basis of Accounting:-**

- 1) Accounts of the company are prepared on mercantile system of accounting and on going concern basis. The accounting policies are consistent and in accordance with generally accepted Auditing Standards and Indian Accounting Standards specified by ICAI.

2) **Fixed Assets:-**

- a) Fixed assets are stated at cost of acquisition or construction, net of accumulated depreciation, cenvat credit adjustments and inclusive of non refundable taxes, incidental Expenses and interest on borrowings till the Assets are put to use  
b) Capital work – in – progress are valued at cost  
c) Land is valued at cost.  
d) Advances paid towards acquisition of Fixed assets are Shown as advance Against Capital Goods.

**Notes to Financial Statements**

- 3) **Depreciation:-**  
Depreciation on fixed assets has been provided on straight-line basis at useful life assumed by management.
- 4) **Recognition of Income & Expenditure**  
Items of income and expenditure are recognized on accrual basis, except various Govt. revenues, Insurance claims and prior period incomes.
- 5) **Excise Duty**  
Excise duty on manufactured goods is accounted for at the time of their clearance from the factory rather than at the time of manufacturing. The above policy has, however no impact on the operating results of the company.
- 6) **Investments**  
Permanent investments are valued at cost less permanent diminution, if any in value of investment.
- 7) **Employment Benefits**  
**A) Retirement Benefits**
  - i) **Gratuity**  
Liability for gratuity is accounted as per actuarial valuation and in accordance with the Accounting Standard 15 issued by ICAI.
  - ii) **Provident Fund**  
Retirement benefits in the form of provident fund are charged to profit & loss account for the year.**B) Short Term Employee Benefits**
  - i) **Leave Encashment**  
Provision for leave encashment made is to paid within 12 months.
- 8) **Borrowing Costs**
  - a. Interest on borrowing costs & other incidental expenses are charged to Profit & Loss except for the:
    - i) Interest on borrowings for acquisition of capital assets till the date of its put to use.
- 9) **Foreign Exchange Transactions**  
**Initial recognition**  
Import purchases and foreign creditors are initially recognised in the books at the exchange rates prevailing on the date of bill of entry.  
  
**Year End Disclosure**  
Foreign exchange creditors are translated at the exchange rates prevailing on the last day of accounting year and amount of fluctuation from initial recognition is charged to profit & loss account.
- 10) **Revenue Recognition**
  - i) Revenue is recognised on completion of sale of goods
  - ii) Sales are stated at inclusive of excise duty and net of sales tax /vat & other incidental amount collected.
- 11) **Taxation**  
Income tax on current year profits has been accounted for as per provisions of Income Tax Act, 1961.
- 12) **Cash Flow Statement**  
Cash flow statement is prepared as per indirect method prescribed under Accounting Standard 3 issued By ICAI.
- 13) **Prior period Items**
  - i) Prior period items are incomes/ expenses, which arise in the current period due to error or omissions in the preparation of financial statements of one or more earlier Period.
- 14) **Segment Reporting**  
Company is engaged in the core business of manufacturing of paper; therefore reporting requirements of under AS-17 are not applicable in the company case.



**Notes to Financial Statements**

15) **Estimated amount of contracts remaining to be executed on capital A/c and not provided for:-**

CURRENT YEAR - Rs.Nil  
PREVIOUS YEAR - Rs.Nil

16) **Claims against the company not acknowledged as debts:-**

CURRENT YEAR -Rs. Nil  
PREVIOUS YEAR -Rs. Nil

17) In the opinion of the Board of Directors, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

18) **Contingent Liabilities :-**

S. No.	Name of Statute	Financial year	Amount
1	Gujarat VAT Act	FY 2012-13	9,612.00
2	Gujarat VAT Act	FY 2011-12	663,363.00

<b>NAVEEN GUPTA</b>	<b>JAI KISHAN GUPTA</b>	<b>ARPIT GUPTA</b>	<b>CA ABHIJAI AGGARWAL</b>
<b>(MANAGING DIRECTOR)</b>	<b>(DIRECTOR)</b>	<b>CHIEF FINANCIAL OFFICER</b>	<b>CHARTERED ACCOUNTANT</b>
<b>(DIN 00148096)</b>	<b>(DIN 00148067)</b>	<b>(PAN AISPG4740M)</b>	<b>( M. No. 517463)</b>

Place: Ahmedabad

Date: 29.05.2017

**Cash Flow Statement**

Particular	Current Year	Current Year	Previous Year	Previous Year
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
<b>[A] Cash flow from Operating Activities</b>				
Net Profit after tax as per Profit & Loss A/c	(103,561,369.59)		(26,024,951.56)	
<b>Add: Adjustment for Non Cash Items</b>				
Deferred Tax	64,605,919.73		(48,031,248.05)	
Depreciation	29,594,153.41		30,358,826.17	
Loss on sale of Fixed Assets	-		0.00	
Profit on sale of Fixed Assets	(15,978.71)		0.00	
Provision for Taxes	-		-	
Financial Charges Paid	5,553,404.08		38,752,010.36	
<b>Change in Assets and Liabilities</b>				
Change in Inventory	-		-	
Change in Trade Receivables	71,507.90		6,914,644.12	
Change in Loans and Advances	962,500.00		27,640,946.00	
Change in Other current Assets	64,908.30		2,103,380.40	
Change in Non-current Assets	-		4,323,704.50	
Change in Trade Payable	(4,121,339.94)		(5,265,338.80)	
Change in other Liabilities	152,449,093.48		227,121.40	
Change in Long Term Provisions	13,442.00		57,692.00	
Change in Short Term Provisions	(70,136,374.32)		27,646,074.83	
Less : Tax Paid	-		-	
<b>Net Cash Inflow from Operating Activities [A]</b>		<b>75,479,865.83</b>		<b>58,702,861.37</b>
<b>[B] Cash Flow from Investing Activities</b>				
Net Addition to Fixed Assets Including Capital WIP	-		-	
Sale of Fixed Assets	66,500.00		182,880.89	
Investment in FDR	-		-	
<b>Net Cash Inflow from Investing Activities [B]</b>		<b>66,500.00</b>		<b>182,880.89</b>
<b>[C] Cash Flow from Financing Activities</b>				
Proceeds / Repayment from Short Term borrowing	(54,597,737.33)		38,050,743.25	
Proceeds from Term Borrowing	(16,742,046.72)		(56,396,263.43)	
Financial Charges Paid	(5,553,404.08)		(38,752,010.36)	
<b>Net Cash Inflow from Financial Activities [C]</b>		<b>(76,893,188.13)</b>		<b>(57,097,530.54)</b>
<b>Net Cash and Cash Equivaletns [ A + B + C ]</b>		<b>(1,346,822.30)</b>		<b>1,788,211.72</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	4,607,556.80		2,819,345.08	
<b>Closing Balance of Cash and Cash Equivalents</b>		<b>3,260,734.50</b>		<b>4,607,556.80</b>

Auditor's Report As per our report of even date attached  
For V. D. Aggarwal and Co.  
Chartered Accountants

For and on behalf of the Board

CA Abhijai Aggarwal  
Partner  
M.N:517463  
FRN No. 008332N

Arpit Gupta  
Chief Financial Officer  
PAN AISPG4740M

Naveen Gupta  
Managing Director  
DIN 00148096

Jaikishan Gupta  
Director  
DIN 00148067

Place : Ahmedabad  
Date : 29/05/2017



CIN:L21019GJ1988PLC040325

Registered Office : 701, Avdhesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad - 380054

### ATTENDANCE SLIP

Full name of the member attending \_\_\_\_\_

Full name of the joint-holder: \_\_\_\_\_

(To be filled in if first named Joint - holder does not attend meeting)

Name of Proxy: \_\_\_\_\_

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of Kalptaru Papers Limited held at 701, Avdhesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad - 380054 at 11:30 a.m. on Wednesday, 27th day of September, 2017.

Registered Folio No :

DPId.\* \_\_\_\_\_

No of ShareHeld \_\_\_\_\_

ClientId.\* \_\_\_\_\_

Member's /Proxy's name In Block Letters

Member's / Proxy's Signature

\*Applicable for investors holding shares in electronic form

### KALPTARU PAPERS LIMITED

CIN:L21019GJ1988PLC040325

Registered Office : 701, Avdhesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad - 380054

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] Name of Members :

Registered Address :

E-mail Address :

Folio No. | Client ID

:DPId :

I / We, being the member(s) of ..... shares of the above named Company, hereby appoint:

- 1) Name: \_\_\_\_\_  
Address : \_\_\_\_\_  
E Mail : \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
- 2) Name: \_\_\_\_\_  
Address : \_\_\_\_\_  
E Mail : \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
- 3) Name: \_\_\_\_\_  
Address : \_\_\_\_\_  
E Mail : \_\_\_\_\_  
Signature : \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the members of the company to be held on Wednesday, 27th day of September, 2017 at 11:30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

NO	RESOLUTIONS
	<b>ORDINARY BUSINESS</b>
1	Adoption of Annual Accounts of the Company as on 31 March, 2017 (Ordinary Resolution).
2	Re-appointment of Mr. Naveen Gupta who retires by rotation (Ordinary Resolution)
3	Appointment of M/s. Manoj Garg and Associates Chartered Accountants, Delhi as Auditors of the Company and fixing their remuneration (Ordinary Resolution).

Signed this ..... day of ..... 2017

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

Affix  
1 Rupee  
Revenue  
Stamp

If undelivered, please return to :

---



Registered Office :

701, Avdhesh House, Opp. Gurudwara, Near ThaltejChokdi, Ahmedabad-380054

Tel.: 079 26858510/511 Fax : 079 30171202 E-mail : [contact@kalptaru.co.in](mailto:contact@kalptaru.co.in) Website : [www.kalptaru.co.in](http://www.kalptaru.co.in)

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